



Vigilance Plan

2023

Introduction

In accordance with French law (2017-399) of March 27, 2017 on the duty of vigilance of parent companies and main contractors, IVC Evidensia Group's 2023 Vigilance Plan was published in the Universal Registration Document 2023, on 1st July 2023.

The Plan relates to the IVC Evidensia Group which includes IVC Evidensia France and all of its other subsidiaries controlled, directly or indirectly, within the meaning of Article L. 233-16 of the French Commercial Code (IVC Evidensia Group or "the Group") as well as to the suppliers and subcontractors with which the Group's various companies have an "established business relationship".

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 are committed to an ongoing assessment and improvement of our processes to ensure we comply with the laws wherever we operate and uphold our key Code of Ethics principle "Respecting People & Animals".

Embedding a sustainable business is core to our strategy. We have a responsibility to use our scale and influence to improve standards of sustainability, both within our own operations and more widely within the sectors in which we operate. In 2021, we were proud to announce our Positive Pawprint strategy, which outlines our commitment to set and share new standards of sustainability in animal health. Our ongoing strategic approach to this vital area has led to good progress on further embedding sustainability standards across our business and delivering key initiatives to help us progress our commitments around our three pillars of People, Planet and animal Patients.

We have made progress with the development of our Group climate strategy and in September 2022, the Group committed to set company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi). These were submitted to SBTi for validation and we have already started to develop the workstreams needed to deliver our science-based targets.

We will only achieve our near-term targets and our proposed future net-zero target through an active and close partnership with our suppliers, who support our objectives in promoting climate action and increasing the sustainability of the veterinary sector.

This plan details and maps the risks identified, specifies the action plans in place to mitigate these risks and the systems provided to support progress and is intended to lay out the commitments we have made and demonstrate our commitment to sustainability and human rights.

Simon Smith
CHIEF EXECUTIVE OFFICER, IVC EVIDENSIA GROUP



Contents

4 Background

- 4 Structure
- 4 Operations
- 5 IVC Evidensia's Group Vision, Mission & Values

7 Governance

- 7 Resources Committed
- 7 Plan Management
- 7 Whistleblowing Facility

8 Methodology

- 8 Scope
- 8 Approach
- 9 Risk Mapping
- 9 Monitoring & Key Performance Indicators (KPIs)

11 Risk Identification & Mapping

- 12 Human Rights and Fundamental Freedoms
- 13 Health & Safety
- 14 Environment
- 15 Supply Chain - Suppliers & Subcontractors

16 Assessment

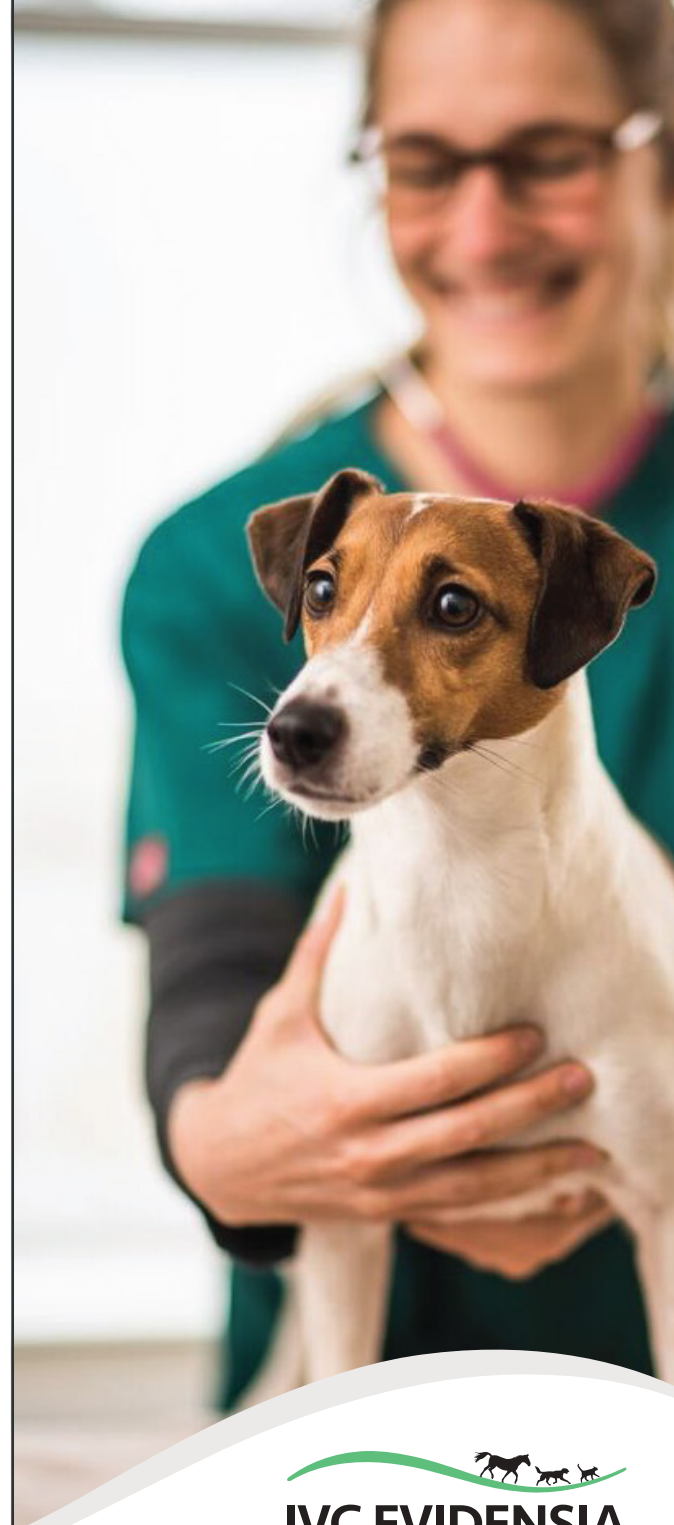
- 16 Control & Oversight
- 16 Subsidiaries
- 17 Suppliers and Subcontractors

19 Actions

- 19 Our Commitment to Human Rights and Ethical Behaviours
- 23 Our Commitment to a Healthy, Safe Working Environment
- 25 Environmental
- 28 Suppliers & Contractors

30 Monitoring & Key Performance Indicators

31 Appendix



Background

STRUCTURE

IVC Evidensia is a group of privately owned limited liability companies registered in England and Wales. We are primarily a veterinary care provider across Europe. The term “IVC Evidensia” and “The Group” 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, animal hospitals and direct debit services.

Our registered head office is in Keynsham in the UK. We have approximately 2500 clinics and hospitals across the world. The Group employs approximately 42,000 people working part and fulltime on different contracts across veterinary practices, crematoriums, warehouses, animal hospitals and support offices throughout the countries in which we operate.

OPERATIONS

Our operations are located across 20 countries: Austria, Belgium, Canada, Czech Republic, Denmark, Estonia, Finland, France, Germany, Ireland, Latvia, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, UK and USA. Each country is supported by corporate functions providing services in Human Resources, Finance, Marketing, IT and Procurement.

The continuous fast paced growth of the business and uncertain political environment has identified the need for us to take steps to continually evaluate the risks in our broadening supply chain. To find out more about the nature of our business, click [IVC Evidensia Group](#).

Within IVC Evidensia France (<https://evidensia.vet/>) the two main entities are SAS DU MITTELBERG and INCINERIS (pet crematorium) (<https://www.esthima.fr>). Refer to Appendix 1 for the Global structure.

We have a large list of suppliers which we are currently reviewing in order to consolidate, this work should be completed by 2025 after which we will be able to publish a full list.

