

ETHICAL STANDARDS

Core Standards for Vendors

Petco maintains core standards of business conduct and expects the same of all vendor partners. All vendor partners are expected to read and comply with the [Petco Code of Business Conduct and Ethics](#), which serves as an important guide to all Petco partners regarding their moral, ethical and legal obligations. The following reflect Petco's core business conduct standards:

- Ethical treatment for all associates, vendors, and product purchasers
- Highest levels of integrity in all transactions
- Provide quality products that meet or exceed industry standards
- Assumed responsibility for the replacement of, return of, and/or financial credit back for products which do not meet Petco standards
- Adherence to all purchase order, packaging, and transportation requirements
- Compliance with all accounts payable and/or invoicing requirements
- Timely communication of issues and/or questions

It is critical that all vendors understand and comply with the Vendor Ethical Standards outlined in this chapter. Compliance is a condition of partnership and Petco is dedicated to strict enforcement. Vendors are required to provide employees the means to anonymously report to a third party or Petco any non-animal care violation of the [Petco Code of Business Conduct and Ethics](#) or the Vendor Guide Ethical Standards. Animal care violations should be reported immediately to the proper authorities. Following a report to proper authorities, vendors may also contact the Petco hotline to relay that an animal care violation has been reported.

If vendors choose, the Petco Hotline (1-888-736-9834) is confidential and available 24 hours a day, 7 days a week for all issues excluding animal care concerns.

Human Rights Policy

At Petco we aim to positively impact the well-being of all pets, people, and the planet we share. Integral to the mission and to the fundamental values of the company is Petco's commitment to the protection and respect of human rights.

Details of the policy are available on the Petco.com [Governance](#) page. Petco is committed to the continual review of its efforts including this policy.

Vendor Gratuity & Gift Obligations

Vendors must refrain from offering Petco associates gifts, entertainment or any other thing of value when doing so might compromise, or appear to compromise, the objectivity of business decisions. Vendors must notify Petco via ethics@petco.com of any solicitation from Petco associates other than Petco sponsored solicitations on behalf of the Petco Foundation.

All vendors must comply with Petco's Gratuity and Gift policy as a condition of doing business with Petco. Petco may terminate its business relationship with any vendor who is unwilling or unable to comply with this policy.

Questions regarding this policy:

ethics@petco.com or https://www.petco.com/content/petco/PetcoStore/en_US/pet-services/corporate/code-of-ethics.html

Ethics and Regulatory Compliance Standards

Petco requires, as a condition of doing business, all vendors be in compliance with all applicable local, federal and international laws including those relating to animal welfare, labor practices, worker health and safety, environmental protection and all internationally adopted restrictions concerning bribery and corruption, which specifically includes the Foreign Corrupt Practices Act. Failure to comply with all applicable laws may result in the immediate suspension of Petco's business with your company. Vendors must maintain adequate documentation to demonstrate compliance with all applicable laws.

Animal Welfare

Consistent with Petco's "Animals Always Come First" philosophy, vendors must ensure that animal well-being is the paramount concern in regard to the quality, safety, and conformity of all products, services, and operations. Vendors must comply with all applicable manufacturing, processing, packaging, labeling, tagging, testing, safety, sanitation, and certification laws. Vendors may not engage in any behavior that constitutes neglect, mistreatment, cruelty, or abuse of animals under applicable laws.

Animal welfare compliance is a condition of partnership and Petco is dedicated to strict enforcement. Vendors are required to provide employees the means to anonymously report animal care violations to the proper authorities.

Human Trafficking/Forced Labor

Vendors may not participate in any form of human trafficking or forced labor – prison, indentured, bonded, or otherwise.

Child Labor

Vendors may only employ workers who meet the locally applicable minimum age requirement or are at least 15 years of age, whichever is greater. Vendors must comply with all applicable child labor laws including those relating to hiring, wages, hours worked, overtime, and working conditions. Vendors must maintain official documentation that verifies every worker's date of birth. In those markets where official birth date documentation is not available, vendors must confirm and document worker age using another appropriate and reliable assessment method.

Labor, Compensation & Benefit Practices

Vendors must comply with all labor laws and regulations. Vendors must set working hours, wages, and overtime pay in compliance with all applicable laws. Vendors must pay the minimum legal wage or the prevailing industry wage, whichever is greater. Vendors must not require workers, on a regularly scheduled basis, to work over 60 hours per week and must comply with any applicable laws that establish a lower standard. Overtime must be voluntary or must be compensated in compliance with applicable laws. In addition, vendors must provide at least one day off in seven on a regularly scheduled basis.

Vendors must provide every worker a written accounting for every pay period and may not deduct wages where prohibited by applicable law. Vendors must provide each worker with all legally mandated benefits.

