



As a market leading dental and animal health company supplying technology, products and equipment, as well as marketing, support and logistics services to our customers, we strive to build strong partnerships, one person at a time, in order to help create healthier communities.

In 2013, we published our first Philanthropy Report. In this, our first Patterson Companies Corporate Responsibility Report, we are producing a report that is broader in scope and includes information about our philanthropic efforts, as well as our environmental and social efforts as a company.

# BUILDING CONNECTIONS TO CREATE HEALTHIER COMMUNITIES

You'll see outlined who we are as a company, including our guiding principles, and achievements from our 2015 fiscal year (April 28, 2014 – April 25, 2015). We will also use this report to set a foundation for future reporting, planned for every other year.

#### REPORT HIGHLIGHTS

Thanks to many hands working together,
Patterson Companies has accomplished a lot in
the course of its 138-year history, not to mention
our accomplishments in the last fiscal year.
Contained in the report are dozens of
highlights, including:

- For the fourth year in a row, Patterson was named to the Forbes list of 100 Most Trustworthy Companies in America
- We were awarded a special distinction, as well as placement, on the Honor Roll for the 2014 Minnesota Census of Women in Corporate Leadership

- We took a bold stand against gray market products clouding the supply chain with our Supply Chain Integrity campaign
- Across the organization, employees volunteered thousands of hours of time in their communities for a multitude of worthy causes

As we set out on this reporting journey, I invite you to accompany us. Working together, we'll continue to provide innovative solutions to help create healthier communities.

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Thank you,

**Scott P. Anderson** 

Chairman, President and CEO Patterson Companies, Inc.

### PATTERSON COMPANIES CORPORATE RESPONSIBILITY

At Patterson Companies, we measure success by the strength of our relationships and in the positive outcomes from our collaborations. From working with our partners to bring innovative solutions for improved healthcare to our customers and their clients, to supporting employee volunteerism efforts, large and small, Patterson is committed to building strong connections that create healthier communities.

## AS PART OF OUR CORPORATE RESPONSIBILITY, PATTERSON COMPANIES PLEDGES:

- To rely on our core principles to help guide us every day and in planning for our future
- To continually seek to understand and find innovative ways to support the unique communities we serve
- To lead by example

# AWARDS AND RECOGNITION

### **WOMEN IN CORPORATE LEADERSHIP HONOR ROLL**

Patterson Companies was awarded a special distinction, as well as placement, on the Honor Roll for the 2014 Minnesota Census of Women in Corporate Leadership.

Given by the School of Business and Leadership at St. Catherine University in St. Paul, Minn., the placement recognizes Minnesota companies with 20 percent or more gender diversity in their executive ranks and on their board of directors. Special distinction companies have 30 percent or more gender diversity in their C-suites and on their boards.



## 100 MOST TRUSTWORTHY COMPANIES IN AMERICA

For the fourth year in a row, Patterson Companies, Inc. was named to the Forbes list of 100 Most Trustworthy Companies in America. Patterson is one of only two companies in 2015 that have appeared on the list four consecutive times since 2012.

To create this list, MSCI ESG Research screened more than 5,500 publicly traded North American companies for Forbes, to identify the 100 that most consistently demonstrated transparent accounting practices and solid corporate governance. Those top 100 companies have the strongest AGRs – Aggressive Accounting and Governance Risk – the composite scores by which organizations were judged. Factors considered included high risk behaviors, such as regulatory actions, amended filings, revenue and expense recognition methods, and bankruptcy risk.



# ETHICS IN ACTION

At Patterson Companies, we seek out employees and business partners who share our integrity, values and high standards for conducting business and whose practices align with our own Code of Ethics.

## ETHICS WITHIN PATTERSON COMPANIES

## DIVERSITY, BUSINESS CODE OF CONDUCT AND CODE OF ETHICS

Patterson Companies conducts business on a worldwide basis. We reflect and respect the diversity of cultures throughout the world and strive to conduct business in a culturally appropriate manner. Patterson also fully complies with the antitrust laws and fair trade practices of the United States and all other applicable jurisdictions.