42,000 Total Employees



16,300
Support



11,000
Vets

14,700
Veterinary Nurses



2518
Clinics / Hospitals

157
Crematoriums

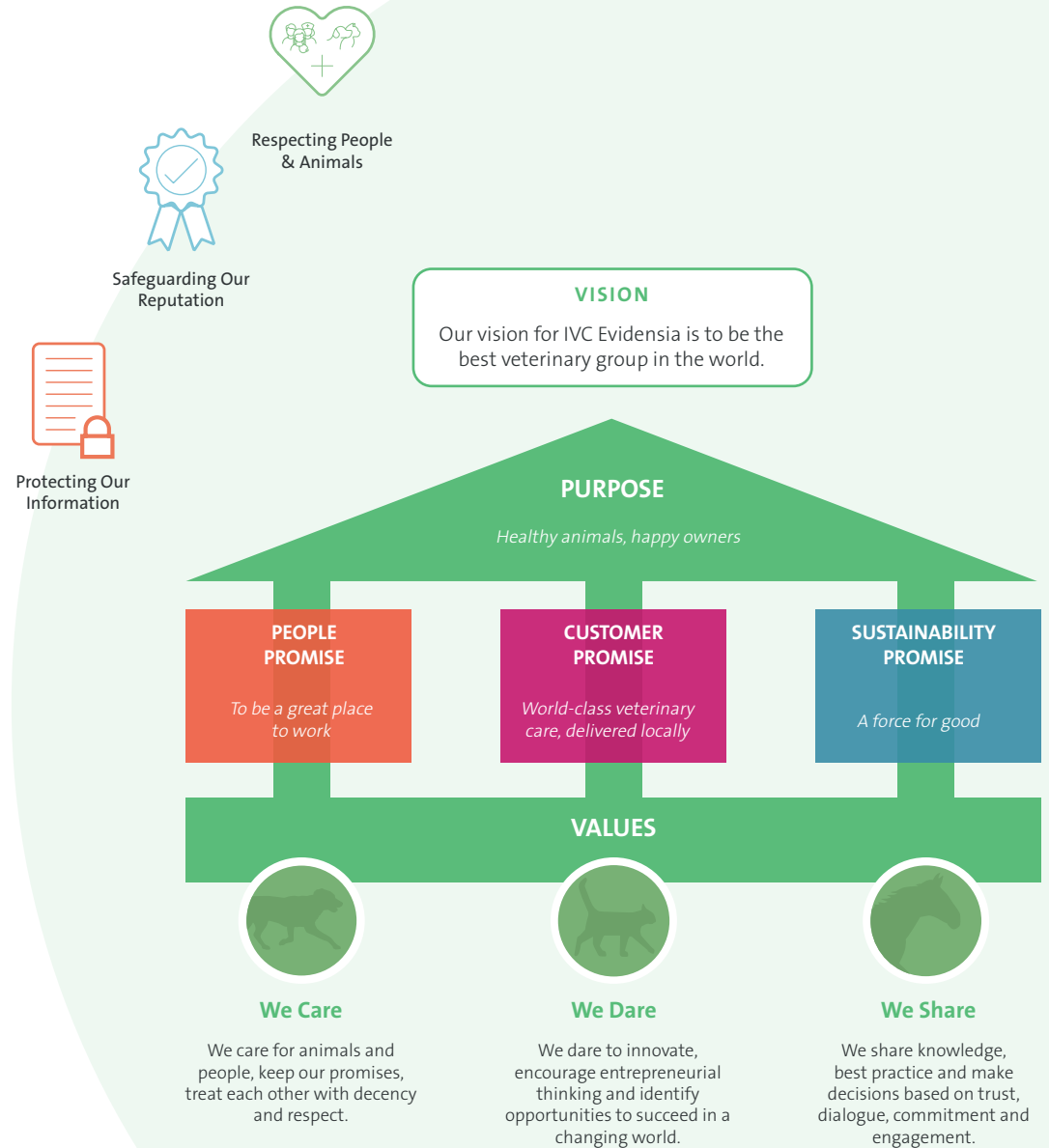


8
Distribution Centres (own operated)

GROUP VISION, MISSION & VALUES

Our whole business is built around **6** key principles:

- 1 **Belief in people** - The success of a practice is down to the individuals that work there. That's why we invest in continuous professional development for all IVC Evidensia colleagues.
- 2 **Investment** - We invest our money in refurbishments, facilities, equipment and technology so that we can provide the best possible care for our patients.
- 3 **Exceptional care** - We know our primary concern is delivering the best possible care. That's why we always put our patients first.
- 4 **Clinically led practices** - We believe that the best practices are led by our vets and we want it to stay that way. That's why we place so much emphasis on our clinical boards.
- 5 **An independent spirit** - Our clinics are at the heart of the community and we want it to stay that way.
- 6 **Sharing expertise** - We're incredibly proud of the depth of talent among our referral clinicians, as well as their state-of-the-art facilities and want to use this to promote animal welfare issues.





Our key business within France is the veterinary business. During 2021 we acquired Vaternity, a pet focused crematorium business with similar values to our own.

These values are:

Ethics

Our group was founded by veterinarians and respecting veterinary ethics is part of our DNA. We know that animals are sensitive creatures and we share the conviction that animals must be respected even in death.

Respect

We are committed to ensuring that our actions and decisions are taken with respect for the world around us. We take into account the potential impacts of each of our actions on people and the environment.

Passion

Our passion for animals gives meaning to our profession. We take great care to provide funeral services with empathy and consideration for pet owners.

Governance

Our vision, mission, values and principles were in the forefront of our thoughts when compiling our Vigilance Plan. This section details the governance architecture implemented by IVC Evidensia Group to meet the law's requirements.

RESOURCES COMMITTED

The following individuals and functions help manage and implement the Plan across the Group: Director of Sustainability & ESG, Sustainability Manager, Sustainability Analyst, Director of Communications, Ethics & Compliance Manager, Compliance Manager, Group Financial Controller, Head of HR, Group Deputy Company Secretary, Group Commercial Development Director, Chief Operating Officer, Chief Medical Officer, Risk Manager. Group initiatives and local initiatives are owned, and driven, by in country CEOs, CFOs and HR Directors.

PLAN MANAGEMENT

The Positive Pawprint Committee (the Committee) is the essential steering body for the Plan. It forms the cornerstone of the monitoring and assessment system as required by the duty of vigilance law. The Committee notably rules on the selection of monitoring indicators, their performance, and their relevance; the nature and completeness of publications relating to the duty of vigilance; the validity of the conclusions of the dedicated risk mapping implemented; the results of the action plans: progress, relevance, effectiveness, etc.; the follow-up given to alerts falling within the scope of the duty of vigilance law reported via the whistleblowing system; any ad hoc measure/question relating to the duty of vigilance.

WHISTLEBLOWING FACILITY

In accordance with the law's requirements, IVC Evidensia Group has implemented a whistleblowing system, which is currently available only to Group employees with an intention to introduce this to our business partners in the future which will enable situations relating to the duty of vigilance to be reported externally.

Our system enables reporters to make anonymous reports. The Group Compliance Team is responsible for monitoring this facility and process. Upon receipt of a report, the Compliance Team pass it to the relevant Department for processing. At the end of an investigation, the Department submits its conclusions to the Compliance Team who then close the report and archive it after informing the reporter that adequate steps have been taken.

The findings, trends etc are reported monthly to Group Executive Committee Team and quarterly to the Audit and Risk Committee. There are a number of options for reporting, these are detailed in Section 6.1.3.



Methodology

SCOPE

As stated in the introduction, the Plan applies to all Group activities. IVC Evidensia Group operates in 20 countries and employs in excess of 42,000 employees as of January 2023.