Working Conditions

Vendors must treat all workers with respect and dignity as well as provide a safe and healthy workplace. Vendors must comply with all applicable laws regarding working conditions. Vendors must provide adequate fire exits, safety equipment, lighting, and ventilation as well as clean restrooms and safe and clean housing where housing is provided.

Discrimination & Humane Treatment

Vendors must employ workers on the basis of their ability to do the job, without regard to race, color, gender, nationality, sexual orientation, religion, political affiliation, disability, age, maternity, or marital status. Vendors must recognize each worker's right to a workplace free of harassment, abuse, corporal punishment, coercion, intimidation, and any other human rights abuses.

Vendor shall, to the extent they apply, abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). **These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin and require affirmative action to employ and**

advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status, or disability.

Environment

Vendors must comply with all applicable environmental protection laws. Vendors should also have a system in place to minimize negative impacts on the environment, including a procedure for notifying local communities of any environmental emergencies.

Employing Petco Associates

Petco's relationship with vendors is based on mutual respect and professionalism. Petco strongly discourages vendors soliciting Petco associates for vendor employment opportunities. Petco Vendors are requested to contact the associate's Vice President prior to soliciting the associate.

Confidentiality

During Petco's business relationship, vendors may at times have access to Petco's trade secrets and/or confidential business information. The law protects Petco's secrets and business information from being disclosed to Petco's competitors and Petco requires vendors protect such information as set forth in the Mutual Non-Disclosure Agreement, which must be in place with all vendors.

Privacy Standards for Petco Vendors

Respecting consumers' and employees' privacy is fundamental to having a successful business relationship with Petco Animal Supplies Stores, Inc. and its affiliates ("Petco"). Petco has developed these Privacy Standards for vendors, suppliers, and service providers who handle Personal Information in conjunction with their business relationship with us. All vendors are expected to comply with the below standards if they handle Personal Information obtained from or through their business relationship with Petco. Petco's Compliance and Privacy teams may require further information from all Petco vendors related to their data privacy practices.

- **Transparency:** Vendors are expected to maintain a legally compliant Privacy Policy. Data subjects must be informed about any Personal Information that will be collected; how their data will be used; and what rights they may have with respect to their data. "Personal Information" means any information that identifies, relates to, describes, or could directly or indirectly link to a particular person or household.
- **Limited Collection:** Vendors should collect no more Personal Information from or through Petco than what is necessary to achieve the specific business purpose of the relationship, as agreed to by Petco.
- **Limited Use:** When possible, Personal Information should be replaced with de-identified, anonymized, pseudonymized, or aggregated data. Personal Information should not be used to perform analytics, run reports, improve products or services, or engage in other internal

projects. If there are material changes to how vendors will use Personal Information obtained via their relationship with Petco, vendors must provide advance notice to Petco and to the data subject.

- **Limited Disclosure:** Vendors may not sell, share, or disclose Personal Information obtained via Petco with unidentified and/or unaffiliated third parties, unless specific legal arrangements are in place that expressly address such disclosures.
- **Subcontractors:** Vendors who use subcontractors will remain fully accountable for their subcontractors' privacy practices. Subcontractors working on Petco projects must be able to meet these Privacy Standards for Vendors.
- **Governance:** Vendors are expected to have policies and procedures in place enabling them to comply with the California Consumer Privacy Act (Cal. Civ. Code §§ 1798.100, et seq.) and/or other relevant privacy laws, where applicable.
- **Training:** Vendors are expected to provide adequate, regular privacy training to their employees, staff, and representatives who handle Personal Information.
- **Security:** All vendors handling Personal Information in relation to their contract(s) with Petco must participate in Petco's Information Security review process.

Vendor Selection

Petco's selection of vendors or other suppliers of goods and services is based on need, quality, performance, and cost. Petco associates are required to continually promote the best interests of Petco, within legal limits, through attention to opportunities to obtain fair and competitive terms. Vendor selection must be made without regard to age, race, color, national origin, ancestry, religion, gender, pregnancy, sexual orientation, marital status, physical disability, mental disability, medical condition, political orientation, veteran status, or on any other basis protected by law.

Pricing Practices

Vendors are advised that Petco makes retail pricing decisions without influence from vendors, contractors or competitors. Vendors' efforts to influence Petco's independent pricing decisions could constitute a violation of Antitrust Laws and are therefore strictly prohibited.

Product Registration

Vendors are responsible for securing and maintaining all necessary product registrations in every state where product will be sold. Failure to secure or maintain product registration may result in the issuance of stop sale orders or other enforcement actions and each vendor is responsible for all costs related to non-compliance.

