



## Modern Slavery Statement 2023

### 1 Introduction

This statement is made pursuant to the *Modern Slavery Act 2018* (Cth) for the year ending 31 December 2023<sup>1</sup> (**Reporting Period**) and describes the actions taken to assess and address modern slavery risks in the operations and supply chains of the reporting entities.

#### Reporting Entities and their principal activities

- (a) Pelican Holdco Pty Ltd (ABN 53 146 840 422) (**Holdco**), the holding company of (b) below;
- (b) Pelican Acquisitions Pty Ltd (ABN 94 146 841 027) (**PAPL**), the holding company of (c) below;
- (c) Provet Holdings Pty Ltd (ABN 91 092 593 774) (**PHPL**), the holding company of (d) below;
- (d) Provet Pty Ltd (ABN 46 076 468 481) (**Provet**), head office functions and the parent company of (e) and (f) below as well as other subsidiaries operating in Australia and New Zealand;
- (e) Provet NZ Pty Ltd (ABN 60 099 854 065) (**PNZ**), sales of veterinary products; and
- (f) Provet Queensland Pty Ltd (ABN 52 076 437 280) (**PQPL**), sales of veterinary products.

Provet is a wholly owned subsidiary of Covetrus, Inc (**Covetrus**) which is incorporated in the United States of America.

### 2 Organisational structure and operations

#### Covetrus

Covetrus is a global animal-health technology and services company dedicated to empowering veterinary practice partners to drive improved health and financial outcomes.

Founded in February 2019 through the merger of Vets First Choice and Henry Schein Animal Health, Covetrus brings together products, services, and technology into a single platform that connects customers to the solutions and insights they need to work best. Covetrus' passion for the well-being of

<sup>1</sup> Provet's year end is 30 June but for the purposes of this Statement, the Reporting Entities have adopted the calendar year as the single Reporting Period.

animals and those who care for them drives us to advance the world of veterinary medicine. Covetrus is headquartered in Portland, Maine (USA), with approximately 5,500 employees, serving over 100,000 customers around the globe.

## **Provet**

Within Australia and New Zealand, Covetrus primarily supplies goods and services through a number of wholly-owned subsidiaries including Provet, PNZ and PQPL (collectively, **Covetrus ANZ**). The registered office of Provet is located at 48 Bell-are Ave, Northgate QLD 4013. A number of subsidiaries are owned or controlled by Provet, but are not themselves reporting entities and their supply chains are very similar to Provet's (apart from the entities listed in Part 1 of this Statement).

Holdco, PAPL and PHPL are holding companies and by their nature, do not have operations or employees. Provet employs approximately 296 people performing the Covetrus ANZ corporate functions such as human resources, marketing, finance and executive management. PNZ employs approximately 63 people and Provet Technology employs approximately 59 people, performing roles such as business area managers, customer service, warehouse staff, accounts, IT, marketing and other management positions.

Covetrus ANZ has seven warehouses positioned across Australia and three in New Zealand.

Partnering with approximately 550 veterinary suppliers to offer over 23,000 products, Covetrus ANZ is positioned to provide the broadest selection of veterinary products and strategic business solutions to over 3,750 veterinary practices in Australia and New Zealand.

The vision of Covetrus ANZ has always been to be more than a veterinary distributor but rather to be a company that provides added value to veterinary practices to help them build better businesses. The outstanding service and value added business solutions which differentiate Covetrus ANZ include:

- A comprehensive product offering at highly competitive prices for small, large and equine animal practices including biologicals, diagnostics, nutritionals, parasiticides, pharmaceuticals, disposables and more
- Our range of exclusively distributed products, offering affordable value
- Innovative technology solutions including inventory management, practice management software and websites
- Training and consulting for veterinarians, practice managers and veterinary nurses

## **3 Supply chain**

Covetrus ANZ has approximately 550 active suppliers for animal healthcare products, many of which have long-standing relationships and therefore have clear expectations with regard to compliance and social accountability.

