petco
THE HEALTH + WELLNESS CO.

2022 ESG REPORT

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About This Report

We are pleased to present our third annual ESG Report (this Report), which covers our environmental, social, and governance (ESG)-related performance relating to our fiscal year 2022.

This Report was developed to inform our stakeholders of the impacts that our organization may have on economic, social, and environmental topics. In it, we provide an overview of who we are as a company, our ESG commitments, how we engage stakeholders, and our approach to addressing our sustainability-related impacts. The scope of applicable portions of this Report has been determined based on material sustainability topics, which are addressed in the Materiality section. Unless stated otherwise, the scope of our ESG data encompasses all of Petco's activities, and reporting boundary encapsulates our more than 1,500 Pet Care Centers across the U.S., Mexico, and Puerto Rico.

To align our non-financial reporting with global sustainability indicators, we have referenced selected disclosures, or parts of their content, from the Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) Standards frameworks. A content index is included as a tool to help readers more easily locate relevant information across this Report as well as from Petco's web-based resources.

For additional information on our ESG progress, relevant policies, and periodic updates, please visit our ESG website.

Forward-Looking Statements and Website References

This Report includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, concerning expectations, beliefs, plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements that are other than statements of historical fact, including statements regarding our progress, plans, and goals with respect to environmental and sustainability initiatives, and the inclusion of such statements is not an indication that these contents are necessarily material to investors or required to be disclosed in our filings with the U.S. Securities and Exchange Commission. Although we believe that the expectations and assumptions reflected in these statements are reasonable, there can be no assurance that these expectations will prove to be correct. Forward-looking statements are subject to many risks and uncertainties, including the risk factors that we identify in our Securities and Exchange Commission filings, and actual results may differ materially from the results discussed in such forward-looking statements. We undertake no duty to update publicly any forward-looking statement that we may make, whether as a result of new information, future events or otherwise, except as may be required by applicable law, regulation or other competent legal authority. In addition, our environmental, social and governance plans and goals are aspirational and may change, and statements regarding such plans and goals are not guarantees or promises that they will be met. Furthermore, historical, current, and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. Website references (including hyperlinks) throughout this report are provided for convenience only, and the content on the referenced websites is not incorporated by reference into this Report.

A Note on Terms

Throughout this Report, we will use the following terms, which reflect the language we use throughout our business:

- **Pet Care Center** in place of Store
- **Support Center** in place of Corporate Office

In past reports, we also used the terms:

- **Guest** in place of Customer
- **Partner** in place of Employee

However, in this Report, we use the more common "**customer**" and "**employee**" terms to better align with stakeholder expectations.

Contact and Feedback

We welcome feedback on our performance and this Report; please contact sustainability@petco.com.

CEO Letter

I am pleased to share our third annual ESG report, which outlines our transformative approach to Purpose Driven Performance through our combined focus on pets, people and the planet.

Over the past year, we have continued to lead in pet health & wellness. Our sustainability efforts were recognized by Newsweek, which ranked us 11th among retailers in "America's Most Responsible Companies 2023," and in the S&P Global Corporate Sustainability Assessment where we ranked in the top 12% of North America retailers in the first year of our participation. In March 2022 we were also delighted to become the first and only pet retailer in the world to be awarded the American Humane Certified™ Seal of Approval for our industry leading standards in animal welfare.

Products and Services That Make an Impact

Our vision is to create a movement towards sustainable products in the pet industry and inspire others to make positive changes. To bring that vision to life, we've set an ambitious target for 50% of our product assortment to be sustainable by 2025. Behind the scenes, we're constantly assessing our internal capabilities and implementing considered initiatives that reduce our emissions and support a more circular economy.

We know that pet parents increasingly want premium, high-quality food and treats for their pets. Our approach makes it easier for them to select healthy options that meet their needs, and we're continuously working to expand our offering with brands that reflect our values. Examples include our new WholeHearted Fresh selection of human-grade frozen food, co-developed with our long-standing partner, JustFoodForDogs, and formerly independent-store-only brands such as Stella and Chewy's.

Additionally, over the past three years, we have been gradually removing unnecessary ingredients such as parabens, phthalates, and chemical dyes from the grooming products we sell and use. In April 2023, we launched our Clean Grooming campaign, which extends this effort to our grooming services.

Expanding Access to Pet Health & Wellness

The evolving macro-economic environment has also reinforced the need to ensure the affordability of and access to pet products and services, with preventive care a key area of focus for us. By expanding our Vetco Total Care footprint; a partnership with Lowes to offer clinics at some of their locations; and our expanded Vital Care Premier membership program, we are helping more pet parents access convenient, affordable and high-quality pet care. We're also reaching more rural communities with our rural store test pilot, an opportunity for us to serve more pets by dramatically expanding local access to healthy pet products and services.

An initiative that we launched in early 2023, which is very close to my heart, is the Yummy Memorial Pet Cancer Fund. Set up in memory of our beloved Chief Dog Officer, Yummy, who sadly passed away last year, the fund provides financial support to Petco employees whose pets have been diagnosed with cancer.

Celebrating Passionate and Diverse Employees

Our Petco employees are the heart and soul of our company. Their passion and energy to work enables us to achieve our mission of improving the lives of pets and pet parents. We are so grateful for all that they do and want to make sure they are rewarded fairly for their hard work, which is why we set a goal to increase our minimum wage for non-trainee hourly employees to $15 an hour. I am proud to share that we have now achieved this goal in addition to broadening our benefits while also keeping benefits premiums flat for our employees. Through our Petco Partner Assistance Fund we also have a mechanism to support our employees when emergencies occur. In 2022, we increased the amount of funding an employee could receive through the fund.

We firmly believe in the importance of being a welcoming and inclusive place to work, and the entire Executive team is focused on increasing diversity throughout the company. Representation of people of color among new hires increased to 42% and we maintained a strong representation of women new hires at nearly 65%.

Looking to the Future

I'm so proud of what we've achieved so far, and I look forward to seeing Petco's sustained growth over the coming years as we continue to pursue transformative improvements in the lives of pets, pet parents, our employees, and the planet.

Introduction
Our Company

Petco is a fully integrated omni-channel provider of pet health & wellness offerings, providing our more than 25 million customers with a comprehensive selection of differentiated products, services and veterinary care to fulfill their pets' health & wellness needs.

We are on a mission to improve the lives of pets, pet parents, and the approximately 29,000 employees who work for us. From our National Support Center in San Diego where we are headquartered, to our more than 1,500 Pet Care Centers across the U.S., Mexico, and Puerto Rico, we aim to achieve this through our integrated digital platforms and flexible fulfillment options.

In recent years, we have embarked on a significant transformation, repositioning our business from a successful yet traditional retailer to a disruptive force in the industry and a partner to pets and pet parents: providing guidance and support to improve their lives, offering premium pet products and fully integrated services, and increasing access and affordability of pet parenthood. This gives us unique positioning to continue to be a market leader, deliver on our purpose to improve the lives of pets, and provide growth and value for our stakeholders, because what's good for pets is good for Petco.

We are committed to being the most trusted resource in pet care, trailblazing new standards, and leading the industry in our comprehensive approach to pet health & wellness. Through our owned and exclusive brands, and partnerships with third parties, we provide our customers with a wide array of options to purchase high-quality, healthy, and more sustainable items for their pets, including innovative and scientifically led nutrition options free from artificial ingredients[1]. At the same time, we are expanding access to grooming, veterinary care and dog training services which help support the whole health of pets.

In March 2022, as part of our commitment to offer pet parents a one-stop solution to convenient, affordable, high-quality pet care, we purchased the remaining stake in our joint venture with Thrive Pet Healthcare of nearly 100 full-service veterinary hospitals run under the Thrive brand within our Pet Care Centers. In May 2022, these hospitals were integrated into our Vetco Total Care offering, and we welcomed over 750 veterinary care professionals into the Petco family as our veterinary partners.

petco
OWNED BRANDS

Reddy
WHOLEhearted
YOULY EST. 2020 YOU BE YOU
WELL&GOOD keep your dog well, for good
Putting the YAY in every day EVERY YAY
Healthy Select FOR PASSIONATE PET PARENTS
sophresh
LEAPS & BOUNDS
imagitarium

We also added new and expanded partnerships to our portfolio to increase accessibility for pet parents in many different ways. These include our partnerships with Nationwide Insurance, Marriott Bonvoy, Rover, Canadian Tire, and Lowe's, as well as launching our expansion into rural markets with the opening of our first Neighborhood Farm & Pet Supply locations (see the Making Pet Parenthood More Affordable and Accessible section for more).

[1]See how Petco defines artificial ingredients at petco.com/nutritionstandards

Our financial performance since the beginning of our transformation reflects the success of our strategy, and a strong validation that more and more pet parents are joining us on our mission to improve the lives of pets. In 2022, we increased our net revenue by 4% to $6 billion—this is on top of an 18% increase the previous year—and added around 1 million active customers to our base. More information on our 2022 financial performance can be found on our investor relations website.

ESG Awards and Recognitions

We were pleased to see our sustainability efforts recognized in Newsweek's "America's Most Responsible Companies 2023," a highly competitive recognition awarded to the top 500 companies nationally. The awards take a holistic view of corporate responsibility that considers quantitative performance in the areas of Environment, Social and Governance, as well as the reputation of companies based on an extensive survey of U.S. residents. We ranked 11th out of the 17 retail companies included and are proud to have been included on this list.

