

FY20 Modern Slavery Statement

Apiam Animal Health

ACN 604 961 024

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| Document Title: | FY20 Modern Slavery Statement |
| Date of Issue: | 26 March 2021 |
| Contact Officer: | Chief Financial Officer |
| Related Policies: | Code of Conduct |

1 Introduction

- 1.1** Apiam Animal Health Limited (Apiam) endeavours to conduct its activities in a manner that reflects its Vision, Mission and Values through its Code of Conduct and other operating policies and guidelines – which includes being a good corporate citizen, dealing fairly in business, behaving ethically, upholding human rights, supporting a safe and healthy workplace, doing business in an environmentally responsible manner, and complying with applicable law. Apiam is committed to ensuring that its suppliers reflect our values and beliefs by conducting business in ways that are consistent with Apiam’s applicable policies and practices.
- 1.2** In line with Apiam’s broader risk appetite and risk management framework, Apiam has a zero tolerance approach towards practices that directly or indirectly contribute towards any forms of modern slavery.

2 Apiam business

- 2.1** Apiam is a vertically integrated animal health business, operating over 55 sites and combining the talent of 582 staff, providing a range of products and services to support the health and well-being of production and companion animals and other animal species. Apiam’s business includes:
- 2.2** veterinary production services, which includes animal production and mixed animal veterinary practices, with expertise across the pig, dairy, feedlot, sheep, poultry, equine, and companion animal sectors;
- 2.3** genetic services, including experience in the areas of artificial breeding, livestock identification systems and various computer software packages;
- 2.4** testing laboratories, focused on veterinary diagnostics and feed manufacturing testing, including veterinary pathology services, biological testing of food products, environmental testing and custom made veterinary vaccines;
- 2.5** warehouse, logistics and e-commerce, strategically located warehouses across Australia for storage and transportation of temperature sensitive and scheduled products, sold through the veterinary practices or online e-commerce portals.

3 Supply Chain

- 3.1** The Apiam supply chain is physically managed by its warehouse, logistics and e-commerce division – Country Vet Wholesaling – which is supported and assisted by the Apiam corporate office. This allows for industry-leading oversight, relationship management and efficiency through the Apiam supply chain as all departments within the business purchase through Country Vet Wholesaling.
- 3.2** Products purchased through the Apiam supply chain include mainly highly sophisticated veterinary medicines, veterinary surgery consumables, chemical feed additives, and other ancillary products required for veterinary services.
- 3.3** Vendors for these products are generally Australian companies, or Australian subsidiaries of large multinational companies. Very little direct importing from foreign vendors is undertaken by Apiam.

4 Supply Chain Risks

- 4.1 Apiam has policies which require suppliers to acknowledge that they comply with the terms of the anti-slavery legislation. Apiam has a zero tolerance for all forms of modern slavery and this is communicated to all suppliers, contractors and business partners at the outset of the business relationship.
- 4.2 Apiam has identified there may be potential risk of modern slavery practices by overseas suppliers with third party supplier factories in geographical locations which focus on minimising production costs.
- 4.3 With respect to the operations of businesses that Apiam controls and operates, Apiam ensures that all businesses comply with the laws of the Australian jurisdiction within which they operate, and therefore any modern slavery practices do not exist within the businesses controlled by Apiam.

5 Addressing Supply Chain Risks

- 5.1 Apiam has a robust corporate governance framework with the company's board ultimately overseeing and responsible for the Apiam's broader commitment to human rights through various codes of conduct, the orders and risk committee, including Apiam's zero tolerance approach to modern slavery.
- 5.2 Underpinning this framework other various company policies relevant to modern slavery, which include the published code of conduct, whistleblower policy, diversity policy, plus others being considered.
- 5.3 Apiam's executive leadership team collectively have responsibility for development and implementation of Apiam's broader human rights program, including modern slavery. Through the CEO, the executive leadership reports to the audit and risk committee, which in turn reports to the Apiam board.
- 5.4 Apiam is committed to provide its employees with a safe workplace and seeks to address any health and safety issues that may arise quickly and efficiently. Apiam is also committed to only hire persons who have no legal impediment precluding them from being employed, and ensuring they have the proper authority to be hired legally with the appropriate working visa or approval.
- 5.5 Apiam has several processes in place to address potential modern slavery risks from overseas sourced goods:
 - i. Certain product suppliers are evaluated for the risks of human trafficking, through supplier interaction, market intelligence and general industry knowledge;
 - ii. in some cases, some suppliers may be required to certify that they are complying with laws relating to modern slavery;
 - iii. requiring certain suppliers to adhere to all applicable laws relating to labour, environmental, health/safety and ethics;
 - iv. reviewing modern slavery statements from businesses large enough to report to also ensure suppliers are proactive in addressing the requirements of the modern slavery act;
 - v. update suppliers and trade agreements to incorporate commitments the suppliers only source goods ethically and from 3rd parties where modern slavery is not practised, including ensuring the ability to terminate the supplier relationship if Apiam suspects any risk of modern slavery practices;

- vi. train and build awareness and capacity of key staff in procurement roles to ensure they understand the risk of modern slavery practices, and that they mitigate risk when identifying possible new suppliers or changes to the current supply chain.

6 Effectiveness of risk review and future consultation

- 6.1** Apiam continues to review, improve and build on long-term supplier relationships, which will assist over time to empower our suppliers to safeguard human rights through dialogue, discourse, contractual obligations and customer influence.
- 6.2** Modern slavery is subject for continual review and improvement within the risk and audit committee of the Apiam Board, and as such will be monitored and reported upon. Ongoing training of key staff within Apiam and continual updating of supplier agreements will ensure the risk of modern slavery is reduced within Apiam's supply chain.
- 6.3** Apiam will continue to consult with employees and supply chains to review policies, processes and supplier contracts going forward to ensure the measures in place support and further Apiam's commitment to combatting the risks of modern slavery in its business and supply chains. Apiam is also committed to participate in any industry wide initiatives to combat the risk of modern slavery.

This statement was approved by the Board of Directors of Apiam Animal Health Limited on 25 March 2021.