

# Modern Slavery Statement

2020/21

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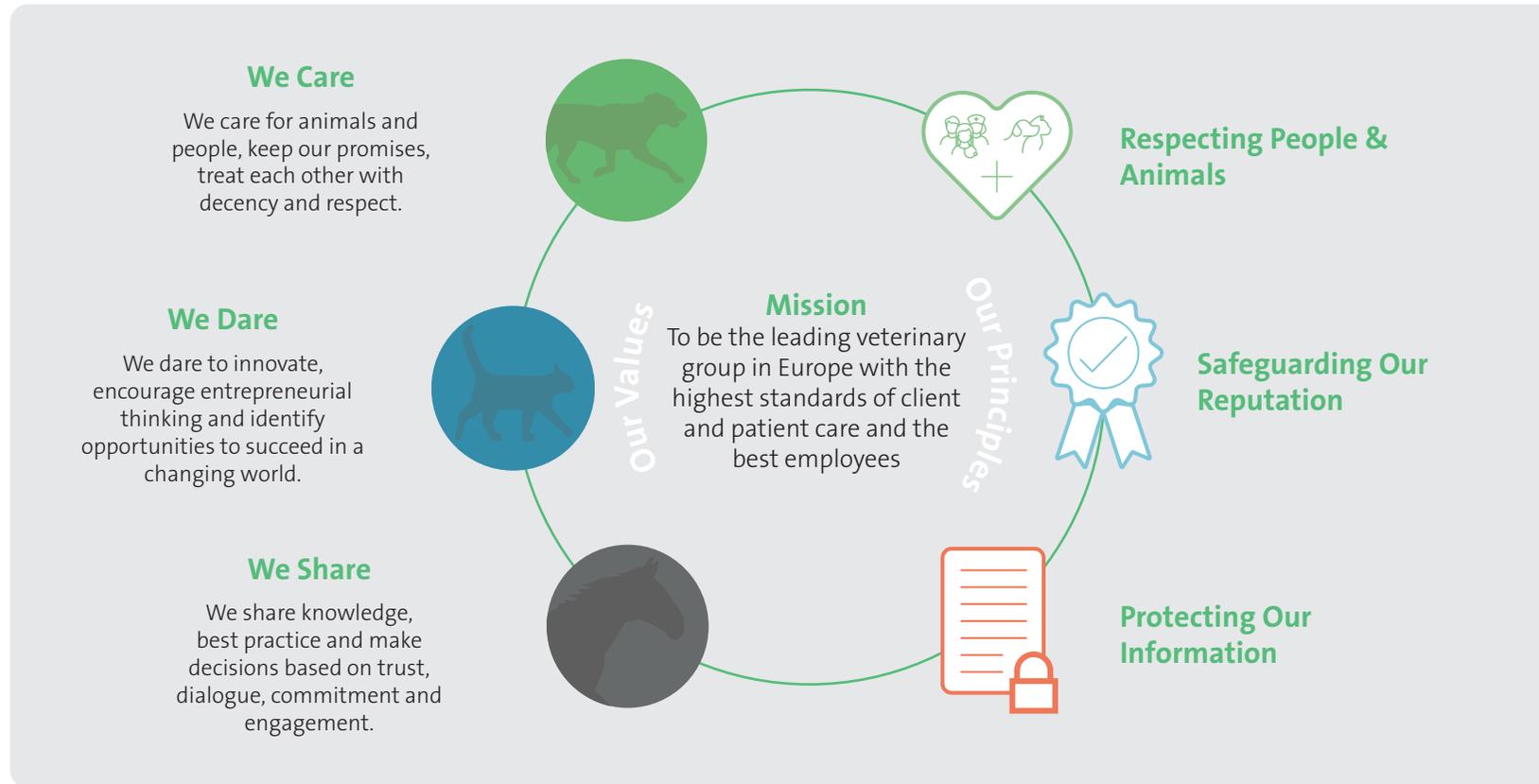
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# Our Commitment

This is our third Modern Slavery Statement published in accordance with the Modern Slavery Act 2015 (MSA).

One of the key principles in our Code of Conduct is “Respecting People and Animals”. We do not differentiate between those people who work within IVC Evidensia and those within our supply chain.