S&P Global

In 2022, we also participated in the S&P Global Corporate Sustainability Assessment for the first time and received a score that placed us in the top 12 percent of the North American Retailing industry. This is a highly respected, invite-only process and is considered by many investors to be one of the gold standards in ESG assessments. We are proud to have participated and to have scored among the highest in our industry, and we're confident that continued participation will help further propel our ESG efforts going forward.

PETCO VALUES

WE LOVE ALL PETS LIKE OUR OWN

We make pet parenting easier by:

- Putting the needs of pets and pet parents at the center of everything we do.
- Giving pet parents expert service and advice through our unmatched focus on health and wellness.
- Improving the whole health of pets with data-driven insights.

WE'RE THE FUTURE OF THE PET INDUSTRY

We're redefining the pet industry by:

- Bringing together a one-stop-shop for pets and pet parents that only we can provide.
- Challenging the status quo and making groundbreaking choices for pet health and wellness.
- Building a brighter future for pets by innovating and constantly improving.

WE'RE HERE TO IMPROVE LIVES

We improve the lives of pets, pet parents and partners by:

- Advancing health and wellness through the products and services we offer and through the lifesaving work of Petco Love.
- Empowering partners and investing in our wellbeing so we can thrive and build purpose-driven careers.
- Operating with sustainable business practices.

WE DRIVE OUTSTANDING RESULTS TOGETHER

We work together to unlock our collective power by:

- Acting with integrity and holding ourselves and each other accountable to deliver strong results.
- Working through challenges together with empathy and respect.
- Celebrating achievements and having fun at work with pets and people.

WE'RE WELCOME AS WE ARE

We value each partner's unique talent and perspective by:

- Supporting partners in being their whole, authentic selves.
- Creating a workplace that is welcoming, respectful, and safe.
- Listening and communicating honestly and clearly.

Sustainability at Petco

Our sustainability platform is built around our mission to improve the lives of pets, pet parents, and our own employees. We put pet health and welfare at the center of our approach, empower our employees to fulfill the needs of pets and pet parents through a supportive work environment that helps people thrive, and contribute to preserving the health of the natural world. We believe that by making a difference in these three areas—pets, people, and the planet—we will also support the success of our business.

Our Sustainability Platform

SETTING THE STANDARD IN RESPONSIBLE PET CARE

- Pet Welfare & Humane Treatment
- Pet Health, Nutrition and Wellbeing

HELPING PEOPLE THRIVE

- Employee Health, Safety, & Wellbeing
- Diversity, Equity, & Inclusion

PRESERVING THE HEALTH OF OUR PLANET

- Sustainable Product Offering
- Responsible Packaging
- Climate Impact

The Business Case for Sustainability at Petco

- **Our customers, employees, and others expect us to have exceptional standards** of product, service, and animal welfare, and ensuring that we do maintains their trust in us and helps us attract more customers looking for a premium experience, as well as passionate and committed employees.
- **We further reinforce our ability to attract and retain talented employees** who are critical to the success of our business by addressing the social, people-related issues identified: providing a safe and welcoming place to work, where everyone's rights are protected, means we can employ the best people to provide the best service to our customers, regardless of their backgrounds.
- **Strong governance practices and ethics maintain our customers' trust in us** and help to ensure we stay on the right side of regulators, limiting our reputational and financial risk.
- **Addressing environmental issues is not only good for the planet, it also helps us find cost efficiencies** in the areas of materials and waste, energy use, and water—and challenges us to stay innovative and look for new solutions.

PETCO ESG HIGHLIGHTS

Ranked in the top 12% in the American retailing industry in the S&P Global CSA (Score date: 12/16/22)

S&P Global

Ranked 11th among retailers in Newsweek's "America's Most Responsible Companies 2023"

America's Most Responsible Companies 2023 Newsweek statista

Became the first pet retailer in history to be awarded the American Humane Certified™ Seal of Approval

American Humane Certified PET RETAILER

PLANET
Preserving the Health of Our Planet

- Decreased our energy intensity per unit of revenue by **4.3% in fiscal 2022** compared to fiscal 2021, and by 28.7% compared to fiscal 2018
- **Eliminated more than 6 million single-use plastic polybags** within our owned brand supply chain
- **Produced approximately 780 MWh of electricity** annually through solar panels for our national support center in San Diego
- **Prevented nearly 1,300 pounds of trash** from entering our waterways through company-wide community cleanup events
- **Printed 95% of our signage** in Pet Care Centers on more sustainable materials

PEOPLE
Helping People Thrive

- **Increased** representation of **people of color among new hires to 42%** and maintained a strong representation of **women new hires at nearly 65%**
- **Increased** every non-trainee employee's **base wage to at least $15 an hour**
- Kept healthcare benefit premiums flat since 2020 and announced **new investments in fertility care, adoption, medical travel, and mental health benefits**
- **Expanded our employee resource groups** in partnership with our DEI team
- Maintained the Petco Partner Assistance Fund, which has **provided over $2 million** in financial support to **nearly 2,000 Petco employees** who suffered a hardship

PETS
Setting the Standard in Responsible Pet Care

- Became the **first major pet retailer** to stop selling human- or bark-activated shock collars in fiscal 2020
- **Removed traditional rawhide options** from our shelves in favor of safe and highly digestible alternatives in fiscal 2021
- **Sourced more than 92%** of the aquatic life sold at our Pet Care Centers from **aquaculture**, including freshwater fish and coral
- Through the Think Adoption First program, our Pet Care Centers partnered with Petco Love to help **nearly 7 million pets** to date find loving new families

petco love A NONPROFIT CHANGING LIVES

- **$26 million raised** for Petco Love
- **Reunited almost 17,000** pets with their pet parents thanks to Petco Love Lost

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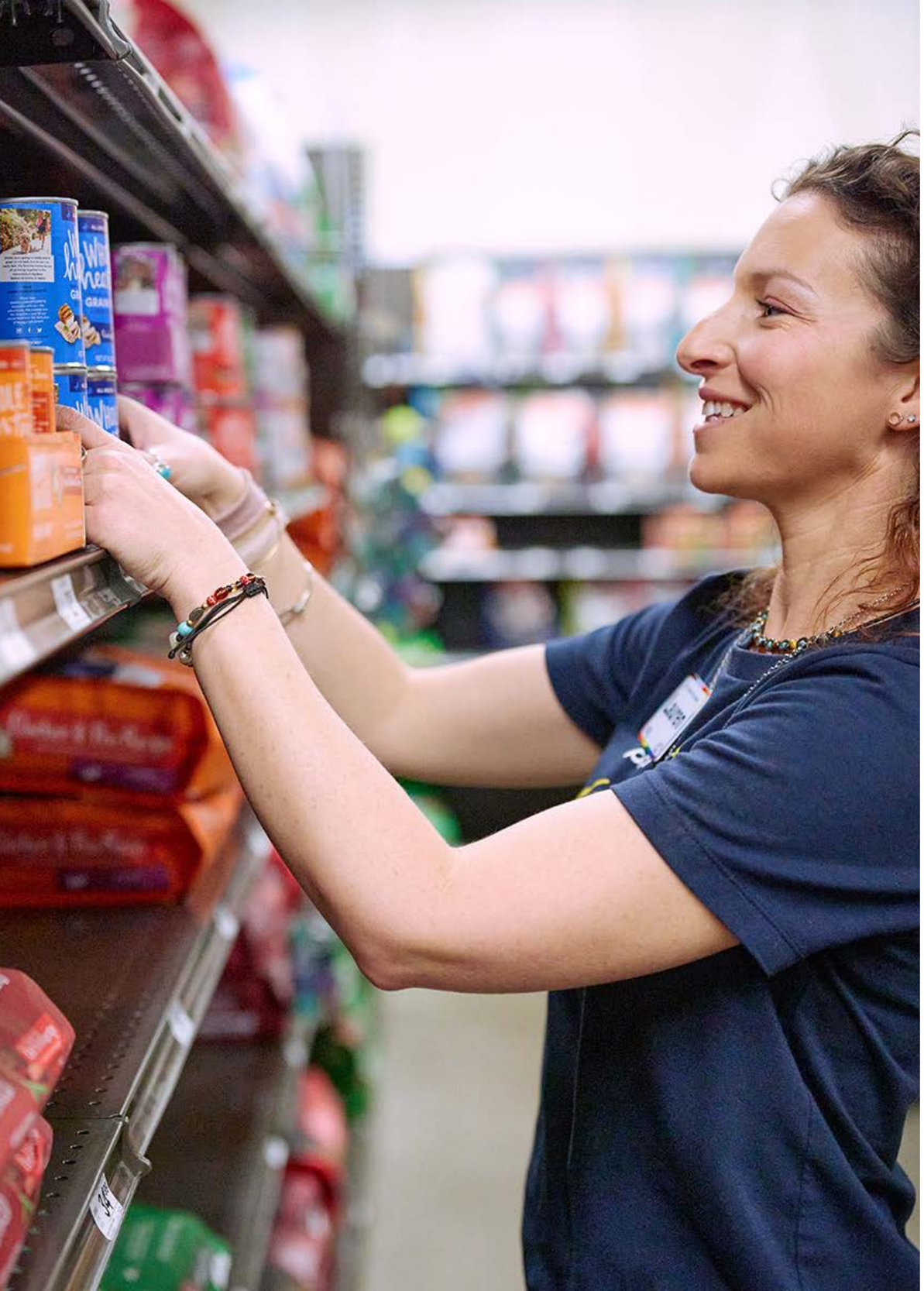
petco



Measuring Our Impact

Key ESG Performance Indicators

To track our ESG performance, success, and impact across the business, we use an internal dashboard of several Key Sustainability Performance Indicators (KPIs) which we update on a quarterly basis. We track a broad range of ESG performance metrics including energy, emissions, waste, and water data. We plan to track these on an ongoing basis and report them consistently in our annual sustainability report and to various third-party raters and rankers to provide more transparency and accountability in our performance.