In Australia and NZ, Covetrus ANZ manage external vendor relationships through two channels – direct and indirect suppliers. The vast majority of suppliers are based in Australia. All goods purchased for resale are classified as direct suppliers, and indirect goods and services procured externally are included as indirect suppliers, for example, logistics, IT etc.

During the Reporting Period, Covetrus ANZ had suppliers from the following industries:

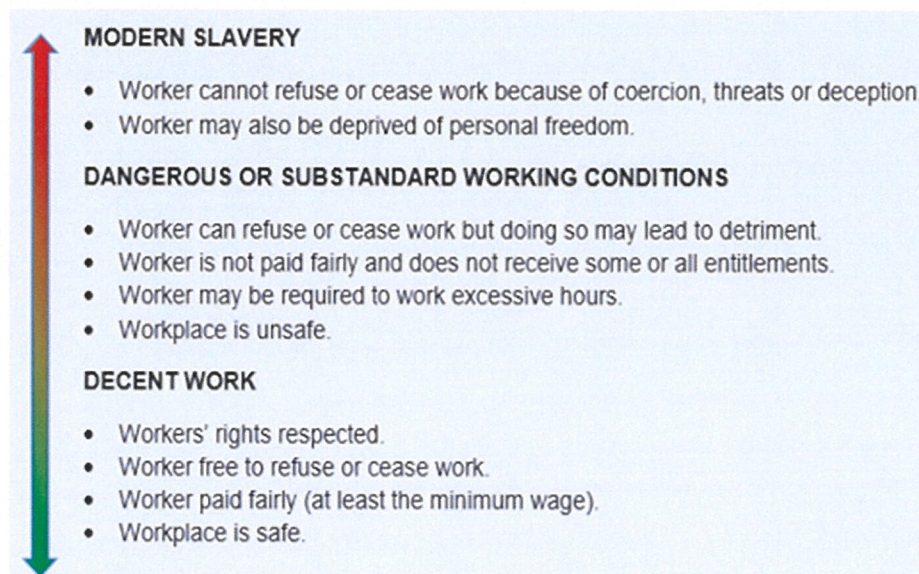
- Pharmaceuticals
- Nutraceuticals

- Nutrition (wet and dry pet food) and supplements
- Medical and surgical equipment and consumables
- Veterinary merchandise
- Equipment
- Electronics – IT hardware and software
- Logistics
- Utilities
- Professional services
- Facilities maintenance including cleaning

## 4 Modern slavery risks

### Modern slavery risks in our operations

As noted in the guidance published by the Attorney-General's Department, modern slavery happens at the most extreme end of a spectrum that ranges from decent work to serious criminal exploitation.



Holdco, PAPL and PHPL are holding companies. We consider that the risk of them having caused or contributed to modern slavery in their operations and supply chains is low.

The risk of modern slavery occurring within the operations of Covetrus ANZ, and those of owned or controlled entities, are considered to be low having regard to our compliance with all applicable industrial relations laws and regulations, the lower prevalence of, and vulnerability to, modern slavery in Australia and New Zealand and the mitigating policies and measures we have in place, as described further in the next section.

We do not however equate *low* jurisdiction risk with *no* risk. Complaints of modern slavery in Australia continue to increase year on year, with the AFP receiving 340 reports of offences including forced marriage and sexual servitude in just 12 months over the 2022/23 financial year. The 2022/23 financial year data represents an increase of 46 reports compared to the 2021/22 financial year. This includes 43

