

Pets at Home Group Supplier Code of Conduct

Pets at Home is the UK's leading pet care business, providing pet owners with everything they need to look after their pet – from food, toys and bedding, and grooming services, right the way through to first opinion veterinary care. Our vision is to become the most responsible pet care business in the world.

OUR APPROACH

This Supplier Code of Conduct sets out our expectations of suppliers on labour practices, animal welfare, environmental stewardship, and the sustainable sourcing of raw materials. It should be read and observed in conjunction with Pets at Home's Code of Ethics and Business Conduct, Anti-Bribery Policy, Whistleblowing Policy, Human Rights policy, Environmental Policy and Raw Materials Sourcing Policy.

Our provisions on labour issues – such as pay, working hours, child labour, worker rights, and representation – mirror the Ethical Trading Initiative (ETI) Base Code. The ETI Base Code is a private code agreed amongst business, NGO, and Trade Union members of the ETI. It draws on the Universal Declaration on Human Rights and the conventions of the International Labour Organisation.

We recognise that our suppliers may need support and practical guidance to meet this Code of Conduct, and we commit to working collaboratively with our suppliers to support its implementation. The provisions of this Code of Conduct constitute minimum and not maximum standards, and should not be used to prevent companies from exceeding these standards. Companies applying this Code of Conduct are expected to comply with national and other applicable law and, where the provisions of law and this Code of Conduct address the same subject, to apply that provision which affords the greater protection.

THE SCOPE OF THIS POLICY

This Code of Conduct applies to all our suppliers of goods (both for resale and for use in our business) and services, contractors and business partners. This Code is authorised by our ESG Committee which receives regular updates about our suppliers' social and environmental performance and ensures that suitable support is available for its implementation. This Code is regularly reviewed to ensure it remains fit for purpose and continues to promote our ambition to become the most responsible pet care business in the world.

We expect our suppliers to communicate the provisions of this Code of Conduct to their suppliers and business partners, and take appropriate steps to ensure it is effectively implemented within their supply chain.

REPORTING CONCERNS

If you wish to report any concerns or non-compliance in relation to this Code of Conduct or any other Pets at Home policy, please call our Whistleblowing Helpline at 0808 168 3620. For more details, refer to our Whistleblowing Policy.

LABOUR STANDARDS

1. Employment is freely chosen

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

2. Freedom of association and the right to collective bargaining are respected

2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.

2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.

2.3 Workers representatives are not be discriminated against and have access to carry out their representative functions in the workplace.

2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

3. Working conditions are safe and hygienic

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

3.2 Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.

3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided

3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

3.5 The company observing the code shall assign responsibility for health and safety to a senior management representative.

4. Child labour shall not be used

4.1 There shall be no new recruitment of child labour.

4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child; "child" and "child labour" being defined in the appendices.

4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.

4.4 These policies and procedures shall conform to the provisions of the relevant ILO standards.

5. Living wages are paid

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event, wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

6. Working hours are not excessive

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.*

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is not less than 125% of the regular rate of pay (or workers receive equivalent compensation).

6.4 The total hours worked in any seven day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any seven day period only in exceptional circumstances where all of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every seven day period or, where allowed by national law, two days off in every 14 day period.

* International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced.

7. No discrimination is practised

7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

8. Regular employment is provided

8.1 To every extent possible, work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or homeworking arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

9. No harsh or inhumane treatment is allowed

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

10. Migrant, Temporary, and Employment Agency Workers and additional requirements

10.1 Only workers with a legal right to work shall be employed or used by suppliers.

10.2 All workers, including temporary and employment agency workers, must have their legal right to work validated by reviewing original documentation before they are allowed to commence work. Original documents should be returned to workers.

10.3 Employment agencies must only supply workers registered with and contracted by them.

10.4 Suppliers must regularly audit employment agencies from whom they obtain workers to monitor compliance with legal requirements and this Code of Conduct.

10.5 Migrant workers being hired from another region or country must receive their employment contract prior to departing their home region or home country of origin. Their contracts must not be changed in any form on arrival to their destination of employment, unless these changes are made to meet local law and provide equal or better terms.

10.6 Suppliers shall handle the termination of workers' employment responsibly. This includes not unreasonably restricting workers from taking up employment opportunities and ensuring that workers receive all outstanding pay and benefits they are entitled to, and this is paid in a timely manner.

10.7 Workers are not required to pay recruitment costs or fees (as defined in the appendix).

ENVIRONMENTAL STANDARDS

Pets at Home is committed to respecting the environment by operating our business in a sustainable and environmentally-responsible way. We encourage our suppliers and partners to adopt similar principles by increasing energy efficiency, switching to low carbon and/or renewable energy sources, minimising and recycling waste, and using water efficiently and responsibly. Please refer to the Pets at Home Environment Policy

RAW MATERIAL SOURCING

Pets at Home is committed to responsible and sustainable business standards and practices including responsible sourcing. We encourage our suppliers and partners to adopt similar principles. We encourage our suppliers to create better, more sustainable products, using raw materials from sustainable sources.

Please refer to the Pets at Home's Raw Material Policy

APPENDIX – DEFINITIONS

DEFINITIONS

CHILD - Any person less than 15 years of age unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age will apply. If, however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention No. 138, the lower will apply.

YOUNG PERSON - Any worker over the age of a child as defined above and under the age of 18.

CHILD LABOUR - Any work by a child or young person younger than the age(s) specified in the above definitions, which does not comply with the provisions of the relevant ILO standards, and any work that is likely to be hazardous or to interfere with the child's or young person's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development.

HAZARDOUS WORK - Any task where there is a significant risk of negative impacts on the health, safety and/or moral integrity of a young person or that will harm their physical, mental, social and/or moral development.

RECRUITMENT FEES - Any fees or related costs charged to workers for their recruitment, directly or indirectly, in whole or in part. Recruitment fees include:

- Payments for recruitment services offered by labour recruiters;
- Payments made in the case of recruitment of workers for third parties;
- Payments made in case of direct recruitment by the employer;
- Related costs of recruitment, referral and placement within or across national borders, such as but not limited to: medical costs, insurance costs, costs for skills and qualification tests, costs for training and orientation, equipment costs, travel and lodging costs, administrative costs and visa applications.

MIGRANT WORKER - Any person who migrates from one country or region to another (or who has migrated from one country or region to another) with a view to being employed other than on his own account.

TEMPORARY WORKER - Any worker employed on a short-term contract, also referred to as contract labour. Temporary workers are sometimes employed via employment agencies.

EMPLOYMENT AGENCY WORKER - Any worker contracted by an agency and temporarily supplied to an employer by the agency. This does not include self-employed workers.

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