Materiality at Petco[2]

As part of our process of developing our ESG priorities and identifying our key areas of focus, we engaged an independent third-party to conduct a materiality identification process and analysis in 2020. This included interviews with key internal and external stakeholders, including suppliers, industry trade groups, nongovernmental organizations and animal welfare experts, as well as a consumer survey that generated more than 900 responses.

This process allowed us to identify the issues that were most important to our stakeholders and could have the most impact on our business.

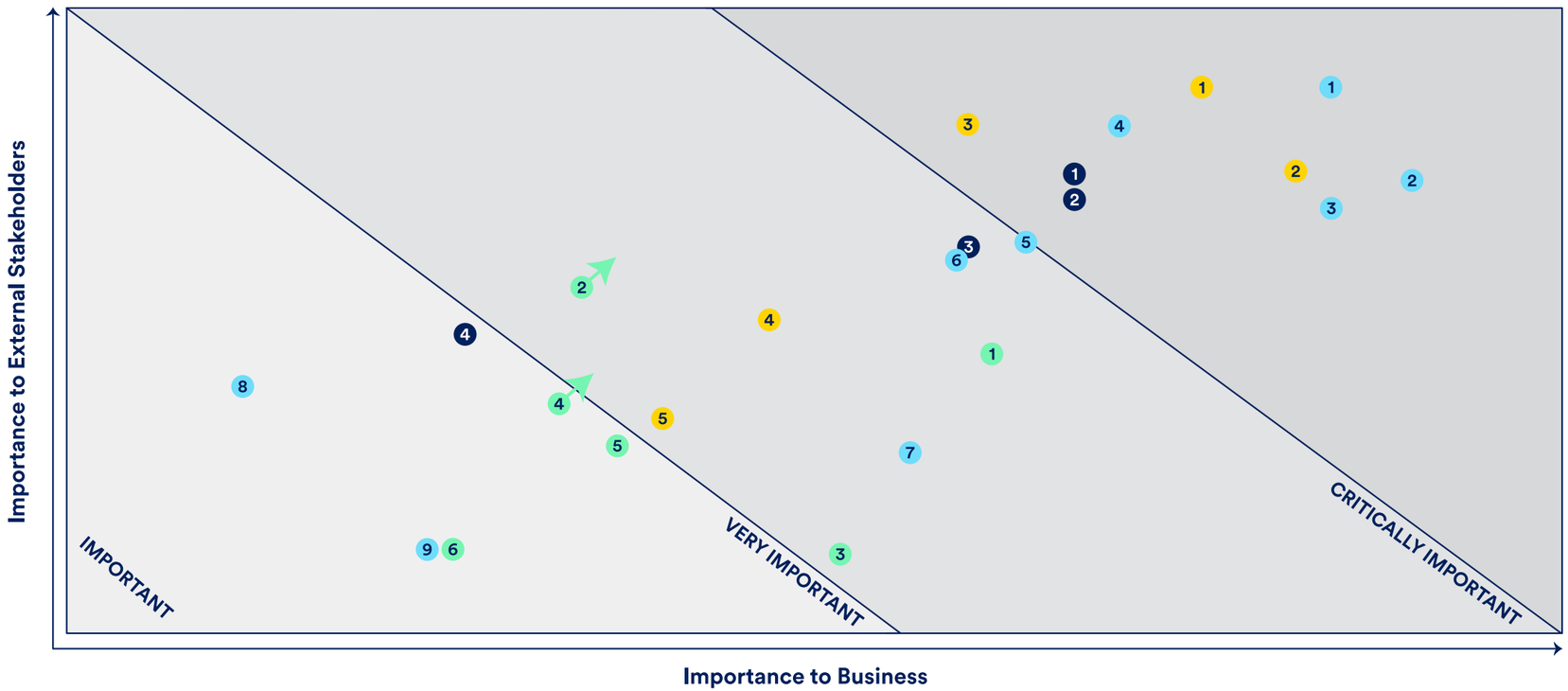
> We identified 24 material issues in all and prioritized 10 of these as being of critical importance to our business and stakeholders, as shown in the matrix on the following page.

Taken together, addressing these issues means we are not only “doing the right thing,” but that we are taking steps to ensure the continued financial viability of our company.

We aligned these 24 issues with our Sustainability Platform and overarching governance topics, with approval from our senior management and Board of Directors, as shown in the following table. The contents of this Report aim to reflect our annual updates for each material issue.

[2] Inclusion of information in this Report or identifying it as material for purposes of such report or assessing our ESG initiatives should not be construed as a characterization of the materiality or financial impact of that information with respect to Petco or for purposes of any SEC filings of Petco. For cautionary information and forward-looking statements regarding our sustainability efforts and other ESG information, see page 3 of this Report.

Materiality Matrix



Products, Services & Animal Welfare

1. Pet Health, Nutrition, & Wellbeing
2. Pet Welfare & Humane Treatment
3. High Quality Delivery of Pet Care
4. Product Quality & Safety
5. Animal Welfare in the Supply Chain
6. Sustainable Product Offering
7. Accessibility, Affordability, & Inclusivity of Pet Parenthood
8. Product Information & Labeling
9. Consumer Engagement & Promoting Sustainable Consumption

Social

1. Employee Health, Safety, & Wellbeing
2. Diversity, Equity, & Inclusion
3. Human Rights & Fair Labor Practices
4. Talent Attraction & Development
5. Community Engagement & Philanthropy

Environmental

1. Responsible Packaging
2. Climate Impact
3. Transportation & Logistics Impacts
4. Circular Economy & Waste
5. Energy Management
6. Water-Related Risks

Governance

1. Data Privacy & Cyber Security
2. Responsible Sourcing & Supply Chain Practices
3. Ethics, Business Conduct, & Corporate Governance
4. Government Affairs

Rising Importance

*The numbering of the topics is for labeling purposes and is not necessarily an indication of prioritization. This matrix has been updated to reflect recategorization of issues- the material topics remain the same as in previous years.

Where appropriate, we have integrated relevant material issues, such as climate impact, into our ERM process. We plan to revisit our materiality analysis irregularly to ensure that the issues identified continue to be of relevance and importance to our business and stakeholders. In the section below, we've mapped out the material issues of most relevance to each of our stakeholder groups.

Stakeholder Engagement

We actively engage with our key stakeholders, including employees, business leaders, investors, suppliers, customers, animal welfare experts, policymakers, industry trade groups, and nongovernmental organizations (NGOs) in multiple ways. For example, our Veterinary Advisory Council (see the Pets section) provides us with direct access to animal welfare experts; and our Voice of the Partner survey (see the People section) provides a mechanism for our employees to provide comprehensive feedback.

Through our participation in industry trade groups such as the Pet Sustainability Coalition and the Human Animal Bond Research Institute (HABRI), of which we are founding members, as well as the Retail Industry Leaders Association (RILA), we aim to build a collective understanding of ESG risks, developments, and opportunities for our industry. We sit on several of these groups' respective sustainability-related committees, which allows us to further learn from and influence our industry. Learn more about our advocacy efforts in the Government Affairs section.

Channels of Stakeholder Engagement

Stakeholders	Relevant ESG Material Issues	How We Engage
Employees	Talent Attraction & Development; Human Rights & Fair Labor Practices; Employee Health, Safety & Wellbeing; Diversity, Equity & Inclusion	Employee engagement survey ("Voice of the Partner" survey); Voice of the Partner councils; Partner Resource Groups; leader-led roundtables; team meetings; company intranet; company social media pages
Customers	Product Information & Labeling; Accessibility, Affordability & Inclusivity of Pet Parenthood; Product Quality & Safety; High-Quality Delivery of Pet Care; Consumer Engagement & Promoting Sustainable Consumption; Sustainable Product Offering; Responsible Packaging; Circular Economy & Waste	Digital: • Website • Online satisfaction surveys • Social media monitoring and engagement • Loyalty programs In-person: • In-store interactions • Focus groups • Guest services • In-store marketing • Physical mailers
Suppliers	Responsible Sourcing & Supply Chain Practices; Animal Welfare in the Supply Chain; Circular Economy & Waste	Vendor Code of Conduct; engagement through our supply chain team; in-person or virtual meetings with Petco teams
Animal Welfare Organizations	Pet Welfare & Humane Treatment; Pet Health, Nutrition & Wellbeing; Animal Welfare in the Supply Chain	Petco Pet Wellness Council; Veterinary Advisory Council; Pet Sustainability Coalition; Human Animal Bond Research Institute; American Humane; Petco Love
Shareholders	Government Affairs; Ethics, Business Conduct & Corporate Governance; Data Privacy & Cyber Security	Annual report and quarterly financial statements; direct conversations with management and investors
Industry Groups	Pet Welfare & Humane Treatment; Pet Health, Nutrition & Wellbeing;	Pet Advocacy Network; Retail Industry Leaders Association; Pet Sustainability Coalition
Policymakers and Regulators	Government Affairs; Ethics, Business Conduct & Corporate Governance; Data Privacy & Cyber Security; Climate Impact; Water-Related Risks; Energy Management; Transportation & Logistics Impacts	Pet Advocacy Network participation in conferences, trade associations, and policy-based organizations

ESG Governance

Sustainability is integrated into our identity as a business. All our directors, including our CEO and Chairman, believe in the importance of sustainability for our long-term corporate success and strive to position Petco as an industry leader in this area. To ensure that we are able to do so, and to embed sustainability into our business activities, two key groups of internal stakeholders from across our business help ensure alignment, provide insight, and champion our initiatives. These are our:

1. Sustainability Executive Steering Committee, comprised of 13 executive-level sustainability champions, who oversee important aspects of our business—such as products, services, Pet Care Centers, e-commerce, and supply chain. It also includes our CEO who regularly participates in addressing sustainability issues that affect our operations.
2. Sustainability Task Force, which drives the implementation of our initiatives within our business departments and cross-functionally, and discusses ideas for improvement and innovation. It includes key representatives and subject matter experts from core business areas.

