

Petco Health and Wellness Company, Inc.

International Trade Policy

Effective Date: January __, 2021

1. Purpose

Petco Health and Wellness Company, Inc., including its affiliates and subsidiaries, (“Petco” or the “Company”) is committed to maintaining the highest possible ethical standards and complying with all applicable laws in all countries in which it does business. This includes strict compliance with U.S. laws governing international trade, including economic sanctions, export controls, and antiboycott regulations (collectively “International Trade Laws”). The purpose of this International Trade Policy (the “Policy”) is to provide guidance to the Company’s directors, officers, and employees (hereinafter collectively referred to as “Partners”), as well as agents, consultants, suppliers, intermediaries, joint venture partners, and other representatives (hereinafter collectively referred to as “Third Parties”) to ensure compliance with such laws.

2. Scope

This Policy applies to all Partners, wherever located, and to all Third Parties when acting on the Company’s behalf. Partners and Third Parties must avoid any activity that may directly or indirectly implicate the Company in any violation of this Policy or applicable laws.

3. Policy

Petco expects all of its Partners and Third Parties to comply with the terms of this Policy at all times. Although Partners are not expected to master the International Trade Laws, it is important that Partners know when to seek advice from managers or other appropriate persons. If you do not understand a provision of this Policy or are confused as to what actions you should take in a given situation, you should contact the Associate General Counsel for Compliance (“AGC Compliance”). If you wish to report a possible violation of the law or this Policy, you should follow the procedures set forth below.

4. Enforcement

Failure to comply with the International Trade Laws may result in civil or criminal penalties, including, but not limited to, freezing or blocking of assets, monetary fines, damage to the Company’s reputation or a limitation of the Company’s business activities. Criminal violations can also result in imprisonment. Failure to comply with this Policy or with the International Trade Laws is grounds for disciplinary action up to and including termination of employment.

5. International Trade Laws

(a) OFAC Sanctions

Many countries around the world use sanctions as a foreign policy tool. The United States, through the Office of Foreign Assets Control (“OFAC”), has imposed robust sanctions measures to cut off funding for terrorists, illegitimate regimes, and others who seek to violate basic human rights. Accordingly, OFAC sanctions broadly prohibit U.S. persons and businesses from engaging in transactions, directly or indirectly, with certain specified targets, which may include business networks,



entities, individuals, geographic regions, or entire nations. In many cases, it may also be a legal violation to refer transactions that would otherwise be prohibited to non-U.S. persons or entities for the purposes of evading legal restrictions, or to otherwise facilitate transactions involving countries or persons subject to U.S. sanctions. The United Nations, European Union, United Kingdom, and other countries have imposed similar measures.

To ensure compliance with applicable sanctions, the Company is expected to screen proposed counterparties against the prohibited persons lists set forth by OFAC and other regulators, and to avoid doing business with prohibited countries and jurisdictions. Those lists and restrictions are described further below.

(i) Prohibited Countries and Jurisdictions

OFAC broadly prohibits most transactions between U.S. persons and persons or entities in countries that are subject to comprehensive sanctions such as **Cuba, Iran, North Korea, Syria, and the Crimea Region of Ukraine**. Prohibited activities include the import and export of goods and services, whether direct or indirect, as well as “facilitation” by a U.S. person of transactions between non-U.S. parties and a sanctioned country. More limited sanctions may block particular transactions or require licenses under certain circumstances. In general, the foreign subsidiaries of U.S. Persons are directly subject to U.S. sanctions laws targeting Cuba and Iran.

OFAC’s country-specific sanctions are complex regulations that change from time to time as the result of new legislation or executive orders. If you have questions about whether sanctions may apply to a particular transaction, please contact the AGC Compliance using the contact information provided below.

(ii) Specially Designated Nationals

In addition to geographically-based sanctions programs, OFAC prohibits dealings with specified individuals and entities engaged in certain prohibited activities, called “Specially Designated Nationals” or “SDNs.” SDNs include terrorists, proliferators of weapons of mass destruction, narcotics traffickers, members of transnational criminal organizations, and other “bad actors,” including government officials or entities involved in human rights abuses, corruption, malicious cyber-attacks, and other specified activities. These SDNs are located throughout the world and include major airlines, banks, and investors. Generally, the assets of an SDN in the United States are frozen and U.S. persons are generally prohibited from dealing with them without specific authorization, in the form of a license, from OFAC. Further, if an SDN owns a 50 percent or greater interest in an entity, OFAC policy requires that such entity must also be blocked, whether or not the entity itself has been specifically listed under the sanctions program. OFAC publishes a list of SDNs and other blocked persons (the “SDN List”) which is updated regularly.

For more information about the procedures in place to screen for SDNs and other prohibited persons on relevant restricted party lists, please contact the AGC Compliance at the contact information provided below.