This Statement is made pursuant to the MSA. The statement is made by IVC Evidensia Limited as parent company of the group companies that can be found on the link in Appendix 1 and governs the activities of those group companies. The statement outlines the steps IVC Evidensia has taken to assess and reduce the risk of slavery and human trafficking occurring within our business and supply chain during the financial year 2020/21. The statement outlines our ongoing commitment to continue to mitigate the risk. The data included in this statement covers IVC Evidensia’s financial year to the 30th September 2021 and covers all of our owned operations unless otherwise stated.

The prevention, detection and reporting of modern slavery throughout of our business and supply chain is the responsibility of everyone at IVC Evidensia.

Slavery, servitude, forced labour, bonded labour, and human trafficking are issues of increasing global concern, affecting all sectors, regions, and economies. Modern slavery is a crime and a violation of human rights and is fundamentally unacceptable. Combatting Modern Slavery is an important element of our overall approach to business and human rights. We are committed to respecting, protecting, and championing the human rights of all those who come into contact with our operations, including employees, supply chain workers, clients and local communities.

We accept our responsibility to support transparency; to find and resolve problems, to regularly review our business practices, and to collaborate with others to protect the rights of workers, particularly those who are most vulnerable to abuse such as modern slavery. IVC Evidensia has expanded rapidly over the last five years. To support this responsibility, we recruited a Legal and Compliance team. One of the key priorities for this year was to complete a Modern Slavery risk assessment to identify any gaps in our operational processes and controls. The findings from our risk assessment will form the basis for our activity in the 2021/22 year.

This statement is made in accordance with section 54(1) of the Modern Slavery Act 2015 and constitutes IVC Evidensia's slavery and human trafficking statement for the financial year commencing October 2020 and ending September 2021.

This Statement has been approved by the Board of IVC Evidensia Limited on 1st October 2021.



**Steve Clarke**  
**Chief Executive Officer,**  
**1st October 2021**



# Strategy & Governance

## Strategy

Our approach as set out in our Code of Conduct and Positive Pawprint is to mitigate against the risk of modern slavery by structuring our activity around the five key areas outlined here. Our statement covers each of these in turn.

### Our strategy considers best practice and utilises a number of key sources including:

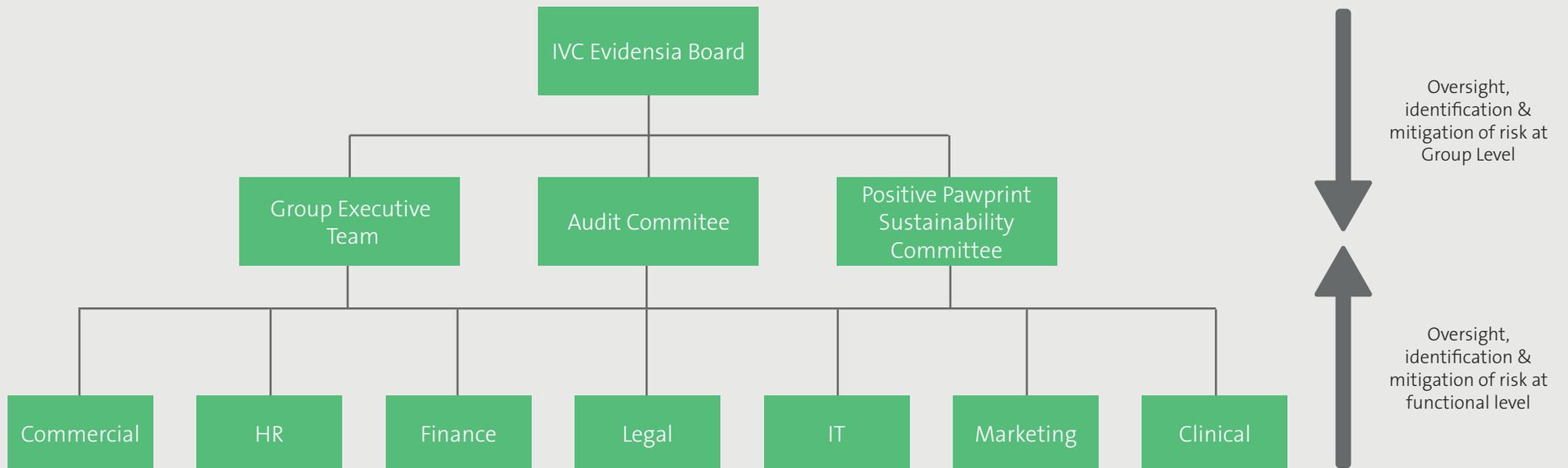
- The Home Office statutory guidance;
- The Chartered Institute of Procurement and Supply (CIPS);
- The International Bill of Human Rights;
- International Labour Organisation Standards;
- The French Devoir de Vigilance Law;
- The Dutch Child Labour Due Diligence Law;
- EU Charter of Fundamental Rights; and
- The United Nations Guiding Principles on Business and Human Rights.