Our Vice President of Sustainability leads our efforts to implement our strategy on a day-to-day basis, identifying and aligning resources and priorities, facilitating internal collaboration, and driving our performance. The role reports to the Chief Strategy Officer, reflecting our determination to place sustainability firmly within our corporate strategy. Ultimately, our Board of Directors oversees and is responsible for our ESG initiatives and performance through its Nominating and Corporate Governance Committee, which reviews and provides guidance on our sustainability efforts, progress, and priorities.

Corporate Governance

We strive to deliver the highest standards for pets and to be a trusted resource for pet parents. To do so, we must maintain rigorous ethical business conduct and governance standards and act with integrity towards our stakeholders. We also foster a culture of honesty and accountability throughout the company. Our Management Team is committed to sustainability in our business, and team members help us drive and integrate Petco's sustainability priorities within their respective areas of responsibility.

We have robust governance structures and processes in place, including managing enterprise risks, protecting customer and employee data, and ensuring information and cyber security. Leaders are incentivized to deliver the highest levels of execution and business results through compensation packages aligned with the achievement of operational and financial results, increases in stockholder value, and the delivery of our mission, which incorporates ESG activities.

11 members sit on our Board of Directors, four of whom are independent. Our CEO, who serves as Chairman of the Board, provides executive insight to all areas of the business, including ESG issues, to the rest of our directors. Guided by our Principles of Corporate Governance, the Board has three standing committees:

- Audit Committee
- Compensation Committee
- Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is tasked with overseeing and reporting to the Board (including, where appropriate, making recommendations to the Board) regarding sustainability matters.

Ethical Business Practices

Our Code of Business Conduct and Ethics (the Code) provides guidance for corporate behavior, helps individuals recognize and manage ethical issues, and outlines mechanisms to report unethical conduct. The Code is available to our employees in both English and Spanish. It is supplemented by a number of additional policies and procedures to guide our behavior, including our:

- **Employee Handbook**
- **Human Rights Policy**
- **Harassment, Discrimination and Workplace Conduct Policy**
- **Anti-Corruption Policy (which includes prohibition of bribery)**

All our employees must acknowledge and agree to the Code and related Petco policies and procedures (such as our Insider Trading Policy and Anti-Corruption Policy) within our Workday software, as a condition of employment. To help ensure employees understand their responsibilities, we conduct training on ethical conduct and their obligations under the Code and related policies, including anti-corruption. In addition, employees involved in Petco's international operations, including all officers, are required to complete an online training module on the requirements of the Foreign Corrupt Practices Act at least annually.

All our suppliers and owned brand vendors are required to agree to our Vendor Code of Conduct, which sets out our expectations of them for regulatory compliance, ethical conduct, animal welfare, human rights, discrimination, environmental protection, product and packaging quality, vendor behavior at our Petco Pet Care Centers, and more. They do this when they sign their agreement to our terms and conditions.

We expect all our employees, vendors, and suppliers to comply with both the letter and spirit of these Codes and policies, follow all applicable laws and regulations, and conduct their affairs with uncompromising honesty and integrity. Should they have any ethics or compliance concerns, both employees and suppliers can call or email our Compliance department or the confidential Petco Hotline, available 24 hours a day, seven days a week. We commit to resolving each concern in a thorough and timely manner and assign a case manager with relevant expertise to investigate each concern as soon as possible after it is received. If we find that there has been a policy violation, we implement appropriate remedial measures—up to and including termination of employment, or the relationship with the vendor or supplier, as applicable. Adherence to our ethical business practices and policies is overseen by our Management Team, Audit Committee, and Board as part of their executive oversight.

Enterprise Risk Management

Our extensive risk assessment process is designed to identify and mitigate internal and external risks to our business, such as climate change, data privacy and cyber security. It operates independently of other business functions, departments, and divisions and is led by our Chief Administrative Officer. The assessment process is carried out and reported to our Board at least annually. In addition, our Internal Audit Department provides assurance and advisory services to the Audit Committee and management team regarding the effectiveness of our governance, risk management, and internal control processes.

Assessing Petco's Climate-Related Impacts

Inspired by Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), we are in the process of identifying, assessing, and managing risks and opportunities that support the resilience of our business, assets, communities, customers, and employees, and integrating those into our existing Enterprise Risk Management (ERM) system. We recognize that climate change can have significant implications for companies like ours and we have taken a science-based, pragmatic approach to climate resilience by seeking to mitigate the physical risks of extreme weather, rising temperatures, heavy rainfall, etc. as best we can. We discuss some of these risks, such as how concerns about sustainability and climate issues might impact customer preferences, the unpredictability of long-term climate impacts through physical and transitional disruption to our business, and the potential costs of complying with new legislations and regulations, in our Annual Report on Form 10-K filed with the Securities and Exchange Commission.

As part of this process, we have so far completed a TCFD gap analysis, identified our long-list of risks and opportunities, and a priority action plan. We currently monitor and report against standard environmental performance metrics on energy consumption, water, and waste, and plan on adopting the disclosure recommendations developed by the TCFD in the future. Our main climate-related operational impacts are discussed in the Planet section of this Report.

Over the coming year, we will be prioritizing the risks and opportunities we have identified and will conduct a climate scenario analysis to explore the potential range of climate change implications. Using this assessment, we will evaluate the potential resiliency of our strategic plans, and implement appropriate mitigation and adaptation plans in an effort to increase the organization's strategic and business resiliency to plausible climate-related risks and opportunities.

Our planet strategy will evolve further as we complete our work on climate-related risks and opportunities. We plan on reporting our findings through a full TCFD report. In addition, we plan on improving further the processes for integrating climate-related risks into our risk management framework, frequency by which the board and management are informed about climate-related issues, and to enhance the oversight of climate-related targets by management and the board.

Data Privacy and Cyber Security

Data Privacy

Our customers and employees trust us to handle their personal information with the utmost care and respect, and to protect it from misuse or unauthorized disclosure. We take this responsibility very seriously and recognize that complying with applicable data protection laws and regulations is fundamental to our success. Our approach is outlined in our Privacy Policy and is overseen by the Audit Committee of the Board.

Since this is an area of constantly evolving risks and regulations, we monitor opportunities to evolve our privacy program. During 2022, we updated all our internal and external privacy policies and program documents to comply with new U.S. privacy laws, including a new Sensitive Personal Information Policy, updated Vendor Privacy Standards, and revised Standard Operating Procedures for processing data subject requests.

We are committed to providing transparent information to our customers about what personal information we will collect, and how we will use and disclose that information. We aim to limit our collection and use of personal information to that which is consistent with our publicly available privacy policies, and that which is necessary to accomplish our business purposes. Recently, we have expanded our highest data subject rights—such as the rights of deletion, access, and correction, as well as the right to opt out of targeted advertising on petco.com—to all consumers regardless of their geographic location.

To ensure our employees know what they must do to help protect our customers' privacy, we provide annual online privacy training for all our employees as well as additional privacy awareness and specialized training as needed. We also regularly conduct Privacy Impact Assessments to assess the privacy risks of new projects and technologies.

Cyber Security

Our extensive Information Security Program (ISP) encompasses administrative, technical, and physical safeguards for sensitive information including an advanced e-waste and electronic equipment end of life program that protects our data from being accessed from old electronics. The ISP is monitored 24/7 and is based on the National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF). Cyber security and the ISP are managed by our Chief Information Security Officer and overseen by designated members of Petco's management team through our Information Security Steering Committee, which coordinates security and customer information protection activities throughout our company.

To maintain compliance with our Information Protection Policy, employees are required to complete Information Security Awareness Training as part of their orientation process and annually thereafter on topics including ransomware, phishing, and password security. Anyone found to be in violation of our Information Protection Policy may be subject to disciplinary action, including termination of employment.