APPROACH

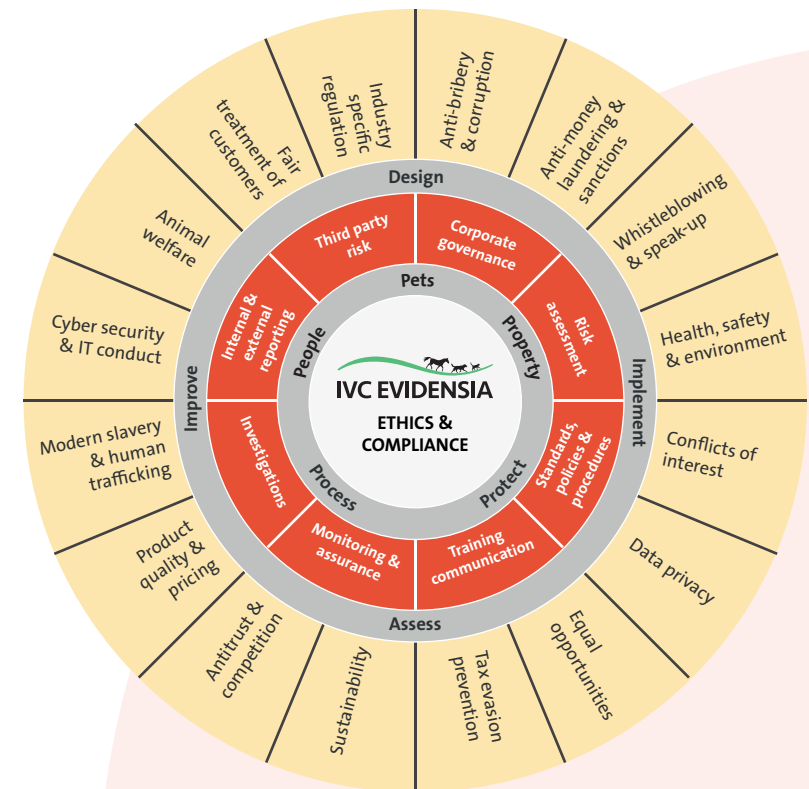
The approach taken for monitoring and assessment promoted by the duty of vigilance law is part of a continuous improvement process. The latter is based on the Design- Implement – Assess - Improve approach which we use as part of our overall approach to governance, risk and compliance.

If this approach is implemented satisfactorily, it triggers a positive dynamic combining reflection, achievement and adaptation, which is meant to help our organisation continuously improve our performance and evolve our practices.

In order to develop the Plan, the methodological approach applied is laid out as it determines the content of IVC Evidensia's response to the law's requirements. The compliance wheel shows key areas of business focus and the grey circle highlights how this approach fits into the overall governance structure.

Our approach considered best practice and utilised several key sources including:

- UN Sustainable Development Goals
- UK 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
- The United Nations Guiding Principles on Business and Human Rights.





RISK MAPPING

The main risk mapping methods used were: working groups involving functional departments; employee surveys; risk assessment versus legal requirements and discussions between the functions to ensure consistency. The findings from each of these areas then fed into the mapping process.

Risk assessment was an essential step in developing our Plan. The results of our assessments have had a decisive influence on the policy and actions taken to meet the duty of vigilance law's requirements. Whilst standard mapping is generally focused on the organisations sponsoring them, the duty of vigilance risk assessment is focused outwards on the direct impacts that the business activities may have on third parties.

This approach is intended to consider the specifics of each of the themes falling within the scope of the law: human rights and fundamental freedoms, health and safety, environment, and supply chain.

MONITORING & KEY PERFORMANCE INDICATORS (KPI)

Key performance indicators contribute to the duty of vigilance law's effectiveness because they help guide progress on the deployment of actions taken and the assessment of their effectiveness. They are then used to help shape future decision making and allow reflection on the application of the law by The Group.

We have determined several Key Performance Indicators (KPIs) to enable us to monitor and report on the effectiveness of our actions as required by law. We will monitor progress and may at times have to re-evaluate our goals to consider both emerging risk but also our rapid growth and reorganisation. Our performance is presented in part 7 – key performance indicators. Some of our goals contribute to the UN's Sustainable Development Goals (SDGs).

As a result of our geographic reach, variety of business activities and commitment to environmental, social and corporate governance issues, we contribute most directly to SDGs 3 (Good Health & Wellbeing), 5 (Gender equality), 8 (Decent work and economic growth), 10 (Reduced Inequality) 12 (Responsible consumption and production), 13 (Climate action) and 15 (Life on Land).



SUSTAINABLE DEVELOPMENT GOALS

3 By 2023 we aim to have established well-being programmes in all our markets.

5 By 2025 we aim to have 50% of senior roles filled by females.

8 By 2025 we aim to appoint a dedicated Hygiene Ambassador within 75% of our clinics.

10 By 2025 we aim to have funded 50 vet scholars and 15 nurse scholars from ethnically diverse backgrounds.

12 By 2030 we aim to reduce the total number of antibiotic prescriptions as a % of total outpatient consultations to 5% .

13 By 2030, we aim to reduce absolute Scope 1&2 carbon emissions by 50% and Scope 3 carbon emissions by 30% By 2050,we aim to reduce Group emissions to net zero*.

15 By 2025, in the UK, we aim to reduce recycling at least 50% of non-hazardous waste and by 2023 we aim to ensure 85% of electricity purchased will be renewable.



Risk Identification & Mapping

Our duty of vigilance risk assessments were focused on the direct impacts that our business activities may have on our employees and third parties and our obligations in these respects.

Our approach takes into account the key areas falling within the scope of the law:



Human Rights and Fundamental Freedoms



Health and Safety

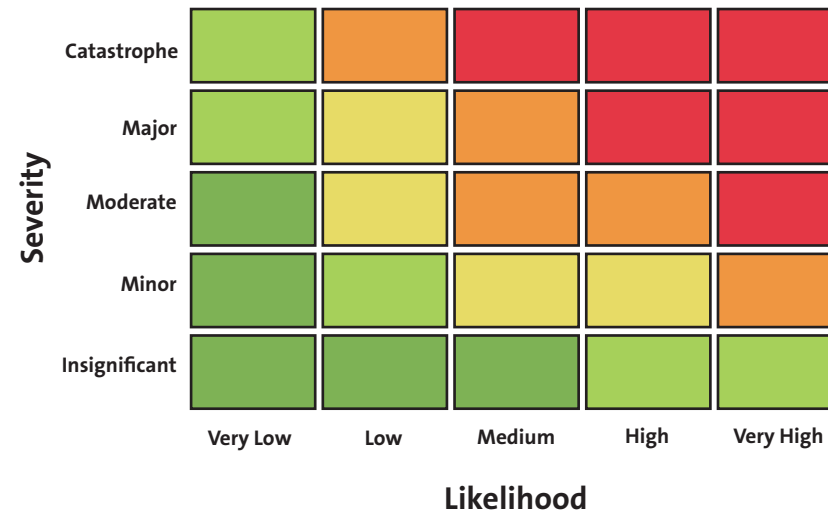


Environment



Supply chain

Findings have been presented in the form of a risk matrix to better illustrate the issues related to the risks identified during the mapping stage.



There are also summary tables structured as follows:

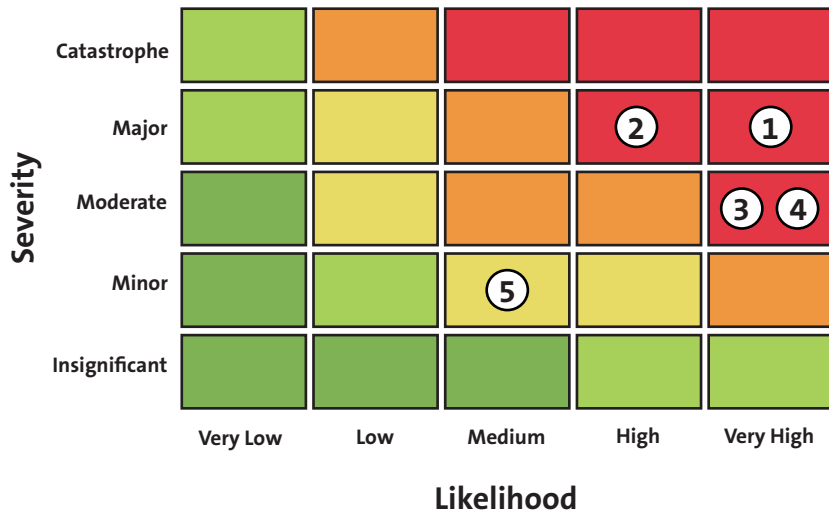
- Risk category: generic title of the identified risk;
- Example(s): illustration(s) of the materialisation of the risk;
- Possible cause(s): factor(s) that may be causing the risk;
- Possible consequence(s): potential impact(s) in the event of an incident.

