

Human Rights and Modern Slavery Statement 2020

This is the Pets at Home Group's fourth statement made under section 54 of the Modern Slavery Act 2015 ("Act") and constitutes our Group Modern Slavery Act Statement for the financial year 2019/20. It outlines the key activities we have undertaken during the year and aims to provide information to understand our commitment as a responsible business to reduce the risks of modern slavery. We take seriously any allegation of human rights abuse in all its forms in any part of our organisation or our supply chain.

Our Business

Pets at Home Group plc is the UK's leading pet care business; our commitment is to make sure pets and their owners get the very best advice, products and care. Our stores, Groom Room salons, First Opinion vet practices and Specialist Referral centres are located nationwide, allowing us to offer convenient pet care to customers across the country.

Pet products are available online or from our 451 stores, many of which have a vet practice and a grooming salon. Pets at Home also operates the largest branded network of First Opinion veterinary practices in the UK, with a total of 441 practices operating mainly under the Vets4Pets brand name. Our preferred model has always been to build value through shared ownership. We operate a total of 396 Joint Venture First Opinion practices which are all established as individual small businesses. The remaining 45 First Opinion practices are operated under a company managed model. We also operate five Specialist Referral centres around the UK. Just under 15,000 colleagues are employed by the Group (including colleagues employed either directly or indirectly via the First Opinion Joint Venture Companies and Specialist Division). We operate a national distribution network through three distribution centres (DCs). We operate the DCs in house and have a fleet of leased HGVs and vans. Our growing home delivery network is supported by carrier partners from our distribution centre in Northampton.

Our Product Supply Chain

Our vision is to become the best pet care business in the world. We therefore take great care in operating our business and in selecting our business partners and suppliers. The products we sell are sourced from a broad range of suppliers – both national and international, we sell products

under our own brand and also supplier branded products. We are the only UK pet retailer to have a dedicated sourcing office in the Far East. From our regional base in Hong Kong, which opened in 2012, we have a team of product technologists who support our buyers, oversee and monitor our suppliers and monitor production and supply standards.

Our Policies and Contractual Controls

We are committed to ensuring there is transparency in our business and in our approach to tackling modern slavery throughout our supply chain. Our Code of Ethics and Business Conduct Policy reflects our commitment to acting ethically and with integrity in all our business dealings and relationships and we expect full compliance with it by colleagues, suppliers and business partners.

Our policy is reviewed on an annual basis. This year we will again review and update this policy to further promote increased awareness of modern slavery and compliance with the Act.

Our suppliers are also required to comply with our Ethical Trading Policy which sets out the minimum standards that they are required to adhere to wherever they procure materials, manufacture or perform services for, or supply products to, our business. We also contractually require suppliers to comply with the Group's Code of Ethics and Business Conduct Policy.

Our supplier standard General Terms and Conditions require compliance with the Act and include a right for Pets at Home to conduct audits on supplier compliance.

In June 2020 we updated our Group Whistleblowing Policy to promote increased vigilance amongst colleagues as to any instances of modern slavery, and encourage central reporting of concerns about any issue or suspicion of modern slavery in any parts of our business or supply chain.

We annually review and where appropriate update our procurement processes in respect of modern slavery. We include specific questions in our tender documentation on the Act to ensure that our suppliers are compliant with the Act and our Ethical Trading Policy.

Due Diligence and Supplier Adherence

At our Hong Kong sourcing office, we require independent ethical audits of suppliers which cover: hours of work, labour practices, working conditions, onsite accommodation, health & safety, environment, supply chain management and wages. Should any instances of non-compliance with the Act or our policies arise in relation to any of our suppliers then this will be reviewed and appropriate action taken. Our standard general terms and conditions with suppliers also include the right for Pets at Home to terminate the agreement in the event of supplier non-compliance with the Act. Our priority is to support factories to resolve issues, but we will not continue to work with them if there is no willingness to improve.

During the year 81 independent ethical audits from 64 suppliers were reviewed, none of these audits identified factories who had indicators of modern slavery related risks.

The Group's internal audit team undertook an audit of the sourcing operation of the Hong Kong Office which reported in May 2020. This reviewed the Group's policies and controls around the supplier on boarding process and routine quality assessments. The report was issued and reviewed by the Group's Audit Committee and recommendations are being acted on accordingly.

Training

We have previously highlighted the importance of training in raising awareness on modern slavery through raising awareness and levels of understanding. Training continues to be a key focus of the business and we continue to train colleagues and suppliers. At our Asia Supplier Conference in the third quarter of the financial year, the subject of modern slavery and the Group's policies were presented to our suppliers.

All colleagues are required to complete our bespoke online training course on modern slavery and from April 2020, completion of mandatory training, which includes this module, forms part of all colleagues' personal objectives.

Looking ahead

During the next financial year we will continue to focus on all of the steps outlined in this statement and in particular, we will focus on building our

capacity through colleague training and supporting our suppliers. We will also appoint a human rights specialist to conduct an independent assessment of the salient human rights risks in our business and supply chains, as an update to the previous risk assessment conducted in 2016, to ensure that our due diligence is focused and appropriate for our areas of highest risk.

The Pets at Home Group Plc board of directors approved this statement at a meeting of the Board on 15 October 2020.

A handwritten signature in black ink, appearing to read 'Pritchard', written in a cursive style.

Peter Pritchard

Group Chief Executive Officer

Pets at Home Group plc