



Modern Slavery Statement 2022

1 Introduction

This statement is made pursuant to the *Modern Slavery Act 2018* (Cth) for the year ending 31 December 2022¹ (**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

¹ 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 more than 6,000 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 50 people performing the Covetrus ANZ corporate functions such as human resources, marketing, finance and executive management. PNZ employs approximately 80 people and PQPL employs approximately 70 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 800 veterinary suppliers to offer over 17,400 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 over 500 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, marketing, IT etc.

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

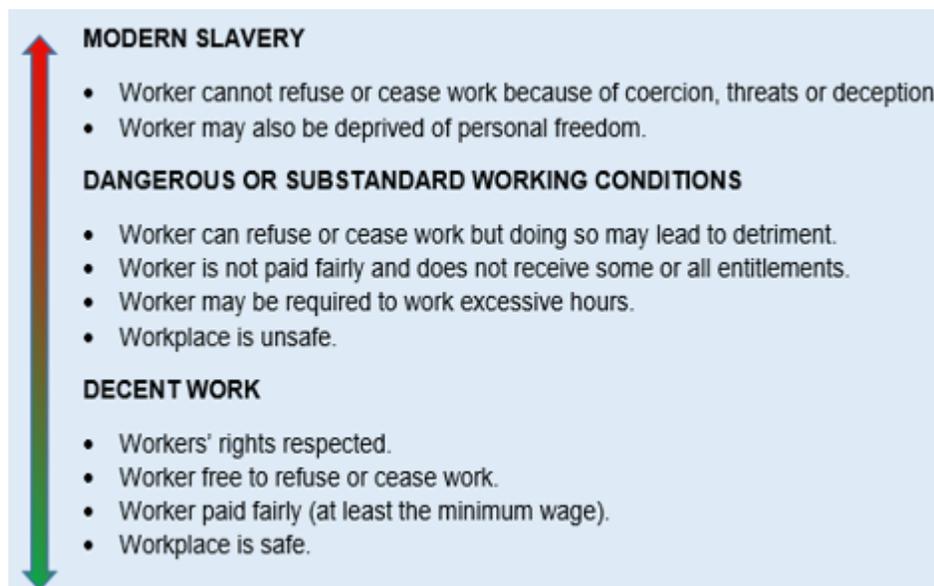
- Pharmaceuticals
- Nutraceuticals
- Nutrition (wet and dry pet food) and supplements

- Medical and surgical equipment and consumables
- Veterinary merchandise
- Stationery
- Equipment
- Electronics – IT hardware and software
- Logistics
- Food and beverage
- Utilities
- Marketing
- 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.

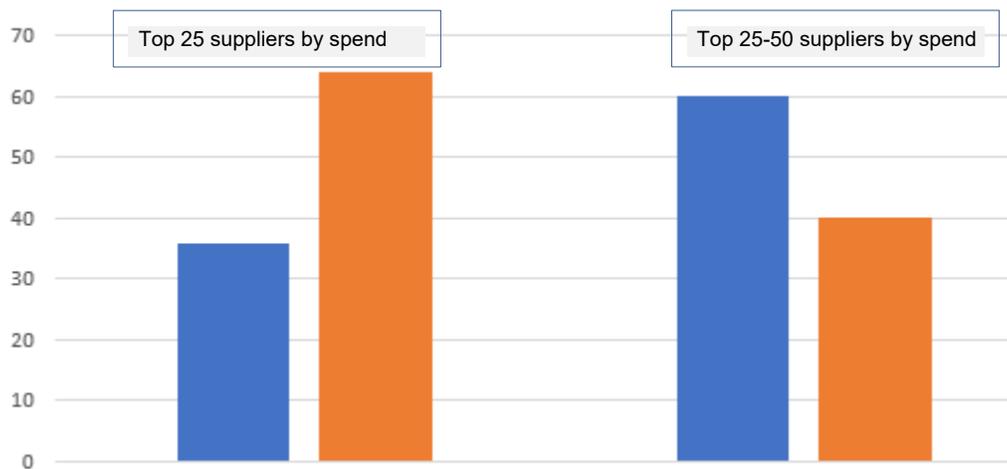
We do not however equate *low* jurisdiction risk with *no* risk. As the revised Global Slavery Index (**GSI**) found, modern slavery continues to exist in Australia and New Zealand. As reported by the GSI:

- “The Australian Federal Police (AFP) received 42 reports of forced labour from 1 July 2021 to 30 June 2022. Forced labour predominantly occurs in high-risk industries such as agriculture, construction, domestic work, meat processing, cleaning, hospitality, and food services. Many of these industries rely on migrant workers who enter Australia on temporary visas. For example, Pacific migrants who have arrived on labour mobility schemes designed to fill worker shortages have been exploited in rural areas, experiencing wage theft and unsafe working conditions.”
- “Forced labour exploitation has been reported in labour intensive industries in New Zealand such as agriculture, dairy, horticulture, viticulture, construction, hospitality, and domestic service industries...(workers in these sectors) reportedly experience underpayment, withholding of wages, excessive work hours, passport retention, contract substitution, and health and safety violations.”