It should be noted that the summary tables present the key risks related to duty of vigilance themes. However, they are not the only risk we have identified. The risk mapping will need to be regularly updated to ensure continuity of their relevance over time.

HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS

The responses to our employee surveys conducted in 2022 and 2023 were a key contributor to the human rights risk map along with an assessment of the key business risks.

The study found that the three most significant “human rights” risks for IVC Evidensia Group are: stress, training & awareness, conflicts in clinics, discrimination and recruitment processes. These observations illustrate the interdependence of the topics covered by the law on the duty of vigilance. On this basis, it was decided to present the risks such as the survey revealed them in the summary table below.



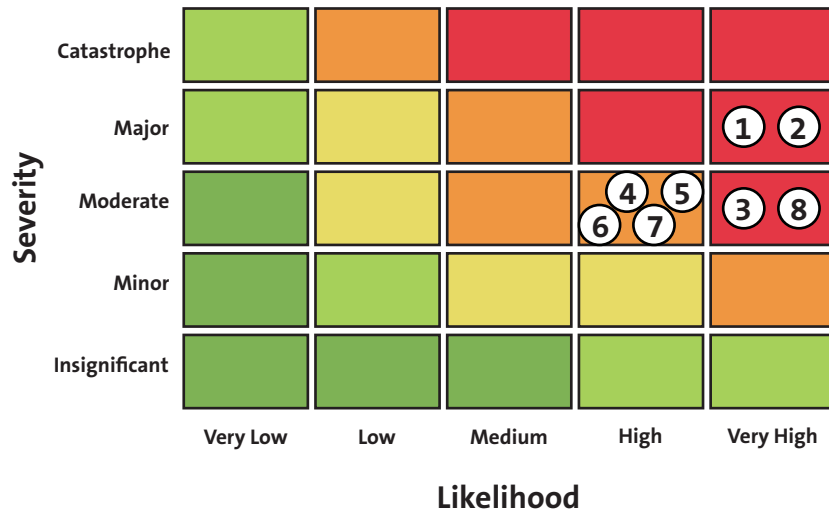
Risk Category		Example	Possible Cause	Possible Consequence
1	Stress (higher at management level)	<ul style="list-style-type: none"> High levels of stress and anxiety causing unfavourable working environments 	<ul style="list-style-type: none"> Shortage of vets Increase in pets worldwide 	<ul style="list-style-type: none"> Poor company culture Unhappy workers Poor retention Increased absence
2	Training & awareness	<ul style="list-style-type: none"> Colleagues may not know the acceptable standards in terms of both workers rights but also wider human rights 	<ul style="list-style-type: none"> Lack of awareness & training/ management support of training 	<ul style="list-style-type: none"> Poor company culture Unhappy workers Poor retention
3	Conflicts in clinics (most issues reported at below management level)	<ul style="list-style-type: none"> Whistleblowing reports related bullying Lack of leadership 	<ul style="list-style-type: none"> Shortage of vets Lack of awareness & training (soft skills) / management support of training 	<ul style="list-style-type: none"> Poor company culture Unhappy workers Poor retention
4	Discrimination in the workplace	<ul style="list-style-type: none"> Discrimination against protected groups Workplace gender inequality 	<ul style="list-style-type: none"> Lack of management involvement Lack of an EDI strategy Lack of awareness & training/ management support of training 	<ul style="list-style-type: none"> Career hindered or blocked Harassment or victimisation Poor company culture Unhappy workers Poor retention
5	Recruitment screening/ processes	<ul style="list-style-type: none"> Right to work/ document checks not completed Immigrant workers who may be taken advantage of due to their migrant status 	<ul style="list-style-type: none"> Unfavourable cultural and legislative environment 	<ul style="list-style-type: none"> Inadvertent recruitment of forced labour Rights of vulnerable workers and freedom to terminate their employment contracts

HEALTH AND SAFETY

We analyse the causes of accidents to understand how we can improve our procedures and reduce risk.

To track our performance, we report against five Group Health and Safety KPIs monthly to the Group Executive Committee (GEC). These include accident reporting, occupational health referrals (in some countries this is not monitored due to privacy requirements), liability claims, health and safety monitoring activity (audits and inspections) and the completion of health and safety training. As the process for collating such data across the Group evolves, we intend to extend the level of detail within each KPI.

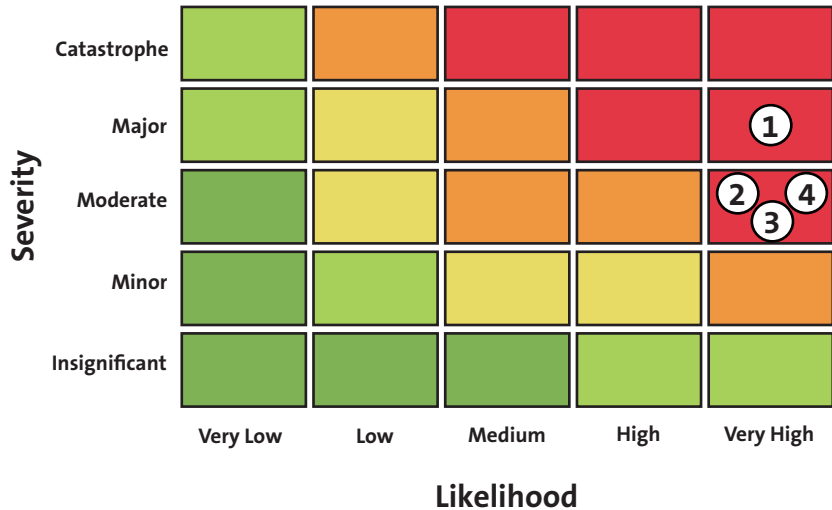
Below are the key risks identified by the organisation, some assumptions have been made and these are subject to validation (which will be provided with the introduction of the standardised accident reporting for the Group).



Risk Category	Example	Possible Cause	Possible Consequence
1 Kick Injury (Equine)	• Impact with equine legs or head during animal examination/treatment	• Temperament of patient, aggravating injury, specific procedure/method of examination, unable to use restraints	• Severe head injuries, cuts, bruising, key organ damage, bone fractures
2 Crush Injury (Farm)	• Crushed by cow(s) during examination or during preparation to examine	• Loose animals, poor segregation, limbs crushed between the animal and the crush during examination, lack of escape route	• Bruising, cuts, bone fracture(s), serious body impact, key organ damage
3 Statutory Compliance Breach	• Failure to conduct property related compliance including electrical inspections, fire alarm maintenance, gas safety inspections, asbestos surveys etc	• Unaware of requirements, lack of system to identify due dates, oversight	• Enforcement action including fines and/or prosecution
4 Radiation Breach (UK)	• Failure to meet the legal requirements for use of radiation	• Lack of visibility on overall compliance therefore responsibility and visibility is local	• Enforcement action including fines and/or prosecution and fee for intervention from enforcing authority
5 Cat Scratch	• Scratched by a cat during handling to examine/treat	• Enhanced stress of patient, poor segregation in reception, sensitivity to new sounds, smells and sights, lack of training, poor handling techniques	• Cuts, bartonella henselae Infection, tetanus
6 Cat Bite	• Bitten by a cat during handling to examine/treat	• Enhanced stress of patient, poor segregation in reception, sensitivity to new sounds, smells and sights, lack of training, poor handling techniques	• Cuts, bartonella henselae Infection, pasteurilla multocida, tetanus, rabies, tendon and nerve damage
7 Manual Handling Injury (Crematoriums / Collection)	• Attempting to retrieve a cadaver from a freezer, movement of cadavers from storage to vehicle, handling of large dogs (40kg+)	• Poor design of storage (chest freezers) preventing correct lifting technique, cadavers freezing together, large dogs placed at bottom of freezer, no attempt to separate cadavers during freezing, poor lifting technique, excess weights, lack of manual handling aids	• Back injuries, upper body injuries, strains and sprains, hernia, slips, trips and falls, foot injuries
8 Mental Health	• Depression, stress, anxiety, low energy	• Workload • Inexperience	• Frequent, infrequent time off sick • Low morale • Poor retention