## Governance

Our Positive Pawprint Sustainability Committee doubles as our modern slavery and human rights working committee. Our Group General Counsel has overall responsibility for our approach to modern slavery. The Board provides oversight and signs off on our approach annually and where there are any major changes. The Group Executive Team are responsible for the day-to-day compliance and oversight of operations.

Responsibility for the preparation of our Modern Slavery Statement sits with the Board of Directors. The Audit Committee provides independent oversight and challenge. A number of departments and functions are responsible for the devising of policies and processes which will support IVC Evidensia's human rights responsibilities.



# Organisational Structure

IVC Evidensia is a group of privately owned limited liability company registered in England and Wales. We are primarily a veterinary care provider across Europe. The term “IVC Evidensia” as used in this statement refers collectively to IVC Evidensia and its group companies which cover other services including pet crematoriums and clinical waste disposal, pet pharmaceuticals, animal hospitals and direct debit services.

Our registered head office is in Keynsham and we have a distribution centre located near Bristol for our online pet pharmaceutical business. We have approximately 1600 clinics and hospitals across the UK and mainland Europe. The Group employs 24,000 people working part and fulltime on different contracts across veterinary practices, crematoriums, warehouses, animal hospitals and support offices throughout the UK and mainland Europe.

Our operations are located across seventeen countries: UK, Republic of Ireland, France, Germany, Spain, Norway, Sweden, Denmark, Finland, the Netherlands, Belgium, Switzerland, Spain, Canada, Poland, Czech Republic, USA and Portugal. Each country is supported by corporate functions providing services in Human Resources, Finance, Marketing, IT and Procurement.

The rapid growth of the business and its scope highlighted the need for us to risk assess and review our broadening supply chain. To find out more about the nature of our business, click [ivcevidensia.co.uk](http://ivcevidensia.co.uk)

**25,469** Total Employees



**9168**

**Office Based**



**7009**

**Vets**

**9065**

**Veterinary Nurses**



**18,479**

**Full Time**

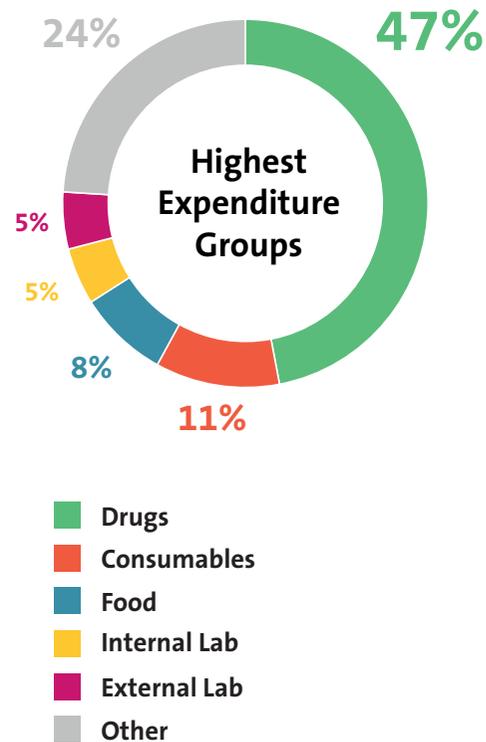
**Note:** This Statement does not include any data relating to our recent Canadian acquisition that occurred in the last weeks of FY21. They will be included in the FY22 Statement.

## Our Supply Chains

Our procurement function is accountable for the purchasing of goods and services that support the operations of our practices and services to our clients.

The location of circa 60% of our supply base is in the UK with the rest predominantly in European countries therefore the geographical risk of modern slavery occurring is low, however we do source certain products, including medical consumables, from higher risk countries.