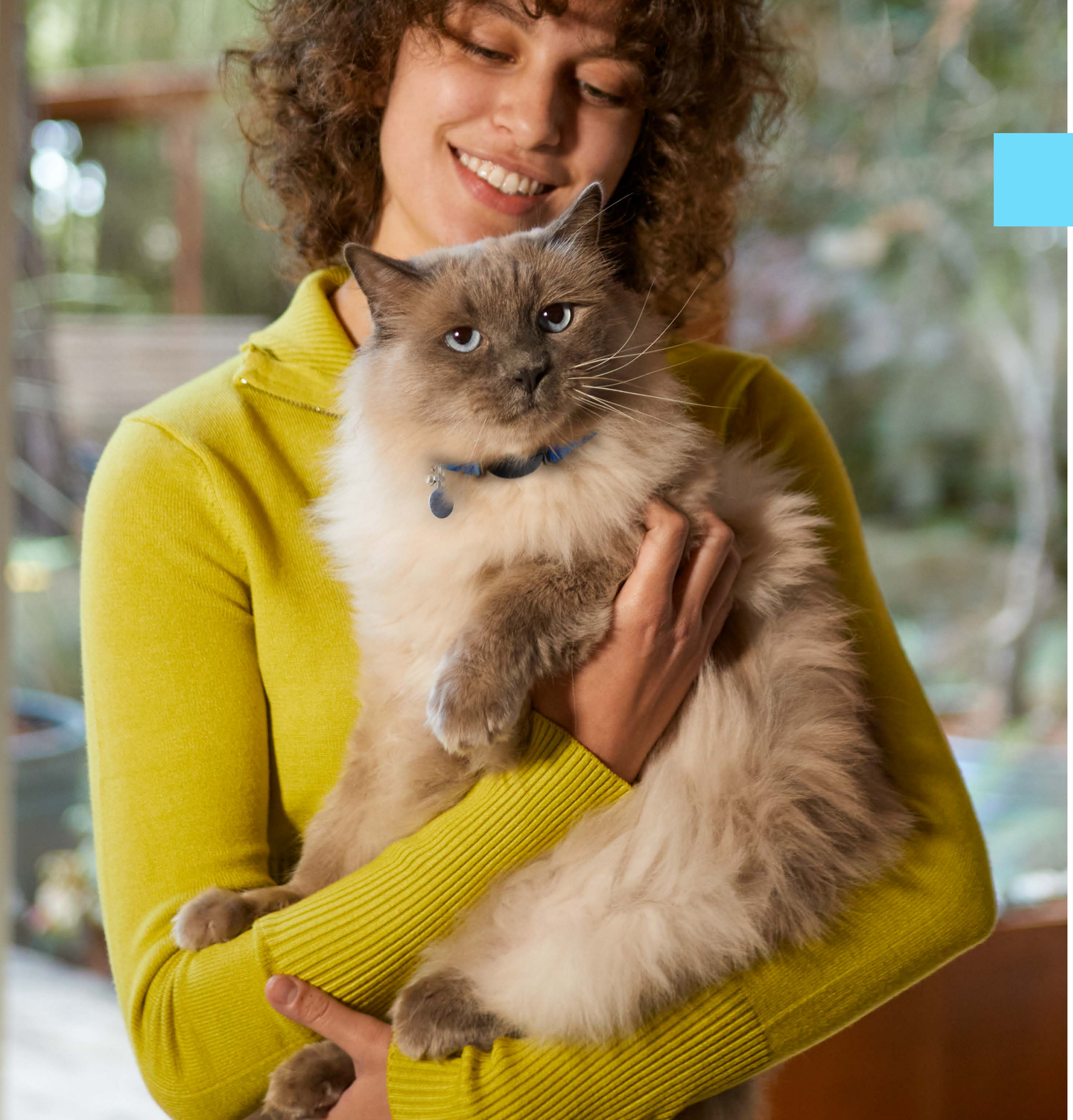
Each year, we review opportunities for control, process, and governance improvements, and map these initiatives to the corresponding NIST CSF functions. Our risk diligence processes include conducting year-round phishing assessments across the enterprise, remedial training for employees as needed, and a vendor risk management program to ensure third-party employees are also complying with our ISP and relevant standards and regulations. In addition to our formal risk assessment process and security strategy, we conduct quarterly security assessments to identify potential technical security issues, as well as occasional independent security audits as needed.

Our Security Incident Response Plan includes procedures for responding to and mitigating security incidents. It is reviewed and updated on a regular basis, and was last updated in March 2023. Petco subsidiaries, including entities and/or businesses that we acquire through acquisitions, are also required to operate on Petco IT-managed systems to allow us to better control and manage security.

Government Affairs

We advocate for animal wellbeing, responsible pet ownership, and environmental stewardship through transparent, constructive dialogue with policymakers and regulators, and through membership of, and participation in, the Pet Advocacy Network (formerly the Pet Industry Joint Advisory Council). In addition, as members of RILA, the trade association for retail leaders, we collaborate with peers in order to advance operational excellence and innovation, economic growth and sustainability, and public-policy advocacy.

Other than through our involvement in the Pet Advocacy Network, which represents a responsible pet care community in engaging with legislative, regulatory, and governing bodies, we do not make political contributions. Our Code of Business Conduct and Ethics prohibits us from giving Petco funds or services to any political party or any candidate for, or incumbent in, any public office.



PETS

Pets are our passion. We are revolutionizing pet health & wellness across our industry and each year, we strive to advance the standard of care for pets, taking into account their whole health.

We are committed to continuously leading the field on pet nutrition standards and have recently extended our focus on healthy ingredients to grooming as well. We're increasing access to veterinary care, adding new diagnostic tools, and promoting preventive care to help pets have the best outcomes possible. We're also giving back to pets in our communities with life-saving care through our independent foundation, Petco Love.

Pet Welfare & Humane Treatment

The humane and responsible treatment of animals is of paramount importance to us, and we do not tolerate pet abuse or neglect of any kind. Our responsibility to animal wellbeing starts before animals arrive in our care through our vendor protocols and extends throughout all situations during their time with us, to supporting pet parents with animal welfare and providing them with the resources they need to meet the wellbeing needs of their pets.

Animal Welfare in the Supply Chain

Our companion animal and aquatic life vendors are required to uphold the same high standards of animal care and welfare as we do by participating in our Petco Vendor Certification and Standards of Excellence Program. New vendors are subject to an audit as part of their onboarding process and must pass a rigorous certification process before we begin working with them. They also undergo another unannounced audit within the first year of doing business with us. For most of our existing vendors, we conduct unannounced on-site audits at least once a year, and ask others to complete self-audits which are reviewed by our Animal Care and Education and Vendor Operations teams. In 2022, 88% of audits were conducted in person. Vendors who fail to meet Petco's standards during the audit are provided with a corrective action plan. If the corrective action plan is not completed to our satisfaction, Petco will discontinue the relationship with the vendor.

We also invited American Humane to conduct on-site audits of our Pet Care Centers and animal supplier facilities. Their audits included observing animal behavior, veterinary care, habitats, nutrition, and safety processes. In March 2022, we were proud to become the first and only pet retailer in the world to be awarded the American Humane Certified™ Seal of Approval for our industry leading standards.

Live Animal Transportation

Integral to our approach to high-quality delivery of pet care, when transporting live animals, the comfort and safety of the animal is our primary focus. Typically, they are transported in single-use cardboard crates lined with wood shavings, however in 2021, we started converting to reusable shipping boxes for companion animals in around 550 Pet Care Centers. These easily disinfected boxes are designed with comfort and safety in mind and provide good airflow and access to food and water. For live fish, we are converting to biodegradable plastic bags for transportation, which provide an equal level of safety and comfort while being better for the planet, and have put this into effect in 700 Pet Care Centers.

> *"Pet providers who meet American Humane's rigorous science-based certification standards set themselves apart from others and ... are distinguished as those that prioritize animal welfare. Consumers can be confident that ... the pets they are welcoming into their homes have received high levels of care and attention. Petco should be commended for proactively taking the next step to ensure animals in their care are treated humanely and ethically."*
>
> **-Dr. Robin Ganzert,**
> **President & CEO, American Humane**

Protecting the Welfare of Animals in Our Care

Our approach to animal welfare is guided by the advice of experts in veterinary science and animal care, particularly those on our Petco Pet Wellness Council (PPWC), a coalition of 11 independent, leading experts. The PPWC includes veterinarians and other doctoral-level professionals with expertise in:

- Nutrition
- Zoonotic diseases
- Preventive medicine
- Oncology
- Pet behavior
- Education
- Clinical veterinary medicine
- Animal ethics
- Telehealth

They meet regularly to discuss and review animal care topics and issues such as pet nutrition, veterinary care, behavior, animal sourcing, and ethics, and provide both company- and industry-wide education in support of advancing pet health & wellness.

To ensure our approach is consistently adhered to, our employees undergo extensive training to equip them with the knowledge and skills to tend to the animals in their care. Pet Care Center employees must successfully complete a Beginner Animal Care Curriculum as part of their onboarding process and, depending on their position, an Intermediate Animal Care and Advanced Aquatics curriculum is assigned. They have access to detailed animal care information at their fingertips and continue to receive

petco

training and knowledge checks throughout their time working with us. While in our care, every animal is required to receive an hourly health check to maintain their continued safety and wellbeing. If any issues are identified, they must be addressed immediately. Ill or injured animals as well as overstock, adoption, and maternity animals are cared for in our Wellness Rooms, which are kept to our highest health and cleanliness standards. Pet Care Center employees are trained in the special protocols we have in place for these rooms.

At more than 200 of our Pet Care Centers, we have on-site vet hospitals which are overseen by our Veterinary Advisory Council. The group meets periodically to discuss medical quality standards and pet welfare during veterinary services. Pet Care Centers that do not have a full-service hospital on-site have relationships with designated local veterinary partners to provide care as needed.

We take animal welfare into account in all situations when they are in our care. For example, during photo or video shoots for marketing purposes, an animal care representative attends in person or virtually to validate that the animals are handled according to our detailed standards and guidelines, which have been informed by American Humane. We also make sure that we model responsible pet care in our marketing practices, such as by making sure cats shown outdoors and dogs are seen wearing identity collars.

We even have plans in place for animal care and safety during emergency situations. Our detailed procedures outline the steps to take to care for, evacuate, and transport animals in natural disaster and emergency situations, and are activated when concerns are identified. An Emergency Action Preparedness binder is required to be present at all Petco locations, which includes details of our emergency response procedures, and is regularly updated with contact information for all employees on site. All managers are expected to be fully familiar with our processes and are responsible for following them. We hold seasonal and regional sessions about issues such as wildfires and hurricanes to keep all sites prepared. If an emergency occurs, we hold calls as required with site managers until all locations are safely reopened for business. We also provide pet parents with advice on how to care for animals in emergency situations.