ENVIRONMENT

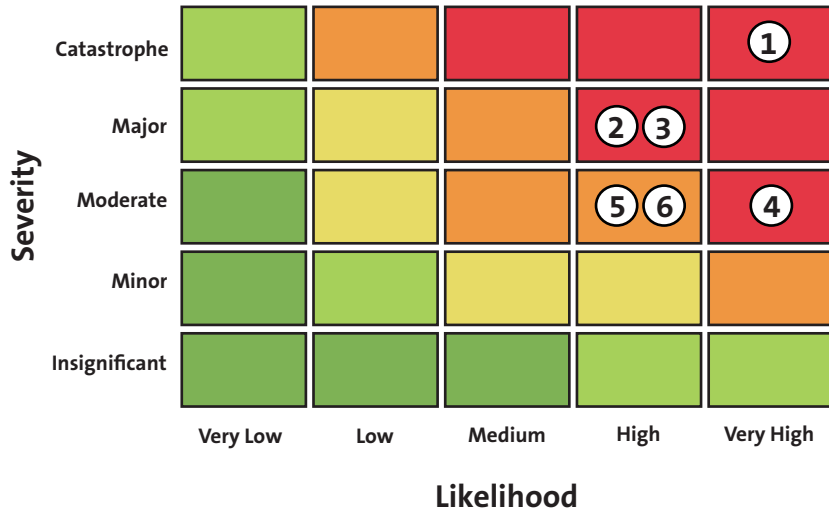
The effects of climate change, resource depletion and environmental pollution threaten the well-being of people and animals and are the primary cause of global biodiversity loss. We recognise that we have a responsibility to reduce the environmental impact of our business and operations and to improve our environmental performance as an integral part of our business strategy and operating methods.



	Risk Category	Example	Possible Cause	Possible Consequence
1	Climate change and carbon emissions	<ul style="list-style-type: none"> Concerns over energy pricing and supply Emissions from anaesthetics for providing clinical care Emissions from fleet vehicles Use of natural gases and inefficient energy sources across our sites 	<ul style="list-style-type: none"> Use of natural gases and inefficient energy sources across our sites Heavy usage of anaesthesia which have contribute to Co2 emissions Using higher polluting anaesthetic gases Not using lower carbon fuel vehicles Not automating heating & aircon/ not using LEDs 	<ul style="list-style-type: none"> GHG emissions contributing to climate change Extreme weather events impacting infrastructure, colleagues, patients Change in disease patterns
2	Responsible procurement	<ul style="list-style-type: none"> Purchasing products which have a negative impact on environment e.g. single use plastic 	<ul style="list-style-type: none"> Overuse of packaging, use of unsustainable materials 	<ul style="list-style-type: none"> Less recycling, more single use, depletion of resources, pollution of environment
3	Waste production	<ul style="list-style-type: none"> Waste generated through clinical procedures and consumable purchases 	<ul style="list-style-type: none"> Less recycled waste, one time usage of products, use of unsustainable materials 	<ul style="list-style-type: none"> More landfill Depletion of natural resources, pollution
4	Crematorium technology	<ul style="list-style-type: none"> Old technology which is not fuel efficient 	<ul style="list-style-type: none"> Utilising natural gas and burning oil 	<ul style="list-style-type: none"> Damage to environment Climate change

SUPPLY CHAIN – SUPPLIERS & SUBCONTRACTORS

We recognise that supply chain sustainability encapsulates our responsibility to manage our resources to meet current needs while protecting future generations’ capacity to meet demands and we are committed to this. The concept of supply chain sustainability encompasses environmental, social, and economic responsibility.



Risk Category		Example	Possible Cause	Possible Consequence
1	Due diligence process	<ul style="list-style-type: none"> Inadequate checks completed on new suppliers and contractors – lack of consolidated supplier list and supplier control 	<ul style="list-style-type: none"> Autonomy given to clinics to source own suppliers Inadequate policies and processes in place 	<ul style="list-style-type: none"> Human rights abuse Exploitation of rights of vulnerable workers Reputational damage
2	Supplier Terms & Conditions	<ul style="list-style-type: none"> Out of date/ inadequate contracts 	<ul style="list-style-type: none"> Inadequate safeguarding clauses against legislative non compliance / permitting right to audit 	<ul style="list-style-type: none"> Human rights abuse Exploitation of rights of vulnerable workers Reputational damage
3	Transparency in the supply chain	<ul style="list-style-type: none"> Vulnerable workers who may be taken advantage of 	<ul style="list-style-type: none"> Unfavourable cultural and legislative environment 	<ul style="list-style-type: none"> Human rights abuse Exploitation of rights of vulnerable workers Injury Death
4	Environmental incidents in the supply chain	<ul style="list-style-type: none"> Excessive discharges from manufacturing sites 	<ul style="list-style-type: none"> Non-compliance with environmental regulations Lack of environmental regulations Non-compliance with our Code of Ethics or Supplier Code of Conduct 	<ul style="list-style-type: none"> Impact on the environment & local community Deterioration of the health of supplier and subcontractor workers Health of local community
5	Failure to respect freedom of association and the possibility of collective bargaining	<ul style="list-style-type: none"> Lack of dialogue between management and employee representatives – employees not having “a voice” 	<ul style="list-style-type: none"> Unions not recognised by law Poor social environment with regard to workers’ rights 	<ul style="list-style-type: none"> Human rights abuse Injury Death
6	Poor working conditions	<ul style="list-style-type: none"> Insufficient employee training in health and safety No provision of personal protective equipment Production equipment that may affect employee health and safety (noise, odour, vibrations, processes using toxic substances) 	<ul style="list-style-type: none"> Non-compliance with health and safety regulation Lack of health & safety regulations Non-compliance with our Code of Ethics or Supplier Code of Conduct 	<ul style="list-style-type: none"> Injury Death

Assessment

This section describes how IVC Evidensia Group meets the assessment requirements as laid down by the duty of vigilance law. This review is based on the activities of the functional departments and the Internal Audit Department. The results of these analyses are detailed in section 6 – Actions.

CONTROL & OVERSIGHT

The monitoring system deployed by the Group is based on the implementation of the “three lines of defence” model.

Level 1 is the operational level

Level 2 is the role of functional departments in ensuring that control procedures are properly implemented by the operational level

Level 3 is the role of Internal Audit whose purpose is to evaluate organisational performance.

The Group’s “duty of vigilance” system is subject to an annual assessment led by the risk or compliance function, which act as a second-level control. The “operators” should be questioned about the governance and the monitoring of risks and the dedicated action plans which they are accountable for on an ongoing basis. Overall delivery of the plan at localised country level lies with them.

The elements provided by the operational entities are then reviewed by the Group’s Compliance Department.

SUBSIDIARIES

Local country management is responsible for ensuring that there is close communication, interaction and ownership regarding the requirements of both the local, and Group Plan. There is clear accountability with Country Managers having overall ownership for all of the country requirements including those of the subsidiaries.



SUPPLIERS AND SUBCONTRACTORS

IVC Evidensia Group is committed to establishing long-term relationships with its **Tier 1 suppliers** and subcontractors.

TIER 1 SUPPLIERS

These are direct suppliers of the final product.

