



Modern Slavery Statement

VetPartners

vetpartners.com.au

MODERN SLAVERY STATEMENT

Introduction

At VetPartners, we believe everyone has the right to a life free from exploitation, forced labour, child labour and servitude. We oppose slavery in all its forms. We are committed to ensuring that this is not taking place in our supply chains or in any part of our business.

This modern slavery statement has been prepared in accordance with the requirements under the Modern Slavery Act 2018 (Cth) (the "**Act**") for the reporting period 1 July 2019 to 30 June 2020 and sets out the actions we have taken to understand and minimise the modern slavery risks in our business or our supply chains.

Reporting Entities

This statement covers:

- Australian Veterinary Owners League Pty Ltd (**AVOL**); and
- Subsidiaries required to report under the Act, as detailed in Annexure A. ("**Reporting Entities**")

(together, the "**Group**" or "**VetPartners**")

This statement has been prepared in consultation with the Reporting Entities.

About our business operations

VetPartners was established in 2016 and started as a community of just 32 veterinary practices across three states in Australia.

VetPartners has grown at a rapid pace and today, is a community of over 250 veterinary practices across Australia, New Zealand and Singapore. VetPartners also operates a number of other related service businesses.

Our practices focus on the delivery of animal health care in Australia, New Zealand and Singapore.

Our organisational structure

The Board of Directors ("**Board**") is responsible for overseeing the performance and operations of the Group and provides oversight and review, through the Risk and Compliance Committee of how the business is managing modern slavery risks.

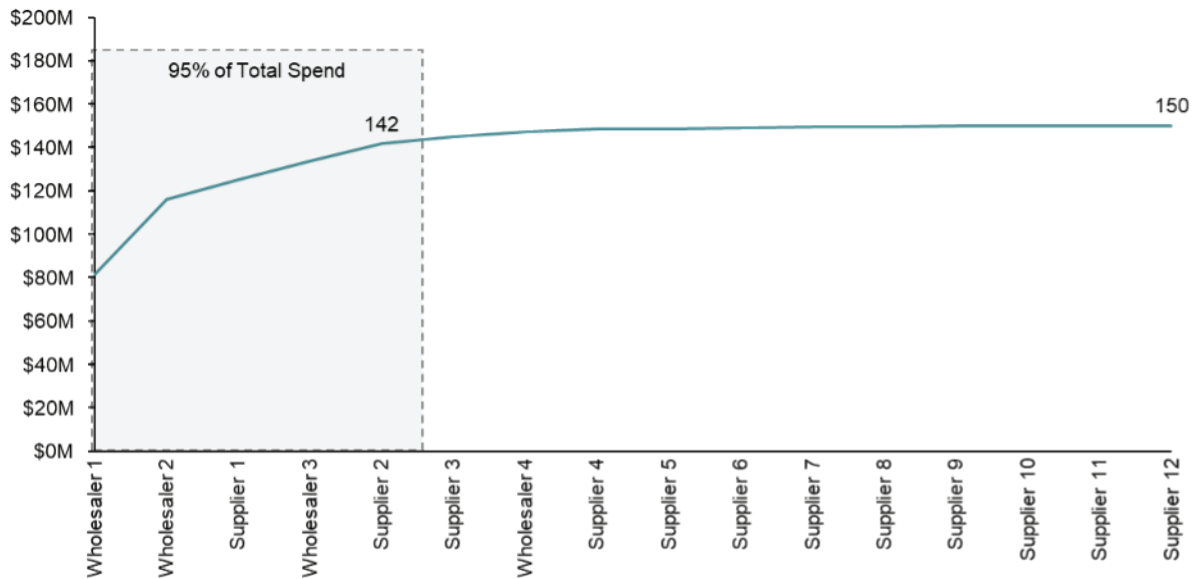
The Risk and Compliance Committee is responsible for identifying and evaluating modern slavery risks. This is facilitated by the Heads of Department who report into the Committee through their nominated risk representatives.

The Executive Leadership Team (**ELT**) has day to day responsibility for supervising and implementing actions to address modern slavery risks.