Currency/ Country	By % of spend
UK	60.76%
Europe	26.21%
Sweden	9.09%
Norway	2.02%
Switzerland	0.91%
Denmark	0.86%
US	0.10%
Czech Republic	0.05%



In order to provide veterinary services, we work with a range of suppliers.

We divide our Supply Chain in to three separate areas:

1



Products we purchase to provide Veterinary services in our practices and hospitals

2



Products for re-sale on our websites including own brand and third party brands, resale in clinics and online

3



Non Stock items and services, including outsourced deliveries, logistics, technology, cleaning and catering (non stock)

The Group has centrally negotiated procurement contracts across the main procurement categories. All veterinary pharmaceuticals are purchased through three wholesalers (under direct supply agreements). In several of our largest markets the clinics purchase veterinary products through wholesalers we have contracts in place with (UK, Ireland, Benelux, France, Finland). In those markets where there are no wholesalers, the Group has direct supply contracts in place with the major suppliers of veterinary products (e.g. pharmaceuticals, nutrition, lab, medical consumables) and these are negotiated at Group level with the contracts being either at Group or country level.

Our supply chain also includes medical consumables and equipment, animal drugs and feeds, office supplies, marketing materials, IT hardware and software, services such as cleaning, waste management, office fixtures and fittings during fit out, refurbishments and maintenance, uniforms and catering, hospitality services such as hotels for conferences and training events, vehicles and accommodation, security systems and couriers as well as recruitment agents, insurance brokers and temporary staff provision.

We are committed to working collaboratively with our suppliers to engage and communicate our expectations and to gain insight and confidence in the steps they are taking to mitigate this risk.

We are using our risk assessment findings to ensure we target suppliers operating in the high risk locations and sectors through our new supplier assessment (see Risk Assessment section) and will commence our review with our highest risk supplier categories in accordance with modern slavery acknowledged risk sectors including Pharmaceuticals and medical supplies.

Our Positive Pawprint initiatives include a requirement to devise a Supplier Code of Conduct which sets out the key principles and behaviours we expect our suppliers to adopt. This is in draft format and will be communicated on a priority basis according to spend, sector, location and other risk factors in the new financial year. It includes an expectation that all employees in our supply chain are always treated fairly; ensuring their working conditions, working hours and wages always comply with the UN International Labour Organisation (ILO) standards.

Contracts for these categories are typically negotiated in country or by region.

The supply chain for these items is much more varied and includes a vast number of individual, SMEs and multi-national companies and this is an area we are looking to consolidate.

We spend over £617m a year through our supply chain and work with 313 supply chain partners who account for approximately 80% of our spend within our associated Group companies to deliver our operations responsibly.



## Due Diligence

The location of 40% of our supply base is in the UK with the rest predominantly in European countries therefore the geographical risk of modern slavery occurring is low, however we do source certain products, including consumables and medical equipment, from higher risk countries.



### Employees

IVC Evidensia's recruitment strategy is focused on attracting, developing and retaining the best talent to support our mission to be the leading veterinary group in Europe with the highest standards of client and patient care and the best employees. We want our colleagues to feel part of our family and share the same values and ethics.

As part of our recruitment practices we ensure all employees have a written contract of employment and complete basic compliance checks - right to work -for all workers, including temporary employees. We have completed enhanced due diligence checks to identify any employees with shared banks accounts and addresses as this can be a factor in modern slavery and bonded labour.



### Suppliers

IVC Evidensia are working on a strategy to ensure alignment and consistency with our approach to tackling modern slavery across the Group, with a particular focus on engagement, awareness and supplier due diligence.

We operate a supplier policy and maintain a preferred supplier list. Our risk assessment identified there is a high degree of autonomy in this area and addressing this will form part of our action plan for the new year.

Our newly devised electronic Supplier Assessment has been tested ready for launch and is an assurance process which will be used across the Group for all new suppliers going through the tender process. The rollout programme takes a tailored approach to ensure the process is relevant and reflective of supplier size, sector and location and includes an affirmation from the suppliers that they have received, reviewed and understood it, and that the information they have provides is a true and accurate reflection of their operational approach to complying with the Modern Slavery Act 2015. They are required to sign up to our Code of Conduct or to provide their own which must have equivalent standards.

Through the application of a standardised and automated system, we will be able to access and assess high-risk supplier categories across all of our businesses, and not limit our approach to specific perceived risk areas. This due diligence should provide insight into awareness of our higher-risk suppliers, including the approach they take to minimise risks of modern slavery within their organisations.