(b) **Export Controls**

U.S. export controls are a means by which the United States implements international treaty obligations, including nuclear, chemical and biological weapons non-proliferation agreements, U.N. arms embargoes, and sanctions on companies and individuals. Identifying the classification of a product, software, technology, or a service (collectively, an “Item”) is the first step to determine whether the Item requires a license to export, reexport or transfer. U.S. export controls apply to (1) Items that are produced in the United States, wherever in the world they are located; (2) all Items located in the United States, even if only moving in transit; and (3) foreign-produced Items that incorporate more than de minimis levels of



controlled U.S.-origin content. These Items are considered subject to the Export Administration Regulations (“EAR”) and will receive an Export Classification Control Number (“ECCN”) based on the Commerce Control List (“CCL”) in the EAR. Items that are subject to the EAR but are not specifically listed on the CCL are classified as “EAR99.” Controls on EAR99 Items apply only to exports for certain end uses (e.g., terrorist activities or WMD proliferation), or to sanctioned countries or restricted parties. Thus, for EAR99 Items, the screening and due diligence conducted by the Company should focus on identifying any restricted end uses, end users, or prohibited destinations.

Most Petco products are classified as “EAR99” and only require a license to export, reexport or transfer based on the end user or destination. As a result, the counterparty due diligence and restricted party screening required to comply with U.S. sanctions will in most cases satisfy Petco's obligations under applicable laws, so long as all relevant restricted party lists are reviewed prior to export (i.e. both OFAC and Commerce Department restricted party lists). For any questions regarding U.S. export controls, please contact the AGC Compliance at the contact information provided below.

(c) **Antiboycott Laws**

During the mid-1970's the United States adopted laws that seek to counteract the participation of U.S. citizens in other nation's economic boycotts or embargoes. The antiboycott laws were adopted to encourage, and in specified cases, require U.S. firms to refuse to participate in foreign boycotts that the United States does not support. The Arab League boycott of Israel is the principal foreign economic boycott that U.S. companies must be concerned with today. The antiboycott laws, however, apply to all boycotts imposed by foreign countries that are unsanctioned by the United States.

Conduct that may be penalized and/or prohibited under U.S. antiboycott laws includes:

- (i) Agreements to refuse or actual refusal to do business with or in Israel or with blacklisted companies.
- (ii) Agreements to discriminate or actual discrimination against other persons based on race, religion, sex, national origin or nationality.
- (iii) Agreements to furnish or actual furnishing of information about business relationships with or in Israel or with blacklisted companies.
- (iv) Agreements to furnish or actual furnishing of information about the race, religion, sex, or national origin of another person.
- (v) Implementing letters of credit containing prohibited boycott terms or conditions.

U.S. antiboycott laws require U.S. persons to submit quarterly and annual reports of requests they have received to take actions to comply with, further, or support an unsanctioned foreign boycott. The U.S. Treasury Department maintains a list of boycotting countries, which includes the following: Iraq, Kuwait, Lebanon, Libya, Qatar, Saudi Arabia, Syria, the UAE, and Yemen. Other jurisdictions of concern may include Bangladesh, Bahrain, Malaysia, and Pakistan.

6. **Recordkeeping and Reporting**

All records related to International Trade Laws must be retained for at least five (5) years from the date of the transaction and be readily retrievable for examination or upon request. Records include, but are not be limited to, customer, supplier, and distributor due diligence; transaction documentation, such as invoices, custom declaration forms, air waybills, bills of lading, credit/debit advices or other evidence of payment; records relating to restricted party screening and escalated transactions, including confirmed positive matches, decisioned false positives, and related communications; reports of blocked/frozen assets or rejected transactions; copies of specific and general licenses; and training records.





The Company will timely file any reports that it may be required to file under the International Trade Laws, such as reports of blocked/frozen property or reports of rejected transactions. The Company may decide to voluntarily report a potential violation of International Trade Laws to relevant government authorities in a manner that is compliant with local legal requirements.

7. Escalation of Sanctions and Export Control Compliance Concerns

The Company is committed to ensuring that Partners and Third Parties can raise concerns regarding potential violations of this Policy. Possible violations of this Policy may be reported orally or in writing to the AGC Compliance. You may also report anonymously to our whistleblower hotline at 1.888.736.9834 or by visiting www.PetcoHotline.com or via email at ethics@petco.com. Additional information regarding reporting possible violations is provided in Petco's Code of Business Conduct and Ethics.

8. Training

The Legal Department will provide training to relevant Partners whose job responsibilities are within the scope of the International Trade Laws and this Policy. Supplemental targeted training will be provided to select Partners as appropriate. The Legal Department shall maintain records of training materials and Partner attendance at training sessions.

9. Independent Testing and Audit

The Company shall perform risk-based testing of its International Trade Compliance Program on a periodic basis. The testing should be performed by Internal Audit or other individuals that are not responsible for the day-to-day operation of the International Trade Compliance Program. Internal Audit, or other responsible personnel, may determine, on a risk basis, the frequency of such testing. The results of such independent reviews shall be reported to the General Counsel, the AGC Compliance, senior management and the Board of Directors.

10. Policy Review and Update

This Policy shall be reviewed and updated by the Legal Department periodically as warranted by changes to International Trade Laws. This policy may be amended at other times in the Company's discretion.

11. Contacts

Partners and Third Parties may contact the AGC Compliance with all questions or concerns related to this Policy.

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