Supply chains

The Group Procurement team supports our practice portfolio to optimise commercial agreements with wholesalers and product distributors. The main categories of purchasing include medication, parasiticides, nutrition, vaccines and pathology. ~95% of the Group's spend is focused on five suppliers - three wholesalers and two product manufacturers. These five main suppliers are all based in Australia.

CY20 Cumulative Spend per Number of Suppliers (\$M – ex GST)¹



We have undertaken a risk assessment in relation to these five suppliers in respect of modern slavery, as we see this as a key business risk area.

COVID-19 Impact

COVID-19 has had a moderate impact on our operations. Although our client patient-facing operations were not significantly interrupted by COVID-19, most of our suppliers experienced shortages of products and higher shipment costs (which were ultimately passed on the VetPartners through price increases), due to the challenges many suppliers were and are still facing because of the pandemic, including:

1. forced shutdowns or reduced production;
2. how best to protect workers from COVID-19, where work cannot be carried out remotely;
3. balancing the increased demand for essential goods such as facemasks and hand sanitiser with a reduced workforce; and
4. businesses implementing cost cutting measures and placing additional pressures on suppliers to reduce their prices.

We are conscious that these pressures increase the risk for modern slavery in supply chains and to manage these risks, we will:

1. regularly engage with our suppliers to revisit and reassess risks within their supply chain; and
2. revisit our initial modern slavery risk assessment and conduct hot spot analysis because of factors that increase the vulnerability of workers during COVID-19 (particularly, geographic region and type of product and service).

Despite the above, some manufacturers have relocated production to countries with regulatory controls in respect of modern slavery, such as Australia and wholesalers have increased purchasing products from local manufacturers in order to hedge risk. This has had a positive impact on the overall risk rating in respect of modern slavery in our supply chain.

Modern Slavery Risk Assessment

Supplier/ Wholesaler	Overview	Modern Slavery Risks Identified	Controls Identified	Overall Risk
Wholesaler 1	~50% of spend. Supplies goods across medication, vaccines, parasiticides, nutrition and consumables.	Contracts do not include provisions relating to modern slavery. The range of goods and geographic locations in which	The wholesaler/supplier is based in Australia where the industry is highly regulated. No knowledge of any human rights violations by the wholesaler/supplier.	LOW
Wholesaler 2	~20% of spend. Supplies goods across medication, vaccines, parasiticides, nutrition and consumables.	the goods are sourced from the original manufacturer may have implications for modern slavery risks in the supply chain.	The wholesaler/supplier has adopted a risk-based approach and implemented controls to identify and address modern slavery risks in the supply chain. Systems and controls reviewed annually by the wholesaler/supplier.	
Supplier 1	~10% of spend. Provides pathology equipment, consumables and maintenance services.		Wholesaler has its own due diligence process to help determine the level of risk presented by manufacturers. The information gathered as part of due diligence is used to determine the acceptability of manufacturers local practices.	
Wholesaler 3	~10% of spend Supplies goods across medication, vaccines, parasiticides, nutrition and consumables.		VetPartners has implemented controls outlined in the section of this statement titled "Actions taken to assess and address modern slavery risks" .	
Supplier 2	~10% of spend Supplies medication, parasiticide and vaccine products.		VetPartners does not enter exclusive arrangements with suppliers and does not have a positive obligation to purchase goods.	

Risk Rating

Modern Slavery risks are assessed according to VetPartners broader risk management framework which takes into account of the likelihood of the risk arising and the consequence if the risk event happens.

As a general guide, the following should occur for each risk rating:



EXTREME	HIGH	MEDIUM	LOW	VERY LOW
Immediate attention or action is required. The risk must be brought to the attention of the Chief Executive Officer and Board immediately.	Executive Leadership Team attention is required. The risk must be overseen and monitored by the Executive Leadership Team for progress and reported to the Chief Executive Officer and the Board.	Management responsibility and oversight must be specified.	The risk can be managed through routine procedures.	The risk can be managed through routine procedures.

Actions taken to assess and address modern slavery risks

We have taken (or intend to take) the following actions to assess and address modern slavery risks:

Policies

1. Grievance and Whistle Blower Policies

These policies encourage employees to raise concerns about modern slavery risks and to report incidents of modern slavery. The policies set out reporting avenues and guidelines for the investigation and (where necessary) remediation of any confirmed report.