# Stakeholders

## Supplier Relationships

The Commercial Director is accountable for supplier relationships. Product buyers are responsible for the relationships within their specific product division. If there are concerns over performance these individuals will escalate to the appropriate director and Legal to determine whether we continue to do business with that supplier.

Further information can be found on our Sustainability pages:  
<https://ivcevidensia.com/policies/>

Actions Completed 2020/21	
Executive Sponsor appointed with modern slavery and human rights accountability	✓
Updated our mission and values and communicated to the UK business	✓
Launched our Positive Pawprint initiatives which align with mitigating modern slavery and human rights risks	✓
Recruited a Legal & Compliance team	✓
Mapped Tier 1 of the Supply Chain	✓

# Policies, Principles & People

IVC Evidensia has initiated a plan to ensure we have the relevant policies in place to support the fight against modern slavery and trafficking.



## Code of Conduct (Employees)

IVC Evidensia has recently published our Code of Conduct which highlights our zero-tolerance approach to modern slavery, and our commitment to implement effective systems to mitigate the risk of modern slavery and ensure there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chain. We expect the same high standards from all of our contractors, suppliers and other business partners.

Our Code of Conduct encompasses our cultural values and principles clearly stating the behavioural standards and expectations we have of our employees and associated persons. The Code of Conduct was launched in the UK in March 2021. Whilst it is primarily aimed at employees our plan is to communicate this to our suppliers with the expectation that they sign up to our Code or demonstrate that they have a comparable Code and standards.

IVC Evidensia attach real importance to the welfare of our employees and those employed by our suppliers in line with our first principle “Respecting people and Animals”.

Our Code makes it clear that the prevention, detection and reporting of modern slavery in any part of our business or supply chain is the responsibility of everyone at IVC Evidensia.

IVC Evidensia employees are required to stay alert for any behaviour that might suggest modern slavery and red flags can be found in the Risk Assessment section of this statement. We pledge to engage third parties on fair terms and in accordance with IVC Evidensia policies and procedures and expect our suppliers to do the same.

**Our Code of Conduct can be found here: <https://ivcevidensia.com/policies/>**

## Code of Conduct (Suppliers)

Our Supplier Code of Conduct has been drafted and will be rolled out in the new financial year alongside our supplier assessments. The Code includes our key principles and rules of engagement as well as our standards and expectations relating to:

- Human and social right
- Modern slavery
- Legal & ethical obligations

The Code also includes a declaration which requires the supplier to acknowledge that they will adhere to our requirements and ensure appropriate actions are in place. The Code must be applied to all suppliers regardless of which tier they are within the supply chain.

**The Code of Conduct for suppliers can be found here: <https://ivcevidensia.com/policies/>**

## Supplier Assessment

We have devised a Supplier Assessment to complement our Code of Conduct and both will form part of our supplier selection process, with all suppliers expected to demonstrate their compliance with the Modern Slavery Act 2015 and outline their approach to tackling this issue. The areas which they are requested to outline include risk assessment, supplier due diligence, training awareness and recruitment processes. This has been tested and will be rolled out in the new financial year alongside the Supplier Code of Conduct.

Now the assessment is in use, we will be able to better understand the action our potential suppliers are taking and make more informed decisions when selecting preferred suppliers.



## Procurement Policy

This year we have drafted a Procurement Policy to ensure that the processes in place to acquire our products and services are efficient, transparent, and in line with regulatory and ethical requirements with clear accountability.

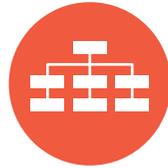
The procurement policy includes: standards, requirements, approval thresholds, authority, management, due diligence, risk assessment, resilience planning, legal requirements, contract end, change management and reporting. Completion of the newly devised Supplier Assessment forms part of the requirements.

Due diligence will be completed in line with a matrix which takes into account supplier sector, location and value of contract.

Our policy will be communicated in the late FY22 once it has been finalised and released.

## Speak-Up Policy

The Speak-Up (Whistleblowing) Policy has been drafted and a soft rollout has begun as part of our monthly policy release schedule. The formal release will be in November to support the European Whistleblowing Directive. The policy offers employees a number of reporting options including:



Line Management



A member of the Group Executive



[speakup@ivcevidensia.com](mailto:speakup@ivcevidensia.com)  
(an email to the Ethics & Compliance Manager)



An external reporting company which has both webpage and phone options and enables anonymous reporting.