The Procurement Department applies a risk-based approach targeting purchasing categories. This approach is based on a number of factors including:

1. Value of contract
2. Geographic location of supplier
3. Sector of supplier - products or serviced
4. Business structure
5. Processes or transactional risks

Step 1 - Initial Priorities	Step 2 - Review	Step 3 - Categorise	Step 4 - Define Strategy	<p>Complete new due diligence at point of tender (A) or at point where determined to "Keep" (B&C)</p> <p>Revised contracts to include new clauses on regulatory issues</p>												
<ul style="list-style-type: none"> • Implement across key suppliers • Assess the plan • Improve approach • Implement improvements for steps 2-4 • Initial due diligence programme trial • Focus on <ul style="list-style-type: none"> – high spend – Tier 1 – Global rather than localised suppliers • Design due diligence plan 	<ul style="list-style-type: none"> • Review a business function at a time • Key stakeholders meetings • Review all business function suppliers in terms of: <ul style="list-style-type: none"> – Delivered service/product – Contractual status – Other similar suppliers (delivering exchangeable service) – Opportunity to address in next 2 years • Segmented into 4 different "buckets" 	<p>Identified Segmentation Groups:</p> <table border="1"> <tr> <td data-bbox="967 900 1057 1002">A</td> <td data-bbox="1057 900 1357 1002">Renewal opportunity</td> </tr> <tr> <td data-bbox="967 1008 1057 1110">B</td> <td data-bbox="1057 1008 1357 1110">Remain with supplier</td> </tr> <tr> <td data-bbox="967 1117 1057 1219">C</td> <td data-bbox="1057 1117 1357 1219">Remove supplier and migrate to existing preferred partner</td> </tr> <tr> <td data-bbox="967 1225 1057 1327">D</td> <td data-bbox="1057 1225 1357 1327">Tail spend (less than £10k/year)</td> </tr> </table>	A		Renewal opportunity	B	Remain with supplier	C	Remove supplier and migrate to existing preferred partner	D	Tail spend (less than £10k/year)	<p>Action:</p> <table border="1"> <tr> <td data-bbox="1379 900 1769 1002">Suppliers to be addressed in the 3Y plan, through e.g. tenders</td> </tr> <tr> <td data-bbox="1379 1008 1769 1110">No short-term action - to be reviewed when conditions changed</td> </tr> <tr> <td data-bbox="1379 1117 1769 1219">Develop migration plan towards preferred suppliers</td> </tr> <tr> <td data-bbox="1379 1225 1769 1327">Together with Ops validate tail suppliers</td> </tr> </table>	Suppliers to be addressed in the 3Y plan, through e.g. tenders	No short-term action - to be reviewed when conditions changed	Develop migration plan towards preferred suppliers	Together with Ops validate tail suppliers
A	Renewal opportunity															
B	Remain with supplier															
C	Remove supplier and migrate to existing preferred partner															
D	Tail spend (less than £10k/year)															
Suppliers to be addressed in the 3Y plan, through e.g. tenders																
No short-term action - to be reviewed when conditions changed																
Develop migration plan towards preferred suppliers																
Together with Ops validate tail suppliers																

As part of the tender process, where appropriate, we ask suppliers to complete a supplier assessment questionnaire which covers regulatory, health and safety and social, environmental and societal commitments and performance. Where answers are flagged as non-compliant, the Group Commercial Development Director, with the help of the Compliance Department, can determine whether to remove the supplier from the panel.

During the annual evaluation campaigns and strategic tenders, policies, actions and results of suppliers are subject to an additional assessment.

This assessment provides information on the supplier's CSR performance in the following four areas:



Environment



Human rights



Ethics



Regulatory matters



Actions

OUR COMMITMENT TO HUMAN RIGHTS AND ETHICAL BEHAVIOURS

Surveys

Both of our employee surveys were completed on a Group-wide basis with circa 32,000 employees receiving it in 2022 and 42,000 in 2023 thus illustrating the rapid growth that the Group has experienced.

In 2022 55% (17,000) employees completed the survey and in 2023 75% (28,000) completed it.

The survey covered topics such as engagement, leadership, team efficiency, organisational and social work, environment, along with well-being and diversity and inclusion.

Following the publication of the survey results, managers in our different markets have worked to develop action plans looking at how to maintain the strengths and positives of the team while also focusing on areas of improvement.

Some of the strongest results were around engagement, diversity and inclusion and well-being. We were pleased to see 87% of respondents tell us that they feel they can be themselves at work.

We have recently signed off on our key leadership behavioural “non negotiables” which will help support us to be more purpose driven, aspiring to exceed our business objectives and innovate the industry.





Ethics

Our Code of Ethics launched globally in March 2022 and encompasses our cultural values and principles clearly stating the behavioural standards and expectations we have of our employees and associated persons. The Code of Ethics is primarily aimed at employees but is also provided as part of the Supplier Assessment where our suppliers are expected to 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 Group. Our employees are required to stay alert for any behaviour that might indicate modern slavery, environmental or human rights issues amongst other things. 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 Ethics can be found [here](#).

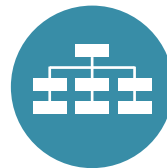
Whistleblowing

The Speak-Up (Whistleblowing) Policy was rolled out globally in November 2021 to support the implementation of the European Whistleblowing Directive. The policy reinforces our commitment to zero tolerance of any retaliation. The adoption of the whistleblowing platform has been positive and has been utilised by most countries. In our recent employee survey, of those employees who completed the survey, 73% were very familiar or familiar with how to report a concern through the whistleblowing facility.

In 2022 there were a total of 68 reports reported across all parts of the Group. We use this data to calculate an incidence rate based on the number of accidents per 1,000 employees to allow a direct comparison of the accidents within each country regardless of head count. Across the Group the accident incident rate per 1,000 employees for this period was 1.61. The Global norm (across all sectors) is 3.7.

The Ethics & Compliance Manager produces an Annual Whistleblowing Report for the Group Executive Committee and Audit & Risk Committee which outlines risk, opportunities, trends and comparisons with different sectors.

The policy offers employees a variety of reporting options including:



Line Management



A member of the Group Executive



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. [\(telephone \(local rate numbers\) or web page\)](#)

Human Rights

The Human Rights Policy is scheduled for global launch in June 2023 and is focused on ensuring that we support and respect all internationally recognised human rights and ensure that our colleagues and business partners are informed of our commitment to human rights and adhere to our expectations in this area. It supports, and promotes, the UN Guiding Principles on Business and Human Rights (UNGPs), which were adopted by the United Nations in 2011, and set out the principle that businesses have a responsibility to respect human rights.

Human Rights are also covered in various sections within our Code of Ethics and within our Supplier Code of Conduct.

A modern slavery and human rights risk assessment was completed on recruitment practices across the Group in 2023.

Training

Giving our people access to leading education opportunities is a key priority for the Group and underpins our learning and development (L&D) strategy. We work to support individual's growth, which also helps us to continually develop the care provided to our patients and customers. We recognise the importance of a strong learning culture.

Our online training is now hosted on the Learning Hub (our Learning Management System) which we piloted in 2022 and in just over two years we have gone from having 10,000 to over 40,000 employees with access. Training courses cover both clinical and non-clinical topics such as leadership, client care, health and safety and data security and are available for all IVC Evidensia Group employees.

Our L&D offering is delivered through the IVC Evidensia Academy, which has a presence in all our markets. 2,488 = Total number of IVC Evidensia Academy delegate days in 2021/22.

We also have:

- IVC Evidensia Artemis Leaders Programme, our first cross-company leadership programme for clinical staff, with 54 participants from eleven countries
- The IVC Evidensia Nurse Academy in the UK which offers a structured, blended learning programme to provide the best possible start for newly qualified RVNs
- Exceptional Receptionist in the UK which has enabled 690 receptionists to attend live workshops
- An accredited course available for receptionists in Finland combining clinical and business training



Equality, Diversity & Inclusion

Respect in the workplace, along with teamwork, is how we will accomplish our goals. In accordance with Articles L. 1152-1 to L. 1152-6 of the French Labour Code on Moral Harassment, Article 5 of the Universal Declaration of Human Rights, and the Global Framework Agreement of 2019 and to support our Code of Ethics Principle 1 “Respecting People and Animals”, we promote equal opportunities and we respect and acknowledge the diversity of colleagues who work within IVC Evidensia as well as the clients and other stakeholders that are part of the wider community we work with.

As a diverse business spread over 20 countries, we are passionate that diversity in all its forms is key to the strength of our business success and the long-term sustainability of The Group and are focused on recognising the achievements and value of every individual. We strive to create an environment in which all are valued, where talents are fully utilised and organisational goals are achieved through the principle of inclusivity. We are committed to a fair and responsible workplace that is free of discrimination, inequality or harassment.