Regulatory Requirements & Hazard Control

Toxics in Packaging Legislation (TPCH legislation)

Nineteen US states have adopted toxics in packaging laws that prohibit the intentional introduction of any amount of lead, mercury, cadmium, and hexavalent chromium in any packaging and packaging component. In addition, the sum of the concentration levels of incidentally introduced lead, mercury, cadmium, and hexavalent chromium present in any package or individual packaging component cannot exceed 100 parts per million by weight. All product supplied to Petco must be in full compliance with all requirements of the Model Toxics in Packaging Legislation (TPCH legislation). For additional information, please visit:

<https://toxicsinpackaging.org/model-legislation/model/>

Petco's Expectation

It is imperative that all products supplied to Petco comply with all applicable U.S. and international laws, regulations, guidelines and rules, including TPCH legislation. If a product supplied to Petco is determined not to comply with TPCH legislation, Petco has the absolute right to reject delivery or issue a product withdrawal for disposition of the product at the vendor's expense. The vendor will be liable to Petco for any fines, penalties, attorney's fees or further damages imposed by any other regulatory agency in the United States.

Certification of Compliance

As a condition of doing business with Petco, every vendor must provide to Petco:

- A Certificate of Compliance which covers each type of package, packaging component, or packaged retail-ready product supplied, distributed, or sold to Petco.
- Verified test results from a certified and Petco approved laboratory which covers each type of package, packaging component, or packaged retail-ready product supplied to Petco.

Packaging Definition:

Packaging is defined as a container that is used as a means of marketing, protecting or handling a product and shall include a single unit package, secondary or inner package and a shipping container as defined in American Society for Testing and Materials (ASTM) D 996. This definition also includes unsealed receptacles, carrying cases, crates, cups, pails, rigid foil and other trays, wrappers and wrapping films, bags and tubs.

- A "Packaging component" means any individual assembled part of a package such as, but not limited to, any interior or exterior blocking, bracing, cushioning, weatherproofing, exterior strapping, coatings, closures, inks and labels.

A sample Certificate of Compliance is available in the Petco Vendor Portal for your use. Vendors must provide the Certificate of Compliance and supporting test results to VendorOps@petco.com. Each vendor should submit a single Certificate of Compliance that covers all of its products' packaging. Multiple test results can be attached to the vendors' Certificate of Compliance as needed.

Testing must be conducted by SGS, Intertek, or Bureau Veritas (or such other CSPSC accredited laboratories as may be accepted upon prior approval from Petco).

Vendor must also keep a record of the Certificate of Compliance and supporting test result(s) in its files and make this information available to Petco within 24 hours of request.

IMPORTANT:

Vendors are required to submit a new Certificate of Compliance and supporting test results on an annual basis. For ANY change in raw materials or change in the supplier of raw materials incorporated into your packaging or packaging components, Vendors are required to provide a new Certificate of Compliance and testing to support the compliance claim of the updated packaging material.

RESOURCES

Toxics in Packaging Clearinghouse <https://toxicsinpackaging.org/>

Product Related Weights and Measures Requirements

Petco maintains high standards of price and product integrity, and requires the same from our Vendor Partners. Compliance with local, state and federal regulations is mandatory in order to protect our customers and continue to earn and maintain their trust and loyalty. Vendors are required to comply with all applicable weights and measures related requirements in every state where product will be sold. Such requirements include, but are not limited to, net content requirements for packaged goods and packaging and labeling requirements. Failure to meet weights and measures requirements may result in stop sale orders or other enforcement actions and each vendor is responsible for all costs related to non-compliance.

Vendors should visit the National Institute of Standards and Tolerances (NIST) at www.nist.gov and refer to the NIST Handbook 133 for detailed guidance relating to net content requirements and NIST Handbook 130 for detailed guidance relating to packaging and labeling requirements for weights and measures.

Store Visitation Requirements

Petco requires all vendor representatives adhere to the following policy upon entering any Petco facility:

- Notify the manager on duty and sign in visitation log
- Clearly display identification name badge or visitor label provided by the facility

Approved Store Demonstrations

Any person representing a vendor is required to adhere to the following guidelines when conducting an approved in-store demonstration:

- Notify the Manager on Duty upon arrival
- Be courteous and well mannered
- Be easily identifiable with clearly display identification name badge or visitor label
- Be professionally dressed
- Bring all necessary materials (including tables, literature and food samples)
- Remove all materials from store when leaving; samples may be left for customer use
- The demonstration must take place at a location selected by the Store Manager
- Demonstrations should not be set up in front of a competitor's area
- Sampling is permitted, but not preferred, in-store couponing is more effective than sampling
- Samples should not be given to customers of other premium brands, unless the customer specifically requests the sample
- The demo representative may not give away free food samples to Petco employees
- No competitive price comparisons are allowed
- Sitting and/or fraternization with Petco associates is not permitted during scheduled demo times
- Hand-written signs are not allowed
- Notify the Manager on Duty upon departure