The policy reinforces our commitment to zero tolerance of any retaliation. Summary reports from Speak-Up reports are provided to our Group Head of Compliance and subsequently reported to the Group General Counsel and the Audit Committee.

So far we have not received any disclosures in relation to modern slavery issues.

## Breaches and Non-compliance

IVC Evidensia will not tolerate forced labour, slavery or human trafficking within our operations or supply chain. If we identify, or are made aware of, any non compliance then we will work with our suppliers to address these unless the risk is such that we feel that we cannot continue with the relationship. In those instances where we give suppliers an opportunity to address concerns but effective action is not taken within the agreed timescale then we may terminate the contract.

Employees who breach the principles set out in our policies may be subject to disciplinary procedures.

### Actions Completed 2020/21

Code of Conduct launched in UK	
Procurement Policy drafted	
Speak-Up (whistleblowing) Policy drafted	
External Speak-up facility provider engaged	

# Risk Assessment & Management

IVC Evidensia is continuing to evaluate the nature and extent of our exposure to the risk of modern slavery within our supply chain by:

- conducting a risk assessment to identify key risks within our operations the scope of which was predominantly the UK. We have adopted this approach as this is where the majority of the Group operates;
- starting to map the supply chain broadly to assess particular sector, product or geographical risks of modern slavery and human trafficking;
- evaluating the modern slavery and human trafficking risks of each new preferred supplier at group level;
- invoking sanctions against suppliers that fail to improve their performance in line with an action plan or seriously violate our Supplier Code of Conduct, including the termination of the business relationship.

Despite modern slavery being illegal in all countries, and low risk in those we operate within, it exists, even in the UK and Europe so we cannot afford to be complacent. The evidence shows that whilst modern slavery is illegal in every country in the world, it still occurs.

We are currently working through the recommendations from our risk assessment. A further risk assessment will be completed to address the remaining scope. The Supplier Risk assessments will enable us to gain further valuable insight into the key risks that exist across our supply chain, and not just our high-risk category suppliers. Our supply chains are complex, not least because of the high volumes of suppliers that we work with.

Our employees must be able to identify modern slavery risks and those who could be more vulnerable to them. A number of our practices are Farm and Equine. Agriculture is acknowledged as a high risk sector and some farms may have both animals and agricultural. Migrants are often employed within agriculture and accommodation may be provided on the farmland. We want our employees to be able to spot red flags and report accordingly.

## The following groups have been identified by the ILO as vulnerable to the risks of modern slavery:

- those in poverty or homeless;
- those with mental illness;
- those with substance abuse issues;
- those who are victims of domestic abuse or violence;
- those using microfinance or credit;
- migrant workers;
- minority groups;
- homeworkers; and
- contract, agency, temporary or outsourced workers

### Actions Completed 2020/21

Risk assessment completed



Supplier assessment drafted & trialled



# Audit & Evaluation

IVC Evidensia supplier contracts, whether for goods or services, do not currently include the right to audit. This will be included in all new and amended contracts from FY22.

## Covid Response

As part of our response to Covid we initiated a crisis management team to manage the emerging and evolving risks arising from the Pandemic.

The committee met on a regular basis to discuss the impact of Covid on our operations, clients and supplier and to determine any actions required on areas such as furlough, supplier invoices, payment terms and resourcing. Health and safety of our employees and clients have been paramount. We are aware that Covid has impacted the risk sector profile and that the pharmaceutical sector has increased in risk.

We opted not to delay any supplier payments or rephase rental payments. The only payments we delayed were statutory ones as permitted under government guidelines.

## Key Performance Indicators

IVC Evidensia has determined a number of Key Performance Indicators (KPIs) to enable us to monitor and report on the effectiveness of our actions to mitigate against modern slavery. These include both qualitative and quantitative. We will start to report on these in our next annual statement.

### Key KPIs for 2021/2122:

**Culture:** To support our core value “We share knowledge, best practice and make decisions based on trust, dialogue, commitment and engagement”. We will implement an engagement survey to establish the level of employee awareness of how they can do the right thing relating to modern slavery and reporting wrongdoing.