Our Equality, Diversity and Inclusion Strategy, and related policy based on the values of respect, will be launched in June 2023. One of the ways we measure our progress is through the Diversity and Inclusion index within our Global Employee Survey. In the 2022 survey, we were encouraged to see a score of 83 (out of 100).

We also have:

- Empowering colleagues to bring their authentic self to work and feel accepted within our Team
- Build a culture where all colleagues are valued and empowered to thrive and contribute to our success
- Building a culture where everyone feels able to talk about and access the support they need
- Challenge expressions of prejudice and seek to rectify any discriminatory practices or behaviour
- Build a diverse and inclusive workforce that reflects and understands our colleagues and clients

Recruitment

We recruit ethically. Respect for our colleagues’ human rights is integral to our recruitment, management and diversity and inclusion processes.

We only use reputable recruitment agencies and ensure appropriate checks and documentation are obtained and contracts provided.

During 2022 we completed a risk assessment on key recruitment practices which could be a factor in modern slavery and forced labour. These findings have formed part of the Plan. We have also recently signed off on a new recruitment system which will be trialled in the UK and then will extend across the full group if it delivers the required standards of improvement.

Reporting & Access to Remedy

We are committed to encouraging our colleagues and suppliers to speak up without retribution about any concerns they may have. Where we have caused or contributed to adverse human rights impact, we will contribute to their remediation as appropriate and incorporate lessons learned into our policies and processes to prevent future impacts.

Future Focus →



Ensure a minimum of 85% of our employee base have been trained on our Code of Ethics



Launch of the Respecting people & Animals training modules which includes e-learning and policies relating to Equality, Diversity & Inclusion and Modern Slavery



Further develop the EDI Strategy



Drive our goal to have women in half of all senior roles (Board, Group Executive Committee, Group Veterinary Medical Board (GVMB), Country Managers and direct reports, Group Executive Committee direct reports and Clinical Directors) by 2025

OUR COMMITMENT TO A HEALTHY, SAFE WORKING ENVIRONMENT

We want everyone working for IVC Evidensia and visiting our clinics, crematoria and offices to go home safe and healthy at the end of every working day. We are committed to providing a consistent standard for health and safety across our Group. This work is led by our Group Health and Safety Manager who works directly with the Health and Safety representatives within each country/business to help ensure each part of the Group meet the same standards.

Between December 2021 and September 2022 there were a total of 2,648 accidents reported across all parts of the Group. We use this data to calculate an incidence rate based on the number of accidents per 1,000 employees to allow a direct comparison of the accidents within each country regardless of head count. Across the Group the accident incident rate per 1,000 employees for this period was 74. We analyse the causes of accidents to understand how we can improve our procedures to reduce risk. The most frequent cause of injury is dog and cat bites.

Policies

Over the last couple of years, we have launched several policies both clinical and regulatory. Developing formal policies and procedures can support an organisation to run more smoothly and efficiently. We recognise that this can reduce unnecessary time and stress to our employees. Our policies communicate the values and vision of our organisation, ensuring employees understand exactly what is expected of them in certain situations and providing adequate guard rails.

Because both individual and team responsibilities are clearly documented, there is no need for trial-and-error or micromanaging, employees can clearly understand how to approach their jobs. Formal policies and procedures help us to ensure everyone complies with relevant regulations.

During 2022, we launched a new Group Health and Safety Policy, with all countries and businesses aligning to the Group policy (which operates to the highest legal standard of all group countries) to help ensure consistency of standards within the Group.

To promote a better understanding of regulatory requirements we have created Group educational resources in the following key areas: Controlled Drugs, Prescribing and Dispensing, and Firearms. Each of these key areas is supported by a policy tailored to each individual market. During 2023, we will launch e-learning modules across all markets delivered through our learning management system to support our veterinary professionals in these important areas. This approach, focused on key area of risk, supports not only the safety of our patients but also the personal safety of our teams.

Training

In 2023 we launched a new global training programme module which covers the key health and safety risks across our organisation, this was a customised module which looks at our end to end business model from vetcare to crematoriums and the risks which transcend across the businesses. The objective of the training was to raise awareness and reduce accidents within the workplace.

Psychological safety

Delivering the highest standard of patient care is only possible if we create an environment in which our teams feel confident, happy, empowered and safe. Employee well-being is therefore at the heart of both our people strategy and also our clinical strategy. We want to create a workplace where team members feel confident to share ideas, ask questions and share concerns, and feel reassured that they will be valued for speaking up and encouraged, rather than blamed, for sharing where mistakes have been made.

Wellbeing

This year we launched a Well-being Index as part of our global employee survey. The highest scores were on a meaningful job and strong relationships at work, with areas to improve including stress levels and physical health. The index gives us valuable insight where to focus our continued efforts.

Our objective is to establish well-being programmes in all our markets by the end of 2023 and we are on track to achieve this. The approach varies country by country, with programmes tailored to local needs and culture. We encourage our teams to share best practice between countries so that they can learn from each other as they develop their own programmes.

Systems & reporting

We report against five Group Health and Safety KPIs monthly to the Group Executive Committee. These include accident reporting, occupational health referrals, liability claims, health and safety monitoring activity (audits and inspections) and the completion of health and safety training.

Future Focus →



Launch of a risk management platform across the Group which allows us to collate all our statutory health and safety documentation, ensuring consistent reporting on statutory compliance



Reduce the number of accidents across the Group through improved training and awareness



Ensure a minimum of 85% of our employee base have been trained on our Health & safety Training



Introduce Wellbeing Champions across all countries



ENVIRONMENT

We recognise that we have a responsibility to reduce the environmental impact of our business and operations and to improve our environmental performance as an integral part of our business strategy and operating methods.

Sustainability

We have started on the journey of embedding sustainability into our daily practices and procedures to reduce our environmental impact. We are working to increase efficiency across our operations: producing less waste, recycling more, reducing the energy we use in our clinics and crematoria, making sure we manage medicines appropriately and working in partnership with our suppliers to deliver shared environmental objectives. These initiatives are led by our Group Sustainability team who supports and advises the country teams. Our largest markets have developed their own plans for local environmental initiatives which ultimately feed into our Group strategy and objectives.

During the year, we have completed a sustainability review of IVC Evidensia's own-brand product ranges, working closely with our suppliers to review current sourcing practices and opportunities to improve. Our initial focus has been on packaging, and we have agreed a target for all the packaging used in our own-brand products to be recyclable, compostable or reusable by 2025. As of September 2022, 84% of our packaging met this standard. In the year ahead, we will be working with our suppliers to improve performance against this metric and also agree a set of Own-Brand Responsible Sourcing Principles for all the materials used in our own-brand products.

Carbon emissions

The global healthcare sector, covering both human and animal health, is responsible for an estimated 4–5% of the world's greenhouse gas (GHG) emissions. As one of the largest veterinary groups, we have a responsibility to use our scale and influence to reduce GHG emissions and improve standards of sustainability, both within our own operations, and then more widely in the veterinary profession.

This year, we have undertaken analysis of the risks and opportunities associated with climate change and this work will continue in the year ahead, helping us to further develop our strategy and set our targets for the future. Our proposed targets are, by 2030, to reduce absolute Scope 1 and 2 emissions by 50% and Scope 3 emissions by 30% (from a 2022 base year). These targets have been submitted to the Science-Based Targets initiative (SBTi), and we have begun to develop the workstreams needed to deliver the goals. In the coming two years, we will develop net-zero targets and submit these to the SBTi for validation. We are targeting to be net zero by 2050.



Anaesthesia

Our veterinary teams rely heavily on anaesthetics for providing clinical care, but the waste anaesthetic gases release as part of these procedures have a significant environmental impact. Emissions from waste anaesthetic gas represent over 19% of IVC Evidensia's Scope 1 and 2 emissions and are therefore a priority area as part of our GHG reduction strategy. The first step we are taking is to train our clinical teams on techniques to reduce the volume of anaesthetic gas we use. We are looking at opportunities to move away from the use of the higher polluting anaesthesia gases, switching instead to less polluting gas like sevoflurane.