Employees of Patterson comply with company policies, the ethical standards and legal requirements of each country in which business is conducted, as well as United States laws that apply in other countries. Every employee is responsible for conducting business in a nondiscriminatory manner free from harassment. Each year, during benefits enrollment, U.S.-based employees must review and sign the most current version of the Business Code of Conduct, acknowledging acceptance of the policy.

Employees have a variety of channels in which to raise any concerns, including managers, department heads and a confidential toll-free Ethics Hotline. Patterson protects employees who raise a question or voice a concern in good faith.

### FINANCIAL REPORTING

### **REPORTING OUR PERFORMANCE**

Patterson is committed to accurate and timely disclosure of information as set forth by the U.S. securities laws. As a public company, Patterson submits quarterly financial reports in accordance with generally accepted U.S. accounting principles. No willful or knowingly false or misleading statement or omission will be made in any disclosure, report or registration statement filed with the SEC.

## MATERIAL NONPUBLIC INFORMATION AND SECURITIES TRADING

To protect the shareholders of Patterson and to promote confidence in the capital markets in general, securities legislation and Patterson policy prohibit persons who have access to material undisclosed information about Patterson from trading in Patterson securities or informing others of that information before it has been generally disclosed to the public.

### **BRIBERY**

The U.S. Foreign Corrupt Practices Act prohibits bribery of government officials, and the U.K. Bribery Act prohibits all bribery, of both government officials and private individuals, and includes facilitation payments in its prohibitions. Patterson's policy prohibits all forms of bribery to be consistent with both laws.

Patterson monitors and audits its businesses as appropriate for potential bribery activities and risks and to ensure that accounting books and records are being maintained in accordance with this policy.

## MARKETING TO HEALTHCARE PROFESSIONALS

Interactions between medical device and pharmaceutical manufacturers and distributors and healthcare providers are increasingly regulated. Patterson's policies regarding such interactions are contained in Marketing and Sales Codes of Conduct specific to each of its businesses. Employees with marketing and sales responsibilities are responsible for ensuring they are familiar with those policies as applicable to their respective business. Patterson complies with the Physician Payment Sunshine Act.



## PROTECTING CONFIDENTIAL CUSTOMER INFORMATION

Patterson ensures the security and confidentiality of its customers' information. Employees who have contact with and access to confidential customer information, including information relating to patients, must take precautions to keep such information confidential.

For example, employees must use and disclose customer and patient information only as necessary to service a customer and in accordance with applicable law. Employees who have access to payment card information must take appropriate steps to comply with applicable company policy and laws and regulations. These employees do not store payment card information on unsecured computers, smartphones or laptops. They are also prohibited from storing confidential customer information, including information related to patients, on employee-owned electronic devices.

Patterson provides a set of internal guidelines to all employees who have access to private and proprietary information.

# PROTECTING CONFIDENTIAL AND PROPRIETARY PATTERSON INFORMATION

Patterson protects information about the company by taking precautions to keep key information confidential.

# ETHICS AND OUR PARTNERS

## SUPPLIER RELATIONSHIPS

As a leading global distributor to the dental and animal health markets, Patterson Companies builds relationships with manufacturers and suppliers to ensure the highest quality products for our customers.



### SUPPLIER CODE OF CONDUCT

As a responsible corporate citizen, Patterson Companies ensures high quality and safety standards are incorporated into the products and services it makes available through its subsidiaries. Patterson expects its suppliers, at all times, to conduct themselves in an ethical manner, and to comply with applicable laws and regulations, including those relating to:

### CORRUPTION AND UNFAIR BUSINESS PRACTICES.

Corrupt practices – including public and private bribery and kickbacks – are not allowed. Competitive data, proprietary information and intellectual property shall be handled properly, and legal requirements concerning competition, antitrust and truthful marketing shall be met. Corporate recordkeeping shall be complete and accurate in all respects.

### PROHIBITION OF CHILD LABOR.

The use of child labor and all forms of child exploitation are prohibited. All workers shall be at least 18 years of age unless applicable local law allows otherwise.