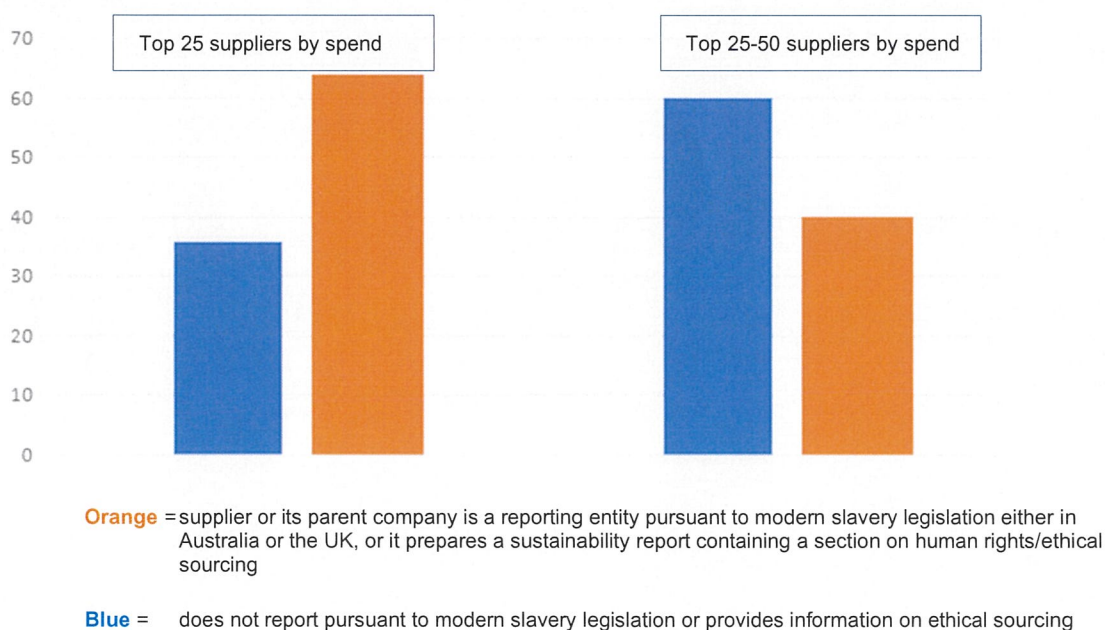


reports of forced labour, 18 reports of debt bondage, 6 reports of deceptive recruitment and 4 reports of slavery.<sup>2</sup>

Our workforce predominately comprises sales, customer service, administration and finance, and other office-based roles. Our employees are remunerated in excess of the minimum wage, operate in safe environments and are free to resign upon giving the requisite notice. For the reasons described above, we consider there to be low risk that we have caused or contributed to modern slavery in our operations.

### Modern slavery risks in our supply chain

The majority of our key direct and indirect goods and services are supplied by businesses that are also reporting entities pursuant to the *Modern Slavery Act 2018* (Cth), the UK Modern Slavery Act, or otherwise publish reports on sustainability topics including human rights. As described in our 2022 modern slavery statement, the bulk of our top 25 suppliers by spend are large corporate entities with reporting obligations, but this tapers down along with our spend amounts. The chart below mirrors the breakdown for 2023.



We do not assume that reporting entities automatically have low risk, however, suppliers that are required to report have turned their minds to modern slavery risks in their operations and supply chains.

There are inherent risks of modern slavery within some of the products we, and our owned or controlled entities, procure due to a combination of industry, geography and product type. Examples are:

- Products manufactured in high-risk countries specific to the healthcare sector (e.g. surgical and examination gloves, surgical instruments) and general veterinary consumables and merchandise (e.g. point of sale items, promotional materials, toys, collars, harnesses, leashes, etc).
- Forced labour risks associated with sourcing of raw materials including cotton, rubber, nylon, metals and minerals, horticultural products and agricultural supplies

<sup>2</sup> <https://www.afp.gov.au/news-centre/media-release/human-trafficking-reports-continue-increase-australia>

- Labour exploitation in the meat industry<sup>3</sup>
- Forced labour on industrial fishing vessels<sup>4</sup> and seafood-processing plants<sup>5</sup>
- Packaging materials including pallets, boxes, paper, paper components
- Technology hardware and support services
- Shipping and logistics

In our review of the modern slavery statements submitted by some of our top suppliers by spend, the description of risks and themes are set out below:

- Our tier 1 suppliers typically rely on extensive global supply chains comprising raw materials to incorporate into finished products and they manufacture at sites located in countries where the cost of labour is cheaper, which correlates with a higher prevalence of, and vulnerability to, modern slavery.
- Some of our tier 1 suppliers acknowledge that some of the highest risks to people may appear at the farthest end of supply chains, where they (like us) typically have little or no influence, visibility or control.
- Forced labour is identified as a salient issue in complex global supply chains.
- Pet food comprises proteins and carbohydrates sourced from meat, seafood and horticultural products, all which carry a higher risk of modern slavery particularly in the processing stage.