Supporting Pet Parents with Animal Welfare

For each companion animal and aquatic life that we sell, we offer a Care Sheet developed by experts that includes information about applicable topics like:

- **Diet and feeding**
- **Housing and habitat maintenance**
- **Behavior**
- **Grooming and hygiene**
- **Common health issues and red flags to look out for**

This provides pet parents with critical information to meet the wellbeing needs of their pets; our employees are also on hand to answer additional questions as needed. In March 2023, we completed the transfer of our Care Sheets to a digital format to provide pet parents with a more accessible format as well as to reduce paper use.

In addition, we believe we have a responsibility to advocate for behaviors that support humane pet parenting, such as positive reinforcement training methods, which have been shown to be more effective than aversive methods and punishments. To support pet parents in applying this approach, we offer online and in-store group classes, as well as private lessons, in Positive Dog Training methods focused on promoting a relationship of mutual respect and trust between pets and pet parents. We also stopped selling human- and bark- activated shock collars in 2020—the first major retailer to do so. Our #stoptheshock campaign calls on the pet industry and consumers to join our movement and petition to create responsible regulation for the retail sale of shock collars to general consumers.

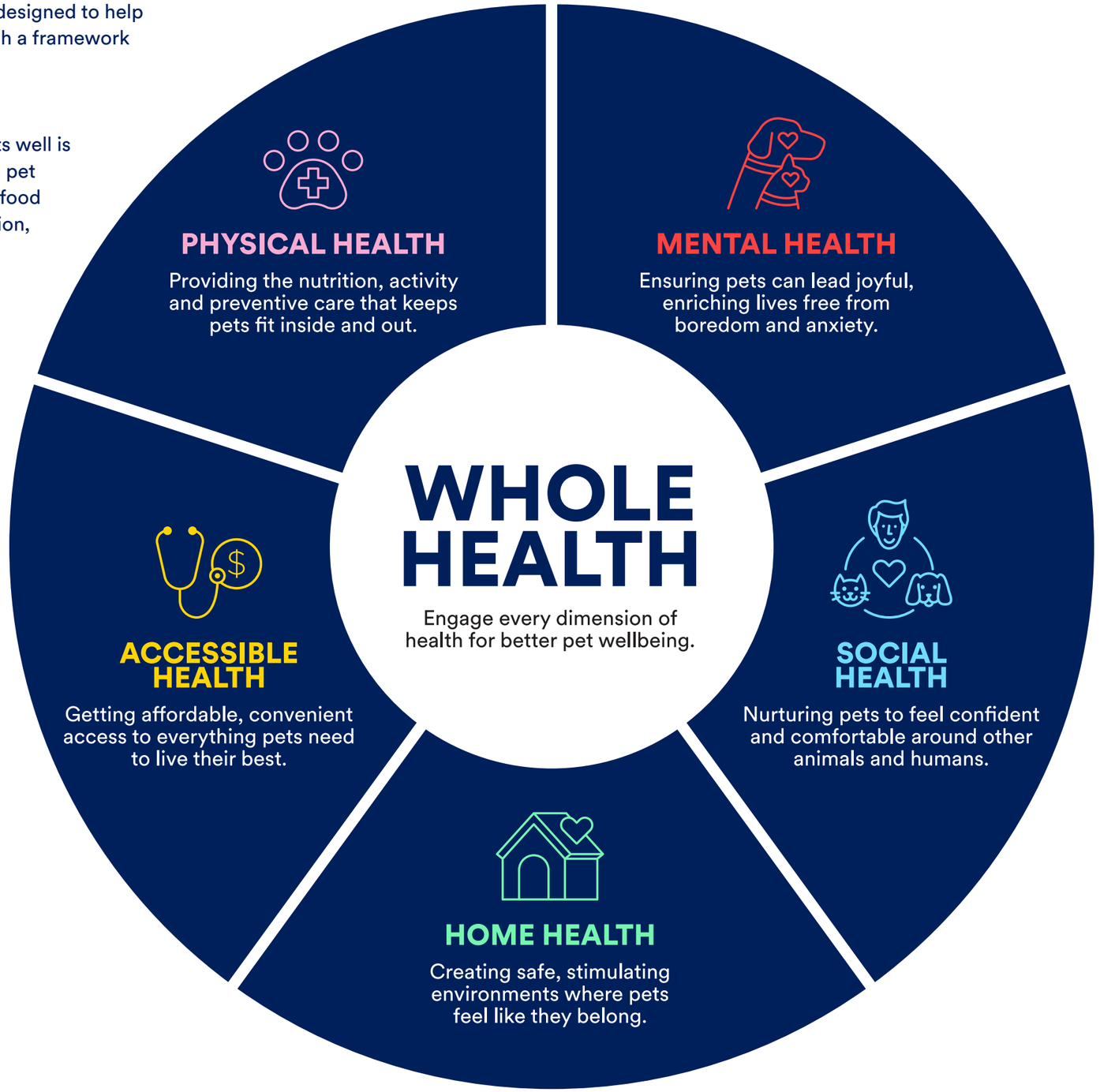
Pet Health, Nutrition & Wellbeing

Our Whole Health philosophy is revolutionary within our industry and is designed to help pet parents support all aspects of their pet's health and wellbeing through a framework of five interconnected areas of pet health.

Pet Physical Health and Nutrition

We believe nutrition is the foundation of physical health, and feeding pets well is essential to their wellbeing. We are committed to leading the industry on pet nutrition standards and are the only national retailer to have removed all food and treats containing artificial ingredients[3] from our assortment. In addition, we've removed traditional rawhide from our shelves because it can be tough on a dog's stomach and have replaced them with more digestible alternatives.

We have a leading nutrition assortment and offer a variety of high-quality, minimally processed, and scientifically led nutrition options to address the most common pet health issues such as digestive problems, obesity, and allergies. Pet parents can come into our Pet Care Centers to talk to our licensed veterinarians and knowledgeable employees for personalized recommendations and to help find the right food for their pets. We also offer an online tool called Right Food Finder that allows pet parents to input basic details about their dogs, such as their age, weight, breed, specialized needs, and food preferences, and receive personalized nutrition recommendations.



[3]See how Petco defines artificial ingredients at petco.com/nutritionstandards

Nutritional Products

We are dedicated to partnering with brands that reflect our values and align with our philosophy of providing pet parents with the best nutrition available for pets. Some of our new or enhanced partnerships over the past year include:

JustFood ForDogs
More life. More years. More love.™

We expanded our partnership with JustFoodForDogs, a fresh and frozen pet food pioneer brand and long-standing Petco partner to allow us to bring more new and exclusive offerings to pet parents. As part of this partnership, we're expanding our in-store kitchens and providing convenient access to more fresh and frozen human-grade food. In August 2022, we launched a new frozen selection of our private-label brand WholeHearted, co-developed with JustFoodForDogs. The new line is comprised of human-grade ingredients and formulated under veterinary guidance to contribute to a dog's ideal weight and gut health.

> *"Petco's commitment to health & wellness, as well as setting a higher standard for pet nutrition, are in perfect alignment with JustFoodForDogs' values and mission. We want every dog to live its longest and best life possible through the transformational power of fresh food, backed by science."*
>
> **-Julian Mack, CEO, JustFoodForDogs**

Yummers PET SUPPLY CO.

We were delighted to become the exclusive retailer of Yummers this year. Yummers includes 18 varieties of high-quality food mix-ins for both dogs and cats to enhance pets' meals with extra nutrients and added benefits to support digestion, heart, and skin & coat health. Yummers also uses sustainable printing inks and earth-friendly PCR (post-consumer recycled) packaging to reduce landfill waste.

Stella & Chewy's®

Stella & Chewy's offers high-quality, raw, and natural pet food made from premium, responsibly sourced ingredients. We were pleased to add their products to our online and in-store offering in December 2022, providing more pet parents with access to the benefits of raw food. In addition, Stella & Chewy's has begun transitioning to recyclable food & treat packaging—we're excited to carry several of their products that have fully transitioned over to recyclable packaging.

JIMINY'S®

Jiminy's is a uniquely sustainable pet food brand offering food and treats formulated with insect-based protein instead of traditional protein options such as beef or poultry, which have a significant impact on the environment. Farming insects releases substantially less carbon and methane, and switching to insect-based protein also saves a significant amount of water compared with traditional meat-based proteins. At the same time, it is also highly nutritious, offering 3 times more protein than the equivalent amount of beef, and twice as much iron as spinach. In 2022, we expanded our partnership with Jiminy's by launching six new products across dog food and treats, as well as increasing Jiminy's presence to almost 200 more Pet Care Centers—bringing the total to more than 900.

EARTH ANIMAL EST. 1979

Earth Animal No-Hide Chews is a leading rawhide alternative that we are proud to have on our shelves. The products contain six clean ingredients, plus one sustainably sourced protein—humanely raised chicken; humanely raised, grass-fed beef; wild-caught salmon; humanely raised pork; or free-range, grass-fed venison.

Grooming for Health

In addition to the ingredients they put in their mouths, the ones we put on pets' skins can also enter their bodies and impact their health. Over the past three years, we have been gradually removing unnecessary ingredients from the grooming products we sell and use, including:

- Parabens
- Phthalates
- Chemical dyes

In April 2023, we launched our Clean Grooming Campaign, which extends this effort to our grooming services. Petco's self-serve dog wash stations also offer Clean Grooming products only.

