

**A.G. Barr p.l.c. and Funkin Ltd.**

This policy applies to A.G. Barr p.l.c. and Funkin Ltd

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**SUBJECT: ETHICAL TRADING POLICY**  
**LAST UPDATE: AUGUST 2018**

**PART A - INTRODUCTION**

**1. POLICY STATEMENT**

- 1.1 The Company is committed to ensuring that it supplies high quality products that are sourced and manufactured in a fair, ethical and environmentally responsible way. The Company must work closely with its suppliers ("**Suppliers**") to ensure this commitment is met.
- 1.2 This Ethical Trading Policy sets out the standards the Company requires itself and its Suppliers to comply with. In addition, the Company requires that its Suppliers ensure that their suppliers comply with standards no less strict than as set out in this Ethical Trading Policy.
- 1.3 If any Supplier fails to comply with this Ethical Trading Policy, the Company may terminate its contract with the Supplier with immediate effect upon giving the Supplier written notice.

**PART B – ETHICAL TRADING STANDARDS**

**2. LAW & REGULATION**

- 2.1 Suppliers must comply with all applicable laws, regulations, directives, treaties, codes of practice, industry best practice, and common law, both (i) in the country in which they operate ("**Local Laws**"), and (ii) in the UK.
- 2.2 Supplier must comply with any applicable Company policies notified to them from time to time.
- 2.3 Without limiting Sections 2.1 or 2.2, Suppliers must comply with the UK's Bribery Act 2010 and the Company's Anti-Corruption Policy (a copy of which is available at <https://www.agbarr.co.uk/termsofbusiness/> (or such replacement URL as may be notified to the Supplier from time to time)).

**3. EMPLOYMENT**

- 3.1 Without limiting Sections 1 and 2, Suppliers must ensure that all its employees are:
  - 3.1.1 free to choose to work for the Supplier - there must be no forced or compulsory labour;
  - 3.1.2 free to leave employment with the Supplier after reasonable notice is served; and
  - 3.1.3 provided with an easy to read contract of employment with particular clarity in relation to wage levels. If any employee is unable to read, the contract of employment should be read and explained to them by a union representative or another appropriate third party.

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#### 3.2 Suppliers must:

- 3.2.1 establish recognised employment relationships with their employees that are in accordance with all Local Laws;
- 3.2.2 ensure that wages and working hours comply with all Local Laws (including in relation to minimum wage, overtime and maximum hours);
- 3.2.3 not make deductions from wages unless permitted by Local Laws or with the express permission of the employee in question (such permission having been obtained lawfully and freely);
- 3.2.4 not prevent or discourage employees from joining trade unions and must respect their employees' rights to freedom of association and the right to collective bargaining; and
- 3.2.5 ensure that discrimination, harsh or inhumane treatment of any employee is prohibited and systems are in place to prevent this.

#### 3.3 Suppliers' employees should:

- 3.3.1 not be expected to work more than 48 hours per week on a regular basis;
- 3.3.2 on average, be given at least one day off approximately every seven days; and
- 3.3.3 not be pressurised by Suppliers into working overtime. Any overtime should be voluntary and should not be demanded on a regular basis. Where overtime is requested by a Supplier, it should be reimbursed at an appropriate rate and should not exceed 12 hours in any week.

#### 3.4 Suppliers must:

- 3.4.1 under no circumstances, abuse or intimidate their employees;
- 3.4.2 ensure that any disciplinary measures are recorded;
- 3.4.3 have a grievance/appeal procedure that is clear, easy to understand and given to the employee in writing. If any employee is unable to read, the grievance/appeal procedure should be read and explained to them by a union representative or another appropriate third party.

## 4. **DISCRMINATION**

Suppliers should have a policy of equality for all in the workplace with no discrimination on the basis of race, religion or belief, nationality, age, gender, marital status, sexual orientation, disability, union membership or political affiliation.

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**5. CHILD LABOUR**

- 5.1 The Company is against the use of child labour and believes its long-term elimination is ultimately in the best interests of children. However, the elimination of child labour must always be undertaken in a manner consistent with the best interests of the children concerned.
- 5.2 Suppliers shall develop 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.
- 5.3 Suppliers shall not employ children or young persons under 18 at night or in hazardous conditions.
- 5.4 In each of the above instances, the Supplier shall endeavour to act in the best interests of the child, to conform to the provisions of International Labour Organisation (ILO) Convention 138 and be consistent with the United Nation's Convention on the Rights of the Child. In this context, 'child' or 'children' refers to any persons less than 15 years of age unless Local Laws on the minimum age stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply. 'Young person' refers to any worker over the age of a child, as defined above, and under the age of 18.

**6. HEALTH AND SAFETY**

- 6.1 Suppliers should:
  - 6.1.1 assign responsibility for workplace health and safety to a senior management representative;
  - 6.1.2 have appropriate health and safety policies and procedures in place and these should be demonstrable in the workplace;
  - 6.1.3 ensure that its employees are trained in health and safety policies and procedures and monitor compliance with such policies and procedures;
  - 6.1.4 provide employees (at the Supplier's expense) with any health and safety equipment necessary in the course of their employment, e.g. gloves, masks, helmets etc.;
  - 6.1.5 ensure that working conditions are comfortable and hygienic;
  - 6.1.6 identify specific hazards (e.g. substances or equipment) and should implement processes to minimise risk to employees in respect of such hazards;
  - 6.1.7 ensure that employees have access to clean toilets; and
  - 6.1.8 provide employees with regular breaks and access to water suitable for drinking and washing, as a minimum.

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