Risks may also exist in the operations of suppliers in higher risk services such as facilities maintenance including cleaning, technology, food services and courier services. There have not been any reports of actual or suspected modern slavery brought to our attention in respect of our supply chains.

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<sup>3</sup> <https://www.rmit.edu.au/news/bhright/wheres-the-beef>

<sup>4</sup> <https://www.walkfree.org/global-slavery-index/findings/spotlights/forced-labour-at-sea/>

<sup>5</sup> <https://www.newyorker.com/news/news-desk/the-uyghurs-forced-to-process-the-worlds-fish>

## 5 Actions taken to assess and address modern slavery risks in our operations and supply chain<sup>6</sup>

### Our policies

We remain committed to maintaining the highest level of integrity, ethical standards, and legal principles in every aspect of our business. We continued to implement the following policies and procedures during the Reporting Period.

#### Code of Business Conduct and Ethics (**Code**)

Our Code requires all employees, executive officers, directors and other third parties acting on its behalf to comply with all laws, rules and regulations. The Code also reaffirms our commitment to equal employment opportunities for our employees, to providing a workplace that is free from discrimination and harassment, and to maintaining a workplace that is safe and healthy.

#### Supplier Code of Conduct (**Supplier Code**)

We continue to expect our suppliers to conduct their business in a lawful manner and in compliance with the highest standards of integrity and ethics. Our Supplier Code sets out our expectations of suppliers in relation to human rights. It requires suppliers to maintain and promote fundamental human rights, and ensure they provide an environment where employment decisions are based on free choice and do not involve forced or prison labour, physical punishment or threats of violence or other forms of physical, sexual, psychological or verbal abuse as a method of discipline or control. The Supplier Code also prohibits child labour and demands adherence to the minimum employment age limit as defined by applicable laws.

### Remediation

Our employees are encouraged to report any known or suspected violations of law, regulation, or policy via the reporting mechanisms set out in the Code. Grievances can also be raised via our Ethics & Compliance Line (**Hotline**) and is accessible on our website by employees, suppliers, customers and other stakeholders. The Hotline is operated by an independent third party, and is available worldwide 24 hours a day, 7 days of week, via telephone and the internet at <https://covetrus.ethicspoint.com>. Reports can be made anonymously, where permitted by local law. We also have in place additional policies and procedures to protect whistleblowers, including a non-retaliation policy.

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<sup>6</sup> The descriptions in this section are common to the Reporting Entities and their owned or controlled entities.



## Our **Commitment**

Covetrus is an organization with strong values of responsibility and integrity. Our **Code of Conduct** contains general guidelines for conducting business with the highest standards of ethics.

Covetrus is committed to an environment where open, honest communications are the expectation, not the exception. We want you to feel comfortable in approaching your supervisor or management in instances where you believe violations of policies or standards have occurred.

In situations where you prefer to place an anonymous report in confidence, you are encouraged to use this hotline, hosted by a third-party hotline provider, EthicsPoint. You are encouraged to submit reports relating to violations stated in our **Code of Conduct**, as well as asking for guidance related to policies and procedures and providing positive suggestions and stories.

The information you provide will be sent to us by EthicsPoint on a totally confidential and anonymous basis if you should choose. You have our guarantee that your comments will be heard.

See the **EthicsPoint FAQs** for more information.

## To Make a Report

Select the country in which you are located:

**Select -**

After you complete your report you will be assigned a unique code called a 'report key'. Write down your report key and password and keep them in a safe place. After **5-6** business days, use your report key and password to check your report for feedback or questions.

**EthicsPoint is NOT a 911 or Emergency Service:**

Do not use this site to report events presenting an immediate threat to life or property. Reports submitted through this service may not receive an immediate response. If you require emergency assistance, please contact your local authorities.

