

REPORT UNDER THE FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT

Company's Legal Name: Associated Veterinary Purchasing Company Limited

Financial Reporting Year: July 1, 2022 to June 30, 2023

Report Date: May 14, 2024

Company's Business Number: 73961 8817 RC0001

Company's address/location: 27533 50 Avenue, Langley, BC, V4W 0A2

Industry/sector: Veterinary supply chain

In accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act") and in particular section 11 thereof, I attest that I have reviewed the information contained in this report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable due diligence, I attest that all the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind Associated Veterinary Purchasing Co Ltd.



Garth Graham, DVM
Chief Executive Officer

May 14th, 2024

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Company Structure, Activities and Supply Chains

Associated Veterinary Purchasing Co Ltd is a member-owned distribution service provider for veterinary businesses in the province of British Columbia. The company was established in 1982 and has operated exclusively from the Fraser Valley region since that time. Our mission is to provide veterinary clinics with efficient and reliable supply of nutritional products, medications, biologicals, and supplies required for the practice of veterinary medicine and the operation of veterinary facilities. Using a staff of approximately 80 individuals, we operate seven days per week, ordering the products and supplies requested by our members, receiving them into inventory, and shipping ordered goods to our members. Our operations are conducted in a profit neutral manner, as all profits resulting from our operations are returned to the membership in the form of rebates, discounts, and dividends.

Our product inventory is sourced primarily from Canada, with less than 5% of our goods arriving from the US. No supplies are sourced from countries located outside of North America.

Policies and Due Diligence Policies in Relation to Forced Labour or Child Labour

AVP operates in the province of British Columbia and adheres to all applicable employment laws, policies, and standards. Our warehouse staff are members of the Service, Health, Manufacturing, and Allied Workers Union, CLAC Local 501, providing further oversight and protection of safe and appropriate workplace practices. All employees of AVP are lawfully allowed to work in Canada and none are under the minimum age for employment in BC.

Parts of Business and Supply Chains that Carry Risk of Forced Labour or Child Labour Being Used and Steps Taken to Assess and Manage that Risk

The majority of our service providers, logistics services, and contractors are provincially or nationally based, with minimal reliance on services provided outside of Canada. It is assumed these companies adhere to the same employment standards as required by law in BC and Canada.

The most significant aspect of our business that holds a risk of forced labour or child labour would be found within our supply chain. The manufacturing and distribution of the thousands of products carried by AVP happens in numerous countries around the globe, and having comprehensive and direct visibility of production processes is impossible. Although most of our suppliers are well recognized multinational pharmaceutical corporations or Canadian-based owned and operated companies, some of our goods come from smaller, lesser-known manufacturers, which could use inappropriate methods to source, produce, or distribute goods to AVP.

In response to the Fighting Against Forced Labour and Child Labour in Supply Chains Act, AVP is considering the implantation of routine audits of our service providers and suppliers to ensure they respect the importance of this issue and are taking steps to reduce the chance for forced or child labour to occur. This will be conducted with the use of a questionnaire to be completed by new suppliers or service providers within three months of providing goods or services to AVP. Existing suppliers, service providers, or contractors would be required to complete this questionnaire every three years.

The questionnaire will be developed in consultation with industry partners and our internal legal team. It will be sent to all suppliers, contractors, and service providers, and will be required to be completed within two months of delivery.

Measures Taken to Remediate Forced Labour or Child Labour

As AVP's risk of being directly involved in any situations of forced or child labour is extremely small if non-existent, we will not be taking any direct action against this conduct other than management of our questionnaire process outlined above. AVP is a proud member of the Canadian Animal Health Institute and assumes they will be involved in initiatives and awareness building around this critical issue. AVP will provide reasonable support and input as opportunities arise.

Any supplier, contractor, or service provider that raises suspicion or concern that they may be involved with practices of forced or child labour may have their products removed from our inventory and/or their services will no longer be employed by AVP. At a minimum, AVP will publish a list of companies that do raise concern, so our members can seek alternative products prior to making further purchases from these companies. Ideally, these companies will be discontinued from our inventory and/or use as soon as possible.

Measures Taken to Remediate Loss of Income as a Result of Measures Taken to Eliminate the Use of Forced Labour or Child Labour

No actions are planned at this time.

Training Provided to Employees On Forced Labour or Child Labour

The AVP administration staff will be advised of this new legislation, what it means to our business, and will be required to review this report in full. As these employees are the only ones with authority to purchase or approve services at AVP, no other employees require training at this time.

Actions Taken to Assess the Effectiveness of Measures Listed in this Report

AVP will closely monitor the plans and actions taken by other similar businesses in Canada, including other veterinary-owned distribution companies, pharmaceutical manufacturers, and the Canadian Animal Health Institute. As useful information or strategies are found, AVP will update its approach to this issue accordingly.