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. The charts below illustrate that 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.



Orange = supplier or its parent company is a reporting entity pursuant to modern slavery legislation either in Australia or the UK, or it prepares a sustainability report containing a section on human rights/ethical sourcing

Blue = does not report pursuant to modern slavery legislation or provides information on ethical sourcing

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.

As noted in our previous statement, there are inherent risks of modern slavery within 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).
- Labour risks associated with sourcing of raw materials including cotton, rubber, nylon, metals and minerals and agricultural supplies
- Packaging materials including pallets, boxes, paper, paper components
- Technology hardware and support services
- Shipping and logistics

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

- Our tier 1 suppliers operate extensive global supply chains comprising raw materials incorporated into finished products and manufacturing at sites located in countries with a higher prevalence of, and vulnerability to, modern slavery.
- Some of our tier 1 suppliers are multiple tiers away from third parties responsible for the sourcing raw materials but they are likely to have direct suppliers (ie our tier 2) operating manufacturing activities in higher risk countries. The sourcing of raw material inputs are likely to occur well beyond tier 3 of our supply chain.
- The maturity gleaned modern slavery statements varies from technical compliance through to best practice (adoption of a human rights due diligence framework).
- Forced labour is identified as a salient issue in complex global supply chains.
- One supplier disclosed their repayment of worker-paid recruitment fees to approximately 3,000 migrant workers as part of their remediation program in Malaysia. This program is unlikely to relate to the provision of products supplied to us but it sheds light on their approach to ethical business conduct.

Risks may also exist in the operations of suppliers in higher risk services such as facilities maintenance including cleaning, 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.

5 Actions taken to assess and address modern slavery risks in our operations and supply chain²

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.

² 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.

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 sought to gain 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 of our key suppliers by spend. This provided valuable insights into 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 rely on the following ongoing measures³ 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.

³ <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 previous years, we sought to assess the effectiveness of our actions by reference to a set of goals. We have set out below our progress along with future goals:

Goal for 2022	Progress	Moving forward
<p>We will continue to review and update existing policies and procedures, as appropriate, to reinforce our zero-tolerance for slavery and human trafficking.</p> <p>We will continue to consider the ways in which modern slavery considerations can be incorporated into our procurement framework and processes, including developing supplier terms.</p>	<p>The policies and procedures described in our 2021 statement were not updated this year.</p>	<p>Our approach to procurement and supplier selection will be revisited with the lens of modern slavery due diligence and how we can best incorporate measures within existing processes.</p> <p>The level of compliance with the Supplier Code will be assessed to gain an understanding as to how well it is understood by our suppliers.</p>
<p>We will continue review whistle-blower reports to assess if they reflect any modern slavery risk in our operations or supply chains.</p>	<p>We did not receive any reports of actual or suspected instances of modern slavery. This does not necessarily mean the absence of modern slavery, and we are conscious of the importance of an accessible and visible Hotline.</p>	<p>We will ascertain whether modern slavery can be included as its own reportable conduct in the Hotline reporting function.</p>
<p>We will continue to seek to obtain a deeper understanding of the modern slavery risks beyond the first tier of our supply chain.</p>	<p>We considered the modern slavery statements of some of our key suppliers by spend to better understand the risks of modern slavery in their supply chain.</p>	<p>We will identify the areas of greatest risk and where we have leverage to work with our suppliers to map out the supply chain to the extent possible in an effort to move beyond considerations of theoretical risks.</p>
<p>We will continue seek to raise awareness of modern slavery within our workforce.</p>	<p>We had discussions with category management across Australia and New Zealand to raise awareness of modern slavery. We also had discussions with key pharmaceutical supply partners to understand how they manage the risks of modern slavery with a view to sharing learnings and insights.</p>	<p>We will continue to raise awareness of modern slavery.</p>

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

[Simon Hellams \(Mar 19, 2024 11:09 GMT+10\)](#)

Simon Hellams
Director
Pelican Holdco Pty Ltd

Statement Annexure

Reporting Criterion	Part [Page]
1 & 2. Identify the reporting entity and describe its structure, operations and supply chains	Parts 1-3 [pages 1-3]
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 [page 9]
6. Describe the process of consultation with any entities the reporting entity owns or controls	Part 7 [page 10]