Across our Petco Pet Care Centers, petco.com and in the Petco app, pet parents can now easily identify grooming services and products without parabens, phthalates and chemical dyes, so they can make informed decisions about their pets' routine care and overall health. The vast majority of products used in our grooming services and on shelves—including shampoos, conditioners, and balms—are now clearly highlighted for pet parents with a "Clean Ingredients" badge. The badge appears on the grooming salon menu, product shelves in-store, and throughout the Petco app and on petco.com/clean. We are continuing to evolve and review the ingredients in our products to provide the best options for pet parents.

Pets who come in for grooming services in our Pet Care Centers receive a 7-Point Pet Care Check before their sessions where stylists look for signs of any concern that could put a pet at risk during the grooming process. The Pet Care Check is also used to recommend targeted services unique to the pet's needs. We offer upgraded packages such as the Essentials Plus package for routine care, the Shed Release package that targets de-shedding, and the Calm & Refresh package that helps support dogs with anxiety. All of these packages are also identified with a Clean Ingredients badge. If a stylist notes anything of concern that could potentially affect the pet's safety or health, the customer is referred to their veterinarian for follow up.

Pet Veterinary Care

We want to make it easy and affordable for pet parents to provide their pets with the comprehensive and high-quality health & wellness care that they need. This year, we expanded our Vetco Total Care offering and insurance plans, as described in the Making Pet Parenthood More Affordable and Accessible section below, to make access to veterinary care easier, and we also offer free Whole Health check-ins at our Pet Care Centers. In doing so, we put the experience of pets at the center of our services.

Together Strong is our pet cancer awareness campaign that highlights how routine preventative care is as vital for pets as it is for humans in the fight against cancer. In 2021, we began offering OncoK9™—a groundbreaking multi-cancer early detection test for dogs—at vet hospitals in select locations. We have been rolling this out to more vet hospitals over the past year, and by the end of 2022, OncoK9™ was being offered at more than 200 Vetco Total Care hospitals, with more to be added in 2023. We are also supporting the fight against pet cancer through Petco Love's Yummy Memorial Cancer Fund, described below.

In May 2022, we added a new diagnostic tool to our belt, Butterfly iQ+—a single-probe, full-body ultrasound imaging technology designed to bring valuable clinical insights to veterinarians at the point-of-care. This technology allows our veterinarians to speed up diagnoses and improve health outcomes, ultimately helping to deliver the best possible care to pets.

> *"Butterfly iQ+ Vet gives practitioners the ability to make more informed, better decisions, earlier in care. Coupled with Petco's pet care expertise, high-quality products and trusted veterinary services, our partnership makes it easier than ever for pet parents to get everything they need—including real-time, high-quality ultrasound information."*
>
> **-Darius Shahida,**
> **Butterfly Network's Chief Strategy & Business Development Officer**

Pet Mental and Social Health

Mental health is an important element of overall health for pets, as it is for humans. Stimulating their minds every day helps prevent boredom and exercises their brain, helping deter unwanted behaviors and contributing to a joyful, enriching life. Since 2021, we have been educating pet parents on the importance of mental health for pets, helping them recognize signs of anxiety and stress, sharing the importance of exercise and play, and providing them with the knowledge and resources to address these issues and support their pets.

In addition to encouraging pet parents to prioritize pet mental health year-round, we share advice and recommendations from our expert trainers to help encourage fun and safe activities for pets with a seasonal focus. For example, to make it easier for pet parents to include their dogs on stimulating outdoor adventures, in 2022 we launched an exclusive collection of pet gear designed for outdoor enthusiasts and active dogs in collaboration with premier outdoor specialty retailer, Backcountry. The premium,

innovative collection provides pets and pet parents with durable, trustworthy products that help keep pets happy and healthy as they accompany their humans on every outing. Designed to help pets remain safe and protected during outdoor activities, the collection includes dog supplies, apparel, accessories, toys, and travel products.

Community Engagement & Philanthropy

We are a purpose-driven company dedicated to improving the lives of pets and pet parents throughout the communities in which we are located, not only those who visit or shop with us. We do so with programs that promote the benefits of pet companionship, healthy environments, and improving animal welfare through our Petco Love foundation.

Promoting the Benefits of Pet Companionship

Scientific research shows having a pet—or even interacting with one—has positive effects on both animals and people. As a pet-friendly workplace, we see firsthand the benefits of pet-human companionship in the workplace, including:

- Improved physical health
- Reduced stress
- Increased productivity
- Increased creativity

A survey we conducted in 2021 showed that nearly half of U.S. pet parents wanted their employer to adopt a pet-friendly workplace, and 41% would consider switching jobs if it meant they could bring their pet to work. To encourage more businesses to experience these benefits, we established April 19 as National Pets at Work Day, and have published a pet-friendly workplace playbook and toolkit with information and resources on policy guidelines, etiquette, how to develop and implement an effective action plan, and more, to help employers transition their workplace into a safe, healthy and productive environment for both people and pets.

We are founding members of HABRI, an organization that believes in the powerful relationship between animals and people, and its impact on the health of individuals, families, and communities, and our nonprofit partner Petco Love serves on HABRI's Board of Trustees. Through HABRI, we fund research programs on the benefits of companion animals for specific groups such as children, older adults, those on the autism spectrum, veterans, and more. During the past year, Petco Love fully sponsored and supported HABRI in conducting an inclusivity study, which aimed to understand the role of race and ethnicity in pet ownership and access to care. Results from this research indicate that although the love of pets is universal, access to that love is not. Sadly, some pet owners experience barriers to care. We are determined to help remove those barriers and are working to share the results of our research to drive change.

Teachers report that a classroom pet enhances student compassion, responsibility, engagement, attendance, social skills, self-esteem, and even academic performance. In 2022, we continued to partner with Pets in the Classroom, a program of the Pet Care Trust, to fund grants for classroom pets to thousands of classrooms nationwide. In 2022, more than 5,200 classrooms applied for, and received, this grant. Of these classrooms, 50% are schools with a high proportion of students of low-income families and 44% of grants go to classrooms that support students with disabilities, with 99% of teachers reporting that having a pet in the classroom was a positive experience.

Promoting Healthy Environments for Marine Animals

As one of the world's largest buyers of marine aquatic life, we strive to lead the way in conserving ocean life. Wherever possible, our marine life is aquacultured (born, bred, and raised in an aquarium environment), and if this is not possible, then it is sustainably collected following strict standards. In 2022, 92%[4] of the total aquatic life we sold was bred via aquaculture. Our Vendor Certification Program allows us to track the collection or breeding site of all our aquatic life, which are audited annually, and ensure vendors meet our requirements. Our commitment to aquaculture has encouraged the breeding of marine species that were not previously available through aquaculture, helping us make progress that impacts the entire industry.

Beyond this, we support organizations that help conserve marine life and aquatic environments, such as Habitattitude™, a national initiative to eliminate the ecologically harmful release of unwanted fish and aquatic plants into public areas. We share their message with customers, emphasizing the responsibilities of aquatic life ownership and providing direction on what to do should they no longer want to keep their aquatic life. During 2022, we donated $135,000 to charities focused on ocean conservation efforts and aquaculture research like the Coral Restoration Foundation and Rising Tide Conservation. Over the past 10 years, we have donated $2.4 million to causes supporting ocean conservation and aquaculture research.

Trash in waterways is a big environmental issue: By 2050, it is estimated there will be more plastic than fish in the ocean. We want to do our part to help. That's why, during Earth Month in April 2022, we invited Petco employees and their families, friends, and pets to participate in our "Trash Bags and Tail Wags" community cleanup, in partnership with one of our sustainable pet supplies brands. Thanks to our volunteers, we removed more than 1,300 pounds of trash in San Antonio, Texas, and San Diego, California, preventing it from entering our oceans and waterways.

[4]This figure was reported as 96% in our FY2021 report; however, the correct figure was 92.6%.

petco zoo
POWERED BY petco love
A NONPROFIT CHANGING LIVES
petco love
A NONPROFIT CHANGING LIVES
Date: June 2022
pay to the order of
Helping Hands Humane Society Inc
$75,000
Seventy Five Thousand
00/100
Dollars
memo: SAVE PET LIVES
Susanne Kogut, President

Petco Love

Petco Love is our independent, nonprofit foundation dedicated to creating a better world for animals and the people who love and need them. Petco Love inspires and empowers communities to make a difference in the lives of animals with:

- More than 4,000 animal welfare partners
- More than $346 million invested in lifesaving animal welfare work to date
- Nearly 7 million animals saved through Petco Pet Care Centers

During 2022, Petco Love provided more than $24 million in grants to over 1,700 shelters and other animal welfare organizations across the United States, including more than $3 million for service, therapy, and working pets as well as pet cancer research and treatment and global funding to support pets affected by the war in Ukraine. In addition to grants, Petco Love:

- Invests in providing lifesaving care to pets in need
- Supports fostering and adoption programs
- Provides free vaccines and spay and neuter services
- Reunites lost pets with their pet parents

Petco Love supports the Veterinary Innovation Council, a nonprofit organization dedicated to improving access and quality care to pets by championing and developing disruptive solutions surrounding key emerging issues.

Between our Petco employees and donations during checkout online and at the credit card terminal in our Pet Care Centers, we raised more than $26 million for Petco Love in 2022.

Saving Lives Through Fostering Pets

Fostering pets from shelters saves lives: Data tells us that if we could encourage 2% more of the 85 million pet-owning households to foster just one pet a year, we could eliminate preventable euthanasia in shelter pets. That's why Petco Love is investing in animal shelter and rescue partners across the U.S. who are doing such important work in increasing fostering rates and reducing euthanasia.