**Supplier due diligence:** In line with our Positive Pawprint initiative goals we have targeted ourselves with achieving Suppliers representing > 75% of centrally contracted spend have signed up to the IVC Evidensia Supplier Code of Conduct.

**Whistleblowing:** We will report on the number of allegations we receive that relate to modern slavery. We will not set a zero target as such because we would rather that people had the confidence to report without fear of missing a target.

**Training:** In line with our Positive Pawprint initiative goals we have set a goal for employees to complete training on the Group’s code of conduct and core policies: 75% of Board, Executive and Senior Leadership (Exec plus 1, Country Manager plus 1) trained by FY 2022.

### Actions Completed 2020/21

KPIs Agreed	
Learning Management System purchased to enable us to manage compliance training	

# Training & Awareness

The risk assessment has identified that modern slavery training has not formed part of a regular training release cycle. Training and raising awareness will be central to our approach to mitigate against modern slavery.

We have invested in a Group learning management system which will enable us to educate our employees in recognising the risks of modern slavery and human trafficking within our business and supply chains.

As part of our training programmes, employees will be encouraged to identify and report any modern slavery concerns. This will form part of our annual training programme and new starter induction in 2021/22.

## Actions Completed 2020/21

Annual modern slavery training refresher programme devised



Modern slavery e-learning modules purchased – allows variation by role



Training needs analysis completed



## Ongoing Commitment

Following our review of our actions this financial year to prevent slavery or human trafficking from occurring in our business or supply chains, we are clear on the next steps required to mitigate the risk. We have made significant investment over the current year to ensure we have appropriate resource and infrastructure to enable us to establish our current position in relation to modern slavery and determine an appropriate strategy to manage these.

We will continue to utilise the risk assessment and improved resourcing and infrastructure to increase awareness of risks and reporting channels and mitigate the risks of modern slavery and will schedule a further risk assessment to address those areas that were not fully in scope for the initial assessment.

For those actions taken so far, we have followed best practice guidance and applied a risk-based approach, clearly setting our expectations with our supply chain and engaging with them regularly. We believe our approach is proportionate to our risk and we are committed to continually reviewing and tailoring our approach to the evolving risks within our business.

As a business that has, and continues to, expand rapidly we recognise the constant need to focus our efforts in this area as we enter new markets and sectors and will continue to evaluate and respond to emerging risk.

# Focus for 2021/22



## Organisational Structure & Supply Chain

Consolidate the supplier base to reduce the overall number and establish and continue to rollout preferred buying lists in markets to improve compliance.

Establish a permitted sourcing list of acceptable countries to source from

## Policies

Include modern slavery red flags on next edition of the Employee Code of Conduct

Launch the Supplier Code of Conduct to suppliers in accordance with location, sector and spend – high to low risk according to risk matrix

Develop and launch the Procurement policy and e-learning

Launch the Employee Code of Conduct in Europe

Launch the Speak-Up (whistleblowing) policy and e-learning

Devise and launch a Human Rights Policy

Devise and launch a Remediation Policy

<b>Due diligence processes</b>	Include contractual clauses on any new or amended contracts relating to modern slavery on supplier contracts
	Rollout the supplier assessment to new suppliers going through the tender process
	Rollout the supplier assessment to existing suppliers on a risk basis (as per matrix)
	Include the requirements for Suppliers to comply with the Supplier Code of Conduct
	Implement supplier onboarding due diligence checks commensurate with risk via the new online portal
	Implement consistent recruitment practices across the Group and subsidiaries which are commensurate with the different risks
	Include contractual clauses to new supplier contracts enabling IVC Evidensia to have the right to audit
<b>Risk assessment &amp; management</b>	Engage with high risk suppliers on modern slavery issues to support them to improve their human rights processes and awareness
	Complete further risk assessment of EU sites and UK practices
	Assess the EU supply chain
<b>Training</b>	Ensure high risk teams have specific modern slavery training
	Ensure relevant employees have procurement training
	Ensure all other employees receive red flag training



# Appendix I

The following companies are commercial organisations which are part of the group of companies ultimately owned by IVC Evidensia Limited and which carry on business in the UK, where (i) business gives rise to global turnover of more than £36 million:

- Independent Vetcare Ltd
- Vets Now Emergency Limited



**IVC EVIDENSIA**

[www.ivcevidensia.co.uk](http://www.ivcevidensia.co.uk)