## PROHIBITION OF HUMAN TRAFFICKING, SLAVERY AND FORCED LABOR.

All forms of human trafficking, slavery and forced labor are forbidden, including physical abuse and corporal punishment.

### **HEALTH AND SAFETY.**

National, local, provincial or other applicable laws and regulations shall be followed with regard to the health and safety of workers, including but not limited to those relating to waste management, handling and disposal of chemicals and other dangerous materials, labeling, packaging, transportation, etc.

# SUPPLY CHAIN INTEGRITY

During its 2015 fiscal year, Patterson Companies and its Patterson Dental business launched the Supply Chain Integrity educational campaign and website, www.dentalsupplyintegrity.com, to help protect dentists and their patients from purchasing or using potentially unsafe gray market dental products.

Potentially unsafe "Gray Market" or illegal "Black Market" refers to products and materials often found at deep discounts through unauthorized channels. These include products that are recalled, counterfeit, expired, toxic, mislabeled or banned.



# STRENGTHENING AND ENHANCING OUR COMMUNITIES

Giving back is a part of Patterson Companies' culture and is just one way we strive to build stronger, healthier communities where we live and work.

We are committed to contributing to worthy charitable causes across our geographic regions. In general, giving decisions are focused on nonprofit organizations that we believe can make the greatest impact in the areas correlating to the industries we serve: oral health and animal health.

Much of the charitable giving and activity at Patterson is handled at the local level. This decentralized giving model mirrors our company structure and allows employees at our branches to build relationships with local charitable organizations and to determine how resources can be used most effectively to meet the needs within their communities.

Support for charitable organizations includes donations of cash, product and employee time. In addition, many employees donate their personal time, talents and resources through civic, political and public affairs activities in their communities.

## **VOLUNTEERING WITHIN OUR COMMUNITIES**

Within Patterson Companies, there is a spirit of philanthropy and giving back. The following features represent just a fraction of the volunteerism efforts in fiscal 2015 among Patterson's businesses.



### CHARITABLE DONATIONS FOR FISCAL 2015



### More than \$1 million

TOTAL CASH AND PRODUCT DONATIONS



\$760,257

**CASH DONATIONS** 



\$242,071

**PRODUCT DONATIONS** 



**BUSINESS:** Patterson Dental



PHILANTHROPIC ACTIVITY: Mission of Mercy (MOM) events



**COMMUNITIES SERVED:** Multiple;

Across the U.S.

Every year, the Mission of Mercy (MOM) clinics serve communities across the U.S., providing free dental care to the uninsured and underinsured. Due to their nonprofit status, Mission of Mercy events depend on donations and volunteers – both dental and non-dental – to bring the clinics to life.

In fiscal 2015, 100 Patterson Dental employees assisted with 12 MOM events in their communities. Support that Patterson Dental branches provide for each event varies but typically includes pre-event planning; direct donations of dental supplies; obtaining supplies, equipment and technology from Patterson's vendor partners for use at the event; service technicians setting up and taking down equipment; and onsite assistance with welcoming patients and ensuring the events run smoothly.

At these 12 MOM events, more than 19,000 patients received free dental care from volunteer dental professionals, totaling more than \$13.7 million in donated dental services. The Patterson Foundation also supported these events through grants totaling \$57,500.

"With such a great need for dental care in our backyards, we wanted to do all we could to support those who are providing this care."

- Robyn Theisen, Minnesota Branch Operations Manager



**BUSINESS:** Patterson Dental



**PHILANTHROPIC ACTIVITY:** A Future to Smile About fund-raising partnership in support of Oral Health America's Smiles Across America program



**COMMUNITIES SERVED:** Multiple; Across the U.S.

In partnership with the American Association of Dental Office Managers (AADOM), Patterson Dental launched "A Future to Smile About," a yearlong initiative to raise funds for Oral Health America's (OHA) Smiles Across America (SAA) program. SAA's mission is to help deliver dental care and prevention services to underserved children and promote oral health in communities. The organization reaches more than 460,000 children each year in schools and school-based settings.