In Australia, the phone number for the Hotline is 1800-370-813.

In the event that our business is found to have caused or contributed to an actual instance of modern slavery, our immediate priority would be the safety and wellbeing of the victim. Specific remediation activities would be determined on a case-by-case basis to ensure the most appropriate and effective actions are undertaken.

### Supply chain

We continue to seek a better understanding of the risks of modern slavery in the supply chains of our direct suppliers based on the analysis of modern slavery statements (where available) of our key suppliers by spend. This gives us some visibility of their operational and supply chain footprint and how they seek to assess and mitigate the risks.

In relation to the products supplied by Covetrus, we continue to rely on the following ongoing measures<sup>7</sup> by the Covetrus global supply team which certifies that each selected Covetrus Essentials manufacturing partner adheres to a strict code of ethics and compliance to ensure our Covetrus Essentials products are sourced with ESG best practices in mind, including but not limited to:

1. Encourage a diverse workforce free from discrimination.
2. Treat employees fairly with respect to wages, hours, and benefits.
3. Prohibit use of child labour.
4. Respect the right to freedom of association and collective bargaining.
5. Providing safe and health working conditions.
6. Prohibit use of conflict-derived metals and minerals.

<sup>7</sup> <https://partners-in-practice-au.partica.online/editions/partners-in-practice-october-2023/flipbook/24/>.

## Covetrus ESG Program

Covetrus launched the ESG Program in late 2019 under the supervision of the Board of Directors, which delegated oversight responsibility initially to the Nominating & Governance Committee, and as of October 2022 to the Audit Committee. The Audit Committee is responsible for periodically assessing the ESG activities and initiatives of Covetrus, providing strategic guidance on relevant ESG risks and opportunities and overseeing our ESG operations.

The Executive Sponsor of the Covetrus ESG program is responsible for liaising with the Directors and Executive Leadership Team regarding the Covetrus ESG program, including progress against the strategic objectives, planned activities, and programmatic funding. The ESG Steering Committee is a global, cross-functional committee of dedicated personnel responsible for coordinating and supporting our ongoing commitment to sustainability, corporate social responsibility, good governance, and other public policy matters relevant to Covetrus.

### ESG PROGRAM STRUCTURE





## **6 Assessing the effectiveness of our actions**

In our 2022 modern slavery statement, we outlined our approach to increasing the effectiveness of our actions into the future. This included the consideration of our existing procurement processes and how we can best incorporate modern slavery due diligence in those processes. We have continued to work with our external subject matter experts to develop a due diligence framework which we will seek to roll out during the next reporting period. Our aim is to focus the first phase of implementation on the areas of our procurement with increased exposure of modern slavery risks. We will also review our Hotline reporting function to assess whether it can be extended to include actual or suspected instances of modern slavery. In the preparation of our 2024 modern slavery statement, we will look back and assess the effectiveness of our approach and inform our goals for the future.

## **7 Consultation and approval**

All the entities that are collectively Covetrus ANZ operate under a common set of Covetrus governance policies and programs. A process of consultation across Covetrus ANZ helped to guide the drafting of this statement. This included engagement with individuals from the following functions (which each have responsibility in relation to each of the Covetrus ANZ entities): Compliance, Legal, Human Resources, Procurement, and Finance. Accordingly, each of the Covetrus ANZ entities were consulted as part of the preparation of this statement.

This Statement has been approved by the principal governing body of Pelican Holdco Pty Ltd on behalf of the Reporting Entities and is signed by its director.



Simon Hellams  
Director  
Pelican Holdco Pty Ltd

8 April 2024

## Statement Annexure

Reporting Criterion	Part [Page]
1 & 2. Identify the reporting entity and describe its structure, operations and supply chains	Parts 1-3 [pages 1-2]
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	Part 4 [pages 3-5]
4. Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	Part 5 [pages 6-8]
5. Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	Part 6 [pages 9]
6. Describe the process of consultation with any entities the reporting entity owns or controls	Part 7 [pages 9]