In June 2022—National Foster a Pet Month—Petco Love teamed up with longtime partners Bobs from Skechers to encourage fostering by sharing the fun aspects and reduce concerns around saying goodbye to foster pets. In addition, Petco Love hosted a National Foster Pets Open House event at shelters across the country to show off pets in need of foster homes at their best.

Access to Care and Vaccinations

Another action that saves pet lives by protecting them from deadly diseases is vaccination. Although vaccines are highly effective in preventing deadly diseases, many pet parents either cannot afford or are unaware of how important it is to administer this preventive care. In 2021, we pledged to provide 1 million free vaccines to Petco Love's community-based animal welfare partners for distribution to pets in need, and in October 2022, we reached that goal and recommitted to another 1 million free vaccines, particularly targeting high-impact areas where fatal pet diseases are prevalent.

Based on surveys of pet parents attending the free clinics, it is clear that the initiative is meeting its goal of reaching pets that are most in need—only 31% of pets were previously vaccinated, and 45% had never seen a private vet.

Free vaccine clinics constitute one part of Petco Love's broader initiative to make access to veterinary care available to pet households where cost remains a barrier to care. Petco Love also announced more than $1.6 million in Access to Care investment grants to nearly 170 partners across the U.S. in 2022. These investments support vulnerable families and their pets by funding animal welfare organizations that provide vital community services. Services consist of veterinary care including preventatives and wellness, treatment for illness and injury, and spay/neuter services.

Yummy Memorial Pet Cancer Fund

Pet cancer is one of the biggest threats to a pet's life, and unfortunately, many pet families can't afford treatment. The Yummy Memorial Pet Cancer Fund, launched in February 2023 in partnership with Blue Buffalo, provides financial support to Petco employees whose pets have been diagnosed with cancer and who might otherwise not be able to afford treatment, and is part of our support for the fight against pet cancer and ensuring everyone can access care for their pets.

Reuniting Pet Parents with Lost Pets

In April 2021, we launched Petco Love Lost, a game-changing national lost and found database for pets that uses innovative pet facial recognition technology to reunite lost pets with their families. To date, almost 18,000 pets have been reunited with their owners thanks to this technology.

Think Adoption First

We follow and promote a Think Adoption First philosophy, which strongly encourages prospective pet parents to adopt a homeless animal rather than purchasing one. We do not sell dogs, cats, or rabbits, but in partnership with Petco Love, which aims to help every pet find the loving home they deserve, along with thousands of local animal welfare organizations, we run events at Petco Pet Care Centers to promote the adoption of dogs, cats, rabbits, and other companion animals. During 2022, our combined efforts led to more than 121,000 adoptions.

In September 2022, Petco Love teamed up with Bobs from Skechers and animal welfare organizations to host a Mega Adoption Event, finding homes for more than 1,000 pets in need in the Houston area of Texas.

TO DATE, ALMOST

18,000

PETS HAVE BEEN REUNITED WITH THEIR OWNERS

DURING 2022, OUR COMBINED EFFORTS LED TO MORE THAN

121,000

ADOPTIONS

PEOPLE

We refer to our employees as our partners because we believe that they are our partners in delivering our purpose, providing exceptional service to pet parents, and the success of our ESG programs. We value each one and are committed to creating a culture where every employee can bring their whole selves to work, perform at their best, and feel they have the opportunity to grow, develop, and build their careers in a safe, healthy and fulfilling work environment. We also want to ensure that all those who contribute to our business throughout our supply chain are treated with the respect and dignity they deserve.

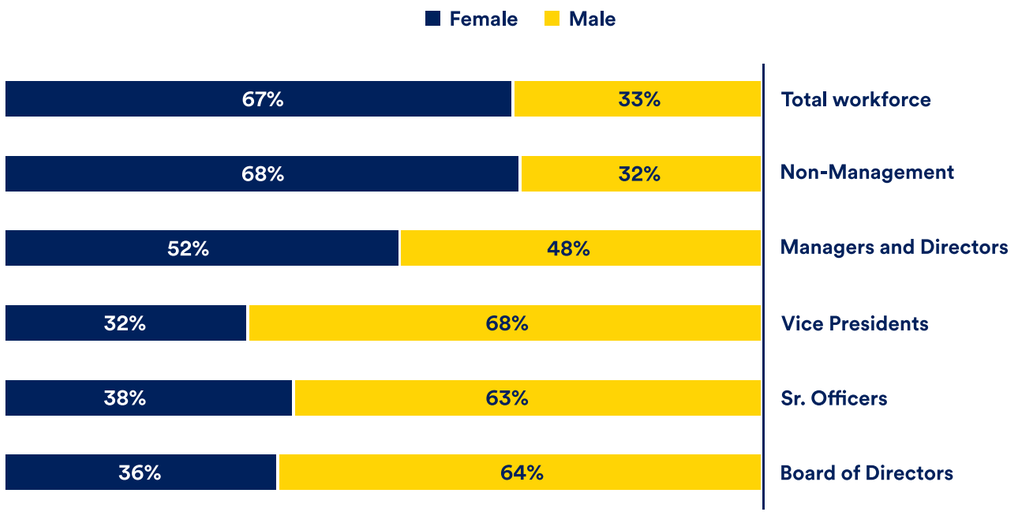
Diversity, Equity & Inclusion

We aim to foster an inclusive culture where the diversity of our employees makes us stronger, employees feel respected for who they are, are valued for their contributions, and are able to access equitable career opportunities. In 2022, our efforts as they pertain to LGBTQ+ employees were recognized by the HRC in their Corporate Equality Index, where we scored 80/100.

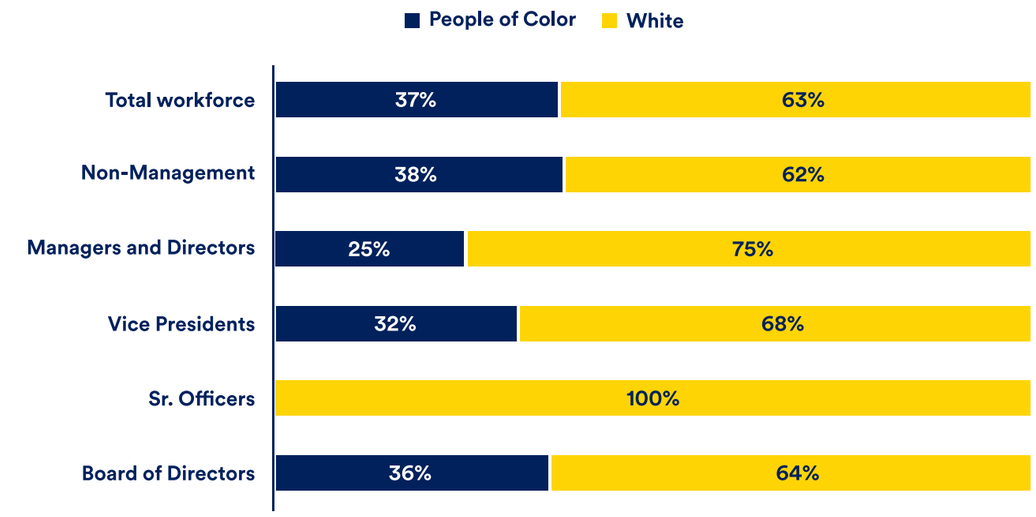
Our DEI Goals and Performance

Fostering a diverse, equitable, and inclusive workplace culture begins at the top. Our CEO, Ron Coughlin, challenges us to improve and sets annual goals that aim to progress our long-term workforce diversity, equity, and inclusion performance, which are tracked and reviewed regularly with our executive team and our Board of Directors. We continue to make progress against our goals.

Gender Representation (2022)*[5]



Ethnic Representation (2022)[6]



*Figures may not equal 100% due to rounding

[5]All representation data reflects the active employee population at the close of the 2022 fiscal year based on the job level field managed in Workday. Categories are defined as:

- Sr. Officers: Chief Executive Officer, Senior Officers, Senior Vice Presidents, Executive Committee members, and Operating Committee members.
- Vice Presidents: Vice Presidents
- Managers and Directors: Senior Directors, Directors, Seniors Managers and Managers
- Non-Management: Individual Contributors and Supervisors

[6]Employees may opt to not disclose so ethnicity and gender data does not always equate to 100%.

CURE
STRONG
STRONGER
Petco
for the
Cure

Pay Equity

In 2022, we again engaged a third-party partner, Syndio, to conduct a pay equity analysis for our entire Support Center and upper field/Distribution Center leadership employees. The analysis showed progress against our DEI and Talent initiatives and we intend to continue performing additional pay equity analyses in 2023 and beyond and take action as appropriate.

DEI Training and Awareness

All employees who are hired as people leaders or promoted to people leader roles receive training and support materials on how to build respect in the workplace, recognize and prevent exclusion and bias, and foster an inclusive workplace for all employees. These leaders receive activation e-packs which include exercises, tools, and discussion prompts to help them apply what they've learned and shift behaviors within their teams. Additionally, these leaders are assigned the digital DEI courses "Knowing Me, Knowing You," "Micromessages," "Minus the Bias," and "The In-Crowd." In 2022, we had average completion rates of 96% for our digital DEI courses, delivered as part of our "Leadership Essentials" program.

Upon starting employment with Petco, all new employees must complete a Preventing Workplace Harassment training as part of their onboarding process and acknowledge that they have read and agree to the expectations set out in our Employee Handbook, which includes zero tolerance of harassment and discrimination. New leaders must also complete this training, and it is additionally systematically assigned to employees throughout the company, based on geographic location. In partnership with The Trevor Project, the LGBTQ+ at Petco Partner Resource Group (PRG) hosted an optional allyship training