

## Ethical Trading Policy

Pennine Healthcare will conduct business in a manner that reflects our Code of Conduct, including fair trading, being a good corporate citizen, supporting a safe and healthy workplace, being environmentally responsible whilst complying with the applicable laws. We will, as far as is reasonably practicable, ensure that our company and suppliers adhere to our Code of Conduct, which we adopted from the Base Code of the Ethical Trading Initiative (ETI) This code states:

- Employment is freely chosen.
- Freedom of association and the right to collective bargaining are respected.
- Working conditions are safe and hygienic.
- Child labour shall not be used.
- Living wages are paid.
- Working hours are not excessive.
- No discrimination is practised.
- Regular employment is provided.
- No harsh or inhumane treatment is allowed.

## Pennine Principles for Ethical Trade

**Commitment:** Ethical trading is an important goal at Pennine, and we are committed to providing sufficient resources to ensure it is achieved. We aim to develop long-term partnerships with suppliers who share our values and who are willing to commit to our Code of Conduct.

**Expectations:** We expect strong social and environmental standards from suppliers and believe our challenge is to build supply chains that are resilient to the challenges facing the healthcare sector by working closely with suppliers that need support in implementing sustainability practices.

**Fair Trading Terms:** We are committed to dealing openly and fairly with suppliers, adhering to contract terms and avoiding any undue pressure. We strive to be transparent on our ethical trade performance and ask suppliers to do likewise. Working together we strive to respond promptly to any ethical issues that may arise.

**Continuous Improvement:** As a minimum, we expect suppliers to work towards compliance with our Code of Conduct shown above or local law, whichever affords the greater protection of workers, and commit to driving continuous improvement. We aim to collaborate with suppliers and constructively resolve issues that drive the continuous improvement of working conditions.

## Our Principles in Action

We work to the guidelines of the ETI Base Code and have an Ethical Trade framework in place.

Our executive leadership team will champion this policy, ensuring it's implementation, audit and policy reviews and developing remediation programmes designed to create sustainable change in our procurement strategy.

Systems are in place to measure, monitor and report how our buying practices affect quality, cost and delivery and these benefits will be communicated to employees and the Board of Directors.

## Ensuring Adherence to our Principles

We will communicate our commitment and Code of Conduct to key stakeholders, including the public, our customers, suppliers, and employees, ensuring a sound understanding of our code.

Maintain our accreditation to the Labour Standards Assurance System (LSAS) Level 3 and ensure our system meets the ETI Ethical Procurement for Health Framework.

We will conduct independent assessments and third-party audits of working conditions in supplier facilities against our Code of Conduct.

Ensuring that our Code of Conduct is understood by our Procurement Team, is integrated into our core business and purchasing practices do not encourage breaches of the code.

## Scope

This policy was reviewed February 2023 and applies to all procurement at Pennine healthcare.

We are confident that managing ethical procurement risks proactively and effectively will bring a variety of benefits to the company and our suppliers. This policy shall be reviewed for effectiveness and suitability annually as part of the Management Review process.

Signed on behalf of Pennine Healthcare:



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Graeme Cameron  
Chief Executive Officer