Through A Future to Smile About, Patterson Dental and AADOM will each donate \$50 to OHA for every AADOM annual membership purchased by dental practices from February 25, 2015 through January 31, 2016.

"Oral Health America's devotion to helping youth who face barriers to receiving dental care and prevention services is critical. Patterson Dental is excited to work with AADOM and dental practices nationwide to help propel OHA's efforts."

 Tim Rogan, Patterson Dental Vice President of Marketing, Merchandise



**BUSINESS:** Dolphin Imaging & Management Solutions



**PHILANTHROPIC ACTIVITY:** Los Angeles Regional Food Bank food sorting



**COMMUNITIES SERVED:** Los Angeles, San Bernardino, Riverside and Orange counties in California

A group of Dolphin Imaging & Management Solutions employees donated time at the Los Angeles Regional Food Bank in downtown Los Angeles. Many brought along spouses, parents and children to help with the effort.

"Our job was to sort canned goods, discarding the dented, expired and opened food packages, and sending the 'good' food on its way to secondary sorting. We sorted almost 12,000 pounds of food, which doubled their daily average."

- Joanna Tavanlar, Dolphin training coordinator



**BUSINESS:** Patterson Companies Corporate Office



**PHILANTHROPIC ACTIVITY:** United Way and Community Health Charities payroll deduction program



**COMMUNITIES SERVED:** Twin Cities, Minnesota



**BUSINESS:** Patterson Companies Corporate Office



**PHILANTHROPIC ACTIVITY:** Bike MS to support the National Multiple Sclerosis Society



**COMMUNITIES SERVED:** Multiple; Across the U.S.

A group of Patterson Companies employees from the Corporate Office (St. Paul, Minn.) teamed up to participate in the Bike MS 150-mile bike ride to help raise funds in the effort to end multiple sclerosis. Many Patterson employees supported the team's efforts through donations and participating in a pay-for Casual Day; Patterson Companies matched all donations, for a total donation of \$3,900.

"The camaraderie and personal challenge to finish the ride while raising awareness for this important cause was a great experience."

- Co-captain Andy Valentine, who was diagnosed with MS in 1998

At the Patterson Companies Corporate Office (St. Paul, Minn.), employees are invited to participate in a payroll deduction program that benefits United Way and Community Health Charities. The company donates to the organizations as well; more than \$20,000 was donated in 2014.



**BUSINESS:** National Veterinary Services, or NVS (Stoke-on-Trent, Staffordshire, U.K.)



**PHILANTHROPIC ACTIVITY:** Partnership with Blue Cross to support its clothing donation drive



**COMMUNITIES SERVED:** Animal hospitals and rehoming shelters across the U.K.

National Veterinary Services, which is Patterson's veterinary business operating in the U.K., is the leading supplier and distributor of veterinary products to veterinary practices and other outlets in the U.K. As such, it is in a unique position to bring together groups with a common interest to act toward a common purpose.

NVS formed a partnership with Blue Cross, an animal humane organization in the U.K., to generate awareness of and help facilitate Blue Cross's clothing donation drive. NVS reached out to its veterinary customers, gave them a donation bag, and then picked up the donations when it delivered customers' orders. In turn, Blue Cross then sold the donations and raised money to support its animal hospitals and rehoming shelters.

"It is a real honor working with Blue Cross and our veterinary practices to help hundreds of animals find homes or live the life that we would all want for them."

- Peter Cronin, NVS sales and marketing director



# EMPLOYEE VOLUNTEERISM

In fiscal 2015, Patterson Companies employees gave hundreds of hours of their personal time toward causes that are near to their hearts.

The following is a list of just some of the organizations to which employees volunteered their time, including serving on the boards of organizations.

