We set high standards for ourselves and our Suppliers

At AG Barr, we are committed to supplying high quality products that are sourced and manufactured in a fair, ethical and environmentally responsible way.

We work in partnership with our critical Suppliers to ensure this commitment is met. That means working with Suppliers who have high social, ethical and environmental standards embedded in their organisations and supply chains.

Our Supplier Code of Conduct sets out the minimum standards we require our Suppliers to meet and forms part of their contractual commitment to us.

Our 3 key Supplier principles:

1. **We favour those Suppliers with the highest standards**

   We favour those Suppliers that actively reduce their environmental footprint and who uphold the highest standards with respect to ethical practices.

   We ensure our critical Suppliers have embedded sustainable and ethical practices in their organisations, and that they are committed to maintaining these principles within their own supply chain.

2. **We use independent external verification to validate our Supplier selection**

   We use the Supplier Ethical Data Exchange (Sedex) online platform as a secondary step to validate our Supplier selection. Sedex is a not-for-profit global membership organisation dedicated to driving improvements in ethical and responsible business practices.

3. **We strive for continuous improvement with our Suppliers**

   By collaborating and engaging with our Suppliers, we set objectives and action plans to deliver sustainable and continuous improvements.

   We use formal risk and opportunity assessment, third-party audits, corrective action planning and capability building to find even better ways, delivered through ongoing collaboration and joint action planning.

What we require of our Suppliers

Suppliers must conduct their business in an ethical manner and act professionally, fairly, and with integrity at all times. Suppliers must avoid any and all unethical, dishonest, or fraudulent practices, including conflict of interest, extortion, money laundering, tax evasion and anti-competitive behaviour.
As a minimum our Suppliers must meet the following requirements:

1. **Keep up-to-date and comply with all applicable laws and regulations in the countries in which they operate or to which they are subject**

   Laws and regulations include national and international laws, regulations, directives, codes of practice, and standards.

2. **Comply with all applicable A.G. Barr policies**

   Our company policies and codes are available at [https://www.agbarr.co.uk/responsibility/policies-terms-of-business-and-brand-rules/](https://www.agbarr.co.uk/responsibility/policies-terms-of-business-and-brand-rules/)

   Those applicable to Suppliers will be notified to them. However, as a minimum, all Suppliers are expected to comply with our Anti-Bribery & Corruption Policy and our Anti-facilitation of Tax Evasion Policy.

3. **Prohibit all forms of forced or compulsory labour**

   Workers must feel free to choose to work for our Supplier. There must be no forced, bonded or compulsory/involuntary labour, nor must there be any exploitation of any person by human trafficking or modern slavery. Workers must also be free to leave employment after reasonable notice is served.

   Suppliers must establish recognised employment relationships with their workers that are in accordance with all national laws.

   Workers must be provided with an easy to read contract of employment with particular clarity in relation to wage levels.

   If any worker is unable to read, their contract and relevant policies and procedures should be read and explained to them by a union representative or another appropriate third party.

4. **Treat workers fairly, including with respect to wages, working hours and benefits**

   **Wages**

   Wages must comply with all national laws, including in relation to minimum wage.

   No deductions should be made from wages unless (1) it's permitted by national laws, or (2) it's made with the express permission of the worker in question and this permission is obtained lawfully and freely.
Working hours

Working hours must comply with national laws, collective agreements, and the provisions below, whichever affords the greater protection for workers.

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

All overtime must be voluntary. Overtime must be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. Overtime must not be used to replace regular employment. Overtime must always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay, except where a consolidated rate of pay has been negotiated with worker representation.

The total hours worked in any 7 day period must not exceed 60 hours, other than in the following circumstances:

- Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following conditions 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 Supplier can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

Workers must be provided with at least 1 day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.

5. Respect workers’ rights to freedom of association and collective bargaining

Suppliers must not prevent or discourage workers from joining trade unions and must respect their workers’ rights to freedom of association and collective bargaining.

6. Encourage a diverse and inclusive workforce and provide a workplace free from discrimination, harassment or any other form of abuse

Suppliers must ensure that discrimination, harsh or inhumane treatment of any worker is
prohibited and systems are in place to prevent this.

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

Suppliers must have appropriate mechanisms and processes in place which enable workers to raise, in confidence, any concerns relating to the Supplier. These mechanisms and processes must include protecting any workers who do raise any concerns in good faith from any adverse repercussions of any kind.

7. **Prohibit use of child labor**

Suppliers will 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.

Suppliers must not employ children or young persons under 18 at night or in hazardous conditions.

In each of the above instances, the Supplier will 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 Nations Convention on the Rights of the Child.

'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 will apply. 'Young person' refers to any worker over the age of a child, as defined above, and under the age of 18.

8. **Provide safe and hygienic working conditions**

Suppliers should assign responsibility for workplace health and safety to a senior management representative and have appropriate health and safety policies and procedures in place, including in relation to fire safety. These policies and procedures should be demonstrable in the workplace.

Workers should be trained in health and safety policies and procedures, including in relation to fire safety, and compliance should be continually monitored.

Workers should be provided (at the Supplier’s expense) with any health and safety equipment necessary to carry out their duties (for example, gloves, masks, helmets, and so on).
Working environments and conditions should be safe, comfortable and hygienic. This includes Suppliers ensuring that all buildings and lay-outs comply with applicable laws and are otherwise safe and secure. There should be access to clean toilets, regular breaks and access to water suitable for drinking and washing, as a minimum.

Specific hazards should be identified (for example, substances or equipment) and processes should be implemented to minimise their risk to workers.

All ingredient Suppliers must hold an FSSC 22000 certification for their food safety management system.

9. **Carry out operations with care for the environment and comply with all applicable environmental laws and regulations**

The potential environmental impacts of daily business decision-making processes should be considered along with opportunities for conservation of natural resources, source reduction, material recycling, and pollution control to ensure cleaner air and water and reduction of landfill wastes. AG Barr encourages its Suppliers to identify, set targets and implement action plans for reducing environmental impacts in the areas of water, wastewater, energy, greenhouse gas emissions, waste and packaging.

Suppliers must be FSC certified for the supply of timber based products to meet AG Barr’s sustainable sourcing standards.

10. **Maintain high levels of confidentiality**

Suppliers must also safeguard and protect the confidential and personal information of their workers and must comply with all related applicable laws and regulations.

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