New hospitals

Gothenburg Animal Hospital, Sweden Evidensia's flagship animal hospital has been built to high environmental standards with LED lighting and energy-saving windows to maintain a stable temperature, waste recycling facilities, and a green roof concept on the terrace with bee- and insect-friendly planting.

Blaise Hospital, Birmingham, UK due to open in summer 2023 has had sustainability at the heart of the design with LED lighting throughout, all electric heating and cooling using air source heat pumps, heat exchanger systems to provide up to 75% heat recovery, and photovoltaic cells for rooftop power generation.



Energy

Energy efficiency has been a focus for our UK business during 2022. Site audits found that there was potential to make material savings to energy consumption by improving the way heat and light are used. The project will see energy upgrades across most UK clinics, with work focusing on two areas: the installation of LED lighting, which will not only cut electricity consumption, but also provide better lux levels for clinical work; and building management systems to automate heating and lighting systems and reduce waste. Central monitoring will also enable us to spot any spikes in energy consumption quickly and take action to address the cause. The project is estimated to deliver savings of over 30% in electricity consumption at a typical clinic site.

Fleet Cars

We show respect to future generations by minimising the impact our business has on the environment, developing relationships with suppliers who share this ideal. In Sweden we have adopted a new policy for all new company vehicles to be electric or hybrid. In the Netherlands, a trial of electric and hybrid vehicles is underway to understand their suitability for use by our Farm Vets. Another way to reduce the impact of our fleet is to reduce fuel consumption of existing vehicles.

Crematorium

IVC Evidensia's crematorium operations account for around 55% of the Group's Scope 1 and 2 emissions. Researching and investing in more efficient and lower emission crematorium technologies will be a key part of achieving our GHG commitments.

During 2022, VetSpeed, our UK crematorium business, has trained drivers on fuel-efficient driving techniques and is now measuring driver behaviour to record hard braking, excess acceleration and average speed, all of which influence fuel consumption.






Waste reduction

We are committed to reducing the waste generated through our activities. The nature of our business means that our waste profile is complex, with some of the waste from our clinical operations classified as hazardous and therefore governed by strict requirements and responsibilities over its disposal. For our non-hazardous waste, our immediate focus is on working with our waste contractors to ensure that waste is diverted from landfill wherever possible, and then supporting our clinics, often working in partnership with our suppliers, to recycle more of the waste we generate to ultimately achieve an overall reduction in waste generated per employee.

We have collaborated with a number of suppliers to target reduction of packaging of some of our major high-use products and services to reduce use of virgin materials and improve shipping pallet quantity, improving distribution efficiency and reduction of emissions. We are also reducing waste through better stock control to ensure that pharmaceuticals, nutrition products and other stock items are used before they go out of date.



Future Focus →

-  Implement energy efficiency initiatives to reduce consumption of electricity and natural gas across our sites
-  Move our vehicle fleet towards lower carbon solutions (including electric vehicles)
-  Adopt new techniques and technologies for anaesthesia which have reduced GHG emissions
-  Procurement of renewable energy where available
-  Utilise alternative technology to remove reliance on natural gas and burning oil

SUPPLIERS & CONTRACTORS

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 the risk of modern slavery and to ensure that sustainability is a factor in our process.

We expect our colleagues and suppliers to respect workers' rights, in line with the International Labour Organisation ILO Declaration on Fundamental Principles and Rights at Work.

Procurement Policy

This year we drafted a Procurement Policy which we aimed to have signed off by the Board and launched before the end of 2023. This will support our endeavours 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 our Supplier Assessment Process will form part of these requirements. Due diligence will be completed in line with a matrix which considers supplier sector, location and value of contract. Our policy will be communicated later in the year as part of our ongoing work to improve the transparency of our procurement assessments.

Code of Conduct (Suppliers)

Our Supplier Code of Conduct has been published and we have commenced rolled out 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 rights
- 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 of Conduct for suppliers can be found here: <https://ivcevidensia.com/policies/>

We expect our suppliers to follow these principles:

- Comply with all applicable national laws and regulations
- Adopt a responsible and ethical approach to business & sourcing
- Ensure high standards of animal welfare and adhere to the "five freedoms" as promoted by the World Organisation for Animal Health (OIE)
- Uphold and protect labour & human rights
- Prevent forced labour, and modern slavery
- Manage and reduce environmental impacts
- Identify and manage supply chain risks
- Compliance with best practice in required animal testing (e.g. for pharmaceutical use)
- Comply with standards used in animal husbandry or testing, including the five freedoms



Suppliers Assessment

We are using our risk assessment findings to ensure we target suppliers operating in the high-risk locations and sectors through our Supplier Assessment Process. We have identified the suppliers who account for 80% of our contracted spend in acknowledged risk sectors including pharmaceuticals and medical supplies and have completed a due diligence process with these suppliers.

We have introduced a Supplier Assessment Process to complement our Code of Conduct and this forms part of our key supplier selection process with suppliers expected to demonstrate their compliance with the legislative requirements and outline their approach to tackling this issue. We have rolled this out to suppliers who account for 80% of our controlled spend. The areas which they are requested to outline include risk assessment, supplier due diligence, training awareness and recruitment processes.

The assessment process will continue to be rolled out over the next 18 months and alongside our consolidation of supplier programme, will be factor in ensuring we have more transparency over the actions our suppliers are taking and therefore can make more informed decisions when selecting preferred suppliers. As part of this programme we plan to include a “360°” review of whether the supplier is on any list of government sanctions, any convictions, and any links to exposed political persons. At the end of this process, these suppliers are given an overall score which will help determine, alongside commercial factors, whether we wish to engage with the supplier.

Breaches and Non-compliance

IVC Evidensia Group does not tolerate illegal practices including 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 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.

Future Focus →

- Consolidate our supplier list
- Launch the Procurement Policy globally
- Continue to rollout Supplier Assessments on Tier 1 suppliers
- Get Tier 1 suppliers to sign up to our T&Cs
- Include sustainability and regulatory clauses within all contract renewals and new contracts
- Include clauses for allowance of supplier audits in supplier contracts and audits to be sought as part of tender process for key contracts
- Offer whistleblowing facility contact details to our suppliers



Monitoring & Key Performance Indicators (KPIs)

IVC Evidensia Group has determined a number of Key Performance Indicators (KPIs) to enable us to monitor and report on the effectiveness of our actions relating to the Vigilance Plan. These are outlined below.

KPI	Metric	Target	2021	2022
Employee engagement	% of employees taking part in annual Global Employee Survey	Improvement YOY	-	55%
Code of Ethics Training completion	% of employees who have completed training	85% in all markets by 2023	-	5 countries
Gender diversity	% of females in senior roles	50% by 2025	44%	45%
Whistleblowing	Number of reports (shows improved awareness / psychological safety)	Increase YOY	-	55
Respecting People Module	Launch in 2023	85% in all markets by 2024	-	-
Work accidents incidence rates	Rate per 1000 employees (74)	Reduction YOY	-	74
Health & Safety Training completion	% of employees who have completed training	85% in all markets by 2023	-	1 country
Wellbeing	Number of countries with wellbeing programmes	All markets (20) by 2023	6	10
Reduce carbon emissions	Scope 1 & 2 Scope 3	Reduced by 50% by 2030 Reduced by 30% by 2030	- -	34,887 11,010
Renewable energy	% purchased	85% by 2023	55%	65%
Due diligence / transparency	% of strategic suppliers assessed	100% by 2025	-	85%
Supplier accountability - Terms & Conditions	% of key contracts including regulatory & sustainability clauses / right to audit	Top 40 suppliers by 2023 85% of Tier 1 by 2024 100% by 2025	-	42
Preferred supplier list	Reduce overall number of suppliers	Reduce by 50% by 2025	-	40,000

Appendix

The following companies are commercial organisations which are part of the IVC Evidensia Group and which carry on business across the globe.

<https://weuazseweblivecontent.blob.core.windows.net/non-nordics/media/nonnordicsites/general/policies/pages-from-signed-ivc-acquisition-midco-ltd-financial-statements-30-09-21.pdf>



IVC EVIDENSIA

www.ivcevidensia.co.uk