## EMPLOYEE VOLUNTEERISM LIST

America's ToothFairy: National Children's Oral Health Foundation\*

America's Dentists Care Foundation Missions of Mercy\*

American Cancer Society Relay for Life

American Dental Association (ADA) Foundation

American Foundation for Suicide Prevention (AFSP)

American Red Cross

American Veterinary Distributors Association (AVDA)

Angels On Assignment

Animal Humane Society

Arkansas Mission of Mercy (ARMOM)

Ashland Productions arts organization

Big Brothers Big Sisters

Blue Cross animal charity

Boy Scouts of America

Boys Team Charity

Calgary Humane Society

California Dental Association Foundation

Camp Grady Spruce: YMCA Dallas\*

Cancer Support Community

Carlson School of Management Supply Chain and

Operations\*

CASA of Effingham County\*

Catholic Charities of Washington (Mid-Maryland MOM

event)

Center for Research and Education in Technology (CRET)

Central Arizona Dental Society Foundation

Children's Cancer Caring Center

Children's Literature for Children, Inc.

Coeur de Gazelle

Colorado Mission of Mercy

Community Health Charities - Minnesota

Computers 4 Africa

Conservation Corps Minnesota & Iowa

Corridor Rescue

CPE L'Essentiel\*

Crisis Line of Will & Grundy Counties - United Way\*

Dental Lifeline Network

Dental Lifeline Network - Colorado\*

Dental Trade Alliance

Dental Trade Alliance Foundation\*

Dodge Nature Center

Edward Hospital and Health Services

Effingham County FISH\*

Effingham Momentum

Feed My Starving Children

FIRST (For Inspiration and Recognition of

Science and Technology)

Foster Care to Success

Freddie's Hope Rescue Ranch\*

Girl Scouts of Southern Illinois\*

Girl Scouts of the USA

Gustavus Adolphus College\*

Habitat for Humanity International

Halos of the St. Croix Valley

Health Industry Distributors Association (HIDA)

Healthy Smiles Mobile Dental Foundation

Herman Ostrow School of Dentistry of USC\*

Homeless Nexus

Homer Glen Foundation

Homer Glen Junior Woman's Club\*

Honor the Earth

Illinois State Dental Society Foundation

Indiana Dental Association Foundation

for Dental Health

Iowa Dental Foundation

Jerry Love Children's Fund

Joliet Area Community Hospice

Junior Achievement of the Upper Midwest

Junior League of Macon\*

Juvenile Diabetes Research Foundation Kansas Dental Charitable Foundation

Kelowna Gospel Mission Dental Clinic

Kluthe Center for Higher Education & Technology\*

La Fondation du Grand défi Pierre Lavoie Last Hope Animal Rescue and Rehabilitation

Lifesource

Loaves and Fishes MN

Los Angeles Regional Food Bank

Louisiana Dental Association Foundation

Make-A-Wish

Make-A-Wish Illinois

Manchester and Cheshire Dogs' Home

March of Dimes

Meals on Wheels - Northwest Dakota County Melina's White Light - Putting Kids First in

Cancer Research

Memorial Blood Centers
Miami VA Healthcare System\*

Michigan Dental Association Foundation (MDAF)\*

Minneapolis Mounted Police Foundation\*

Minnesota Dental Foundation

MOM-n-PA

Monroe County Food Pantry and Community Meals

Movember Foundation

MSPCA-Angell

Museum of Arts and Sciences (Macon, Georgia)

National MS Society

National MS Society MS 150

Neighbors Inc.

North Central Florida YMCA

Northeast Tarrant County Chamber of

Commerce Leadership Program

Northwest Harvest

Operation Grace MN\*

Oral Health America (OHA)\*

Oral Health America's Smiles Across America Program

Ordway Center for the Performing Arts\*

Ottawa Humane Society

Pancreatic Cancer Action Network

Patterson Foundation
Patterson Foundation\*
PEO International\*

Pointe-Saint-Charles Community Clinic\*

Puget Sound Christian Clinic\*
RiteCare of Minneapolis-St. Paul
Ronald McDonald House Charities
Rosemount Area Arts Council

Saint-Urbain's Leisure\*

Salvation Army

Salvation Army Angel Tree Program
Saukville Community Food Pantry

Secondhand Hounds Shake-A-Leg Miami

Shriners Hospitals for Children-Twin Cities

Special Olympics Canada Special Olympics Kentucky Special Olympics Polar Plunge St. Anthony's Memorial Hospital\*

