

3 Sourcing with Integrity

Our core belief is that pets always come before profit. This makes us acutely aware of our responsibilities to deliver the highest ethical standards in relation to the pets in our stores and the supply of the products and services we provide.

Delivering the best possible pet welfare

The welfare of pets is fundamental to our business. So there is nothing more important to us than making sure our pets have the best start in life and find their way to a permanent loving home when they leave our care.

We have an expert pet team, headed by an experienced vet who is supported by three qualified veterinary nurses, and specialists in freshwater and marine biology, and in pet and reptile welfare. A dedicated field team is responsible for ensuring we implement the best possible standards consistently across all our stores and breeders. A confidential hotline is in place for colleagues to raise any concerns they may have directly with our Head of Pets.

We aim to reflect the most up-to-date practice in the welfare standards we adopt. Our pet information leaflets have been written to ensure customers are aware of their responsibility, under the Animal Welfare Act, to care for their animals properly and in particular to provide for the five welfare needs. Many of these have been produced in conjunction with the RSPCA and are co-branded to highlight this endorsement. Our store audits are also based around the five welfare needs.

The 5 welfare needs:



A suitable place to live



A healthy diet



The ability to behave normally



To be housed with, or apart from, other animals



To be protected from pain, injury, suffering and disease

To ensure our operations reflect the best and most up-to-date welfare standards the pet team maintains strong relationships with independent experts on animal health, welfare and husbandry. To further improve the welfare of our pets we have initiated a number of changes:

We are consolidating the sale of reptiles into 66 stores. This allows us to focus our expertise in regional centres and provide the best possible advice and service to customers considering keeping a reptile as a pet. Through our investment in BEMS technology (see page 56) we can control temperatures more accurately for our pets whilst delivering overall energy savings. We have introduced clear "Do not release into the wild" messaging on our fish bags and tanks and on the pet certificate that accompanies every pet sale. And we no longer sell or adopt out rabbits as pets over the Easter holiday, recognising the addition pressure on parents to obtain a pet rabbit at this time of year.

Creating standards in the pet industry

Advocating the ethical and responsible treatment of pets is fundamentally important to us, and our passion extends to the food and accessories we provide for pet owners.

We are the only UK pet retailer to have invested in a dedicated sourcing operation in Asia with a team of trained technologists who have worked systematically to ensure that all of our Asian suppliers of Pets at Home registered brands and Pets at Home branded products, irrespective of whether they supply us directly or through UK agents, have submitted evidence of compliance with our Ethical Trading Policy. In addition to our own regular interaction, Asian suppliers are independently audited by third parties to ensure our standards are being maintained. These regular ethical audits probe in detail the standards we require in relation to:

- Hours of work
- Wages
- Labour practices
- Working conditions
- Onsite accommodation
- Homeworkers and sub-contractors
- Health & safety
- Environmental compliance
- Supply chain management

We also work with our European suppliers to establish what audit information they hold for their factories, ensuring that our standards are being maintained.

There are no formal regulations specific to pet accessories in the UK so we have developed our own testing protocols for each product category, and where there are legal requirements for products such as batteries, electrical products and toys, the relevant regulations are applied to our products. More recently we have entered into an agreement with a major US pet retailer to collaborate on common testing protocols for important categories such as dog toys to help reduce costs and create better value for customers.

We have a highly experienced team of Technical Managers who keep our testing protocols and British/European Standards under regular review to ensure they keep pace with developments in our product portfolio. They also monitor carefully all product feedback provided by customers through our dedicated customer services team.

We are currently undertaking an independent review of the extent and frequency of testing in our own label food ranges.

During the year we made improvements to the range of hamster cages to help customers provide better standards of pet welfare. Also we eliminated cooked pork bones from our range, which now features only beef bones. This was a result of our detailed analysis of complaints which revealed that, whilst the number of complaints overall was low, pork bones were more likely to fragment when chewed.

Supporting our vet partners through clinical freedom and governance

Clinical freedom is a central tenet of our veterinary business and an essential way to ensure the health and welfare of the pets in our care is always the highest priority for our business. We work with more than 440 Joint Venture partners and employ more than 2,500 vets, nurses and Veterinary Care Assistants in our veterinary practices.

We have the utmost respect for their professional knowledge and expertise and we are committed to ensuring they have complete clinical freedom when making medical and surgical decisions. Our vet partners are able to make their own decisions about the medical products they use and which procedures they carry out within their practices.

The concept of clinical governance has not yet been widely adopted in the veterinary profession, and we recognise the opportunity for us to develop a framework that will improve quality of care, clinical standards and patient safety across our veterinary network. In our first opinion business we have established a Clinical Advisory Board,

comprised of a cross section of veterinary professionals, which has made key contributions to a number of initiatives.

For example, we have launched two clinical audits to act as clear indicators of clinical standards. A post-operative complications audit, the most widely used audit in veterinary practice, will allow comparison with published benchmarks, and an intravenous catheter utilisation audit, which was proposed by our Clinical Advisory Board, which will provide information from which we can challenge working standards and promote best practice. Results will be shared with our vet partners through our business-wide communication system. We will continue to widen our clinical audit spectrum over time.

Another important aspect of our clinical governance work focuses on responsible use of antibiotics. Bacterial resistance to antibiotics is a growing problem in both human and animal health. Through the development and implementation of initiatives over a three year timeframe we intend to lead the way in the responsible use of antibiotics in the small animal veterinary sector.