2. Supplier Code of Conduct

We are in the process of preparing a Supplier Code of Conduct. The code will ensure that we only engage with suppliers who:

- a. operate in accordance with universal human and labour rights;
- b. engage workers who have capacity, are of legal age and free will/consent to work;
- c. implement employment practices to protect all persons who are not of legal age from working;
- d. implement practices to protect rights of workers to voluntarily work, free of compulsion or coercion, and which, at a minimum, conform to universal human and labour rights and legislated employment standards in the relevant jurisdiction.

3. Allocation of modern slavery reporting responsibilities

We have established a Risk and Compliance Committee (RCC). The RCC is a delegate committee of the Board. The RCC are responsible for identifying and evaluating modern slavery risks and reporting those risks to the Board and Executive Leadership Team.

4. Due diligence

We have implemented a supplier due diligence program which includes requiring existing and new suppliers to complete a questionnaire and provide copies of their policies relating to modern slavery. This enables us to identify modern slavery risks in the supply chain and focus suppliers' attention on modern slavery risks within their business. We intend to undertake ongoing and periodic due diligence reviews with our suppliers.

5. Contracts

We will leverage compliance and safeguarding through our contracts with suppliers by ensuring all future contracts:

- a. Include a provision requiring adherence to our Supplier Code of Conduct.
- b. Include specific modern slavery provisions making the contract subject to:
 - i. satisfactory audit of supplier working practices;
 - ii. interviews with the supplier's personnel;
 - iii. ongoing monitoring and auditing of the supplier through the life of the contract;
 - iv. termination rights and other remedies in the event modern slavery risks are identified.

6. Training:

We will implement general training for employees on how to understand, identify and report modern slavery.

We will implement targeted training for legal, procurement HR, property and management including a detailed overview of the requirements under the Modern Slavery Act 2018 (Cth).

Assessing the effectiveness of these actions

We recognise the importance of evaluating the effectiveness of actions taken to combat modern slavery during each reporting period. Below is our plan for tracking the effectiveness of our responses and aspirations for the next reporting period.

Action Item	KPI to measure effectiveness	Aspirations for next reporting period
Review existing policies and create new policies and to ensure they address modern slavery.	Employee awareness of the new and updated policies and reporting processes. This is to be assessed by way of training. Supplier awareness of relevant policies and reporting processes. This is to be verified during quarterly due diligence reviews.	100% of relevant employees aware of updated and new policies addressing modern slavery.
Map business operations and supply chains to identify at risk areas.	Modern slavery risks identified, and appropriate control implemented.	Mapping to include labour contracts, recruitment processes and certain independent services.
Undertake due diligence to identify and assess modern slavery risks within operations and supply chains.	Modern slavery risks identified, and appropriate control implemented.	Ongoing and period due diligence reviews.
Update contracts to include modern slavery provisions.	Ability to audit supplier records and ensure supplier participation in periodic due diligence reviews.	All procurement and labour contracts to include modern slavery provisions.
Training of relevant employees.	Employee awareness of modern slavery risks, controls, and reporting process.	Employee induction training to include modern slavery training.

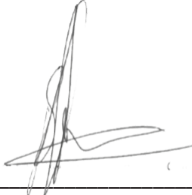
Remediation framework

If we identify suppliers who perpetrate or are at high risk of perpetrating modern slavery offences, we will do any or all of the following:

- Work with the supplier to implement a remediation plan.
- Increase auditing.
- Reduce spend, suspend or terminate the engagement.

Consultation and approval process

This modern slavery statement has been prepared by Australian Veterinary Owners League Pty Ltd in consultation with the Reporting Entities. This statement was approved by the Board on 31 March 2021.



Brett Darryl Hodgkin
Director, Australian Veterinary Owners League Pty Ltd

ANNEXURE A

REPORTING ENTITIES

AAH Finance Pty Ltd
AAH Group Pty Ltd
Adelaide Animal Hospitals Pty Ltd
Albion Vet Surgery Pty Ltd
Alpha Holdings Pty Ltd
AMS Alexandria Pty Ltd
Anne M.Dynon Pty Ltd
Aussie Paws Operations Pty Ltd
Australian Animal Hospitals Pty Ltd
Australian Veterinary Owner's League Pty Ltd
Balwyn Veterinary Surgery Pty Ltd
Brunswick Central Operations Pty Ltd
Caring Vets Pty Ltd
Cremorne Veterinary Hospital Pty Ltd
Debritz Holdings Pty Ltd
Eastside Veterinary Emergency and Specialists Pty Ltd
Figtree Veterinary Hospital Pty Ltd
Fitzroy Operations Pty Ltd
Greenfields Veterinary Hospital Pty Ltd
Herriot House Pty Ltd
Kest Pty Ltd
Manracco Pty Ltd
ML & L Pty Ltd
My Pet Hub Balaclava Pty Ltd
My Pet Hub Redlynch and Brinsmead Pty Ltd
National Veterinary Care Pty Ltd
Noice Investments Pty Ltd
North Shore Veterinary Holdings Pty Ltd
North Shore Veterinary Hospitals Pty Ltd
NVA Australia Holdings Pty Ltd
NVA Australia Parent Pty Ltd
NVC Operations NSW Pty Ltd
NVC Operations Pty Ltd
Ourimbah Veterinary Hospital Pty Ltd
Parramatta Veterinary Surgical Specialists Pty Ltd
Pet General Aberfoyle Pty Ltd
Pet General Burpengary Pty Ltd
Pet General Clayfield Pty Ltd
Pet General Corio and Lara Pty Ltd
Pet General East Bentleigh Pty Ltd
Pet General Ferntree Gully Pty Ltd
Pet General Forest Hill Pty Ltd
Pet General Grafton Pty Ltd
Pet General Indooroopilly Pty Ltd
Pet General Lakehaven Pty Ltd
Pet General Lincoln Pty Ltd
Pet General Pty Ltd
Pet General Quakers Hill Pty Ltd
Pet General Salisbury Pty Ltd
Pet General V4P Pty Ltd
Pet General Vineyard Pty Ltd
Petcorp Bankstown Pty Ltd
Petcorp Bexley Pty Ltd
Petcorp Epping Pty Ltd
Petcorp Guildford Pty Ltd
Petcorp Parramatta Pty Ltd
Petcorp Ryde Pty Ltd
Petcorp Waverley Pty Ltd
Robin G. Stanley Pty Ltd
SEAH Staff Pty Ltd
SheppVets Pty Ltd
Southpaws Vet Mornington Pty Ltd
Southpaws Vet Pty Ltd
Townsville Operations Pty Ltd
Tredream Pty Ltd
Universal Vet Services Pty Ltd
UVG (Aust) Pty Ltd
UVG (IP) Pty Ltd
UVG (USA) Pty Ltd
UVG Holdings Pty Ltd
V4P Pty Ltd
Vet Centre Montrose Pty Ltd
Vet Ventures Pty Ltd
Veterinary Happiness Redland Bay Surgery Pty Ltd
Veterinary Surgical Associates Pty Ltd
VetPartners ACT Pty Ltd
Vetpartners Adelaide Plains Veterinary Surgery Pty Ltd
Vetpartners Aus Pty Ltd
Vetpartners Australia Pty Ltd
VetPartners Canberra Equine Hospital Pty Ltd
VetPartners Castle Hill Pty Ltd
VetPartners Fawkner Veterinary Hospital Pty Ltd
VetPartners NSW Pty Ltd
VetPartners NVC Pty Ltd
VetPartners Operations WA Pty Ltd
VetPartners Perth Veterinary Specialists Pty Ltd
VetPartners Pet R.I.P Pty Ltd
VetPartners Qld Pty Ltd
VetPartners Rossmore Pty Ltd
Vetpartners SA Pty Ltd
VetPartners South Eastern Animal Hospital Pty Ltd
VetPartners VIC Pty Ltd
VetPartners WA Pty Ltd
VetWest Pty Ltd
VetWest WA Pty Ltd
Wambivet Pty Ltd
Wysch Pty Ltd
Vetpartners Supervets Pty Ltd
Vetpartners Whitehorse Veterinary Hospital Pty Ltd