Suicide Prevention Task Force of St. Croix County

Team Red, White & Blue

The Children's Dental Center of Greater Los Angeles\*

The Dental Mission Project Society

The Merchants of Deva\*

The Raptor Center
The Salvation Armu

Think IT Link to Leadership Development Program\*

Toys for Tots Foundation
Tualatin School House Pantry

Twin Cities Housing Development Program

Unit 40 Mentoring Program

United Way of Effingham County\*

United Way Worldwide

University of Hartford Alumni Association\*
University of Minnesota School of Dentistry -

Board of Visitors\*

University of Minnesota School of Dentistry - External

**Environment Committee\*** 

Upper South Long Lake Association Washburn Center for Children\* West Michigan Dental Foundation\*

Wichita Crime Commission Wildlife Vets International World Dental Relief

World Vision

Young Hearts for Life

\* Indicates an employee served on the board of the organization.

### PATTERSON FOUNDATION

In 2000, a group of senior-level employees with Patterson Companies acted on their desire to give back in meaningful ways by pooling their personal resources to start the Patterson Foundation. The Foundation has continued to grow over the years mainly through the generous donations of current and former Patterson Companies employees. Since the beginning, the Patterson Foundation has been committed to giving back to the employees and industries that make Patterson Companies successful.

In 2004, the Foundation awarded its first higher education scholarships to the children of Patterson Companies employees and grants to nonprofit organizations working to expand healthcare to those most in need. The Foundation has a strong interest in supporting charitable programs that increase access for disadvantaged communities and individuals with special needs.

Today, the Patterson Foundation is able to serve thousands of people in need, thanks to the generosity of Patterson Companies employees at all levels of the company. Patterson employees started the Foundation – and current employees are keeping the tradition of giving alive and growing.



# AT-A-GLANCE: PATTERSON FOUNDATION GRANTS AND SCHOLARSHIPS

### **2014 SCHOLARSHIPS**

The Patterson Foundation awards post-secondary scholarships that help make higher education more affordable for Patterson families. Through the scholarship program, children and legal dependents of Patterson Companies employees are eligible to apply for scholarships that may be renewed for up to four years.

- 115 scholarships awarded in 2014
- \$334,500: Total of all scholarships in 2014
- \$1.7 million: Total of all scholarships since 2004

## GRANTS TO CHARITABLE ORGANIZATIONS

- \$575,538: Total grants awarded in 2014
- 104: Number of organizations that have received a grant since inception
- 40: Number of grants awarded in 2014
- \$5,660,974: Total grants awarded since 2004

### **COMMITTED TO SUSTAINABILITY**

Patterson is committed to applying environmentally friendly business practices in order to help create healthier ecosystems. In doing so, we accept responsibility to help conserve our natural resources and sustain our environment.

As a leader in the dental and animal health industries, and a champion of corporate responsibility beyond the workplace, we strive to meet quality standards, minimize our overall impact on the environment and achieve key certifications.

## AWARENESS AND ACTION INVOLVING ECO-PRACTICES INCLUDE:





Environmentally friendly structures



Facility-wide recycling practices



Energy-efficient lighting



Collaboration with business partners who have the same regard for preserving our environment



# **GREEN BUILDINGS**

We believe that sustainability takes root from the ground up – beginning with green building operations. Patterson's fulfillment centers, which supply products through the Patterson Logistics Services Inc. (PLSI) distribution network, encompass design and construction techniques based on advancing energy efficiency, reusability, and focused support and follow-through from our employees.

### **LEED CERTIFICATION**

Two Patterson-built facilities have achieved LEED certification, an international designation that promotes green design and construction, and energy-efficient building systems.





## NORTHERN FULFILLMENT CENTER, SOUTH BEND, INDIANA

- 208,000 square feet
- LEED certified
- Supports the dental and companion animal health businesses of Patterson Companies, Inc.

### **ENVIRONMENTAL INITIATIVES**

- Meets and exceeds environmental standards in the industry
- Applies solutions that reduce, reuse and recycle natural resources
- Selects packaging materials to minimize environmental impact
- Creates strategic partnerships with suppliers and vendors who are environmentally responsible
- Actively reduces carbon footprint





### **ENVIRONMENTAL INITIATIVES**

### **GENERAL:**

- Majority of building materials made of recycled content and sourced from manufacturers located within 500 miles of the site
- Energy efficient strategies used throughout the project; energy saved is enough to provide power to 25 homes in Effingham
- 110 tons of construction waste diverted from the landfill
- Vegetated open space is 58% of the site or equal to 523,200 square feet or 12 acres or 9 football fields
- Ponds designed to filter site storm drainage prior to discharge from the site

### **INTERIOR:**

- Occupancy sensors and daylight controls on all light fixtures, allowing natural daylight to illuminate work areas and ensure that lights are turned off when rooms are not occupied
- Low-flow plumbing fixtures save approximately 250,000 gallons of water per year enough to fill a typical home pool 20 times
- Building flushed with fresh air every 6.5 hours; approximately 25% of the building air is filtered and conditioned
- Low Volatile Organic Compound (VOC) materials used throughout the building

### **EXTERIOR:**

- Landscape design using plant material native to Southern Illinois, including trees, shrubs, grasses and flowers
- Walking path extends around the pond and back of the site; 3.5 laps around the building and pond equals 1 mile
- Parking areas include 26 reserved spaces for fuel-efficient vehicles and 3 electric car charging stations









# FACILITY FEATURES

## PATTERSON TECHNOLOGY CENTER GARDEN

At the Patterson Technology Center (PTC), the green features aren't just focused on reduction; a garden was planted two years ago in order to grow food for use in the PTC Café. Tomatoes, green peppers and jalapeños have been grown so far, and the tomatoes and peppers grown in the summer of 2014 fed PTC Café diners for two months. Basil, rosemary, parsley, tarragon, mint and cilantro are also grown, and are used year-round at the Café. Future plans for the garden include planting fruit, such as strawberries.

### **TELECONFERENCING ROOMS**

Based in Effingham, Ill., the Patterson Technology Center (PTC) isn't centrally located to a large airport, so employees are encouraged to teleconference when possible. With four rooms currently outfitted for teleconferencing, employees can reduce their business travel while still connecting with colleagues and clients. Additional teleconferencing options are being introduced, including outfitting more rooms with the proper equipment and installing software programs on employees' computers that enable video conferencing directly from their workstations.

## CHAMPAIGN FACILITY PAPER REDUCTION STRATEGIES

The Champaign Facility in Champaign, Ill., also home to Patterson Office Supplies, produces tons of materials — literally — for Patterson Companies employees who rely on the Facility for printing sales pieces, business cards and other collateral to support their business functions.

At the Facility, paper reduction strategies are continually being refined in order to reduce waste as well as costs. In addition, in fiscal 2015, the Facility recycled more than 9,000 pounds of paper, cardboard and electronics, preventing those items from winding up in landfills.

## HEALTHIER CONNECTIONS WITHIN OUR COMMUNITIES

As a distributor of dental and animal health supplies, as well as a service provider for our customers' in-office equipment and technology, transportation and logistics play a big role in helping us serve our communities. Through partnerships with vendor partners and transportation companies, and within our businesses, Patterson Companies is seeking new and healthier ways of transporting products and delivering service.

# SAFER, MORE EFFICIENT SERVICE VEHICLES

Patterson Companies is committed to finding ways to reduce vehicle emissions and caring for our employees who spend their workday behind the wheel. As part of that commitment, the Patterson Dental business rebranded its technical service division to TechEdge, and upgraded its fleet policies and equipment selections.

The Dental branches place their fleet vehicle orders and keep them properly maintained. When it's time to replace a vehicle, branches select from either Dodge or Ford, due to their driver safety features, fuel efficiency, and their ability to be properly outfitted to meet the business's unique specifications and ergonomic standards. The vans also include a SpitzLift, which assists technicians in the safe lifting and moving of large equipment and parts, such as dental chairs and compressors.

As part of our commitment to conserving natural resources, Patterson Dental will be replacing all older service vehicles with more fuel-efficient models over the next three years.

### **2014 TECHEDGE STATISTICS:**

- 17.9: Miles per gallon of TechEdge service vehicles
- 26,107,200: Total miles driven by TechEdge service technicians

### CARBON EMISSION MONITORING PROGRAM GETS TESTING PARTNER

Patterson Logistics Services, Inc., which manages
Patterson Companies' United States fulfillment centers,
transitioned to a third-party logistics partnership with
C.H. Robinson in order to utilize the company's business
intelligence tools. Under the new partnership, Patterson
will be able to monitor and report on carbon emissions
for all truckload and less-than-truckload shipments.

Prior to this partnership, Patterson Companies had no way of calculating its scope 3 transportation carbon emissions. The Greenhouse Gas Protocol (GHG Protocol) categorizes Scope 3 Emissions as indirect emissions and transport-related activities in vehicles not owned or controlled by the company.

Patterson Logistics Services will use the data obtained via the partnership with C.H. Robinson to help Patterson Companies establish plans to reduce emissions.

### MOVING MORE FREIGHT VIA OCEAN TRANSPORT

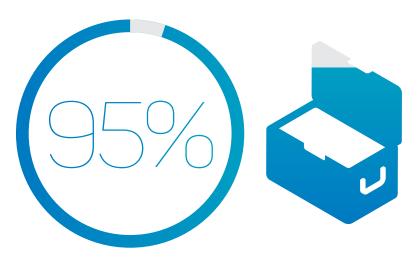
Many of the innovative and essential supplies and equipment required by Patterson Companies customers are produced outside of the United States, Canada and United Kingdom. Because of this, Patterson Logistics Services, Inc. (PLSI) looks for opportunities to test new freight delivery methods, including by ocean transport.

One of the first companies to partner with PLSI and test transport of its products was Pierrel, an Italian manufacturer, which switched from air to ocean transport. The success of that program inspired other tests, including one in February 2015. During this pilot program, PLSI brought freight from Sirona, its manufacturing partner in Germany, to the U.S. via ocean transport rather than air transport. The findings of these pilot programs indicated that ocean transport can be more efficient than air, and have inspired other companies to switch to ocean transport. These efforts continue to help Patterson Companies reduce its carbon emissions across all business units.



### COOLER RETURN PROGRAM

Patterson Veterinary customers in the Northwestern United States are helping to test a cooler return program started by the Kent FC (Kent, Wash.) and Patterson Veterinary Lynnwood Branch (Lynnwood, Wash.). Before the test program was rolled out, those veterinary practices would receive their vaccines and cold-chain products in Styrofoam cooler boxes, then throw away the boxes. Under the cooler return program, those practices are receiving their products in a reusable cooler and returning the cooler to the FC, preventing packaging waste from going to a landfill.



PERCENTAGE OF COOLERS THAT HAVE BEEN REUSED AS PART OF THE COOLER RETURN PROGRAM

# CREATING A FOUNDATION FOR CORPORATE RESPONSIBILITY

Thank you for reviewing the Patterson Companies Fiscal 2015 Corporate Responsibility Report.

This report will help create a foundation for future reporting activities and the information within will serve, where applicable, as a baseline for comparisons.

We plan to release our next Corporate Responsibility Report in 2017. Over the course of the next two years, we will seek to enhance our reporting capabilities and build even stronger partnerships in order to create healthier communities.

THANK YOU TO EVERYONE WHO

PARTICIPATED IN THE FISCAL 2015 REPORTING PROCESS.

### LOOKING FOR MORE INFORMATION?

Visit pattersoncompanies.com for the most current information regarding our Corporate Responsibility Reporting and related initiatives.

We welcome your questions and comments regarding our 2015 Corporate Responsibility Report.

### **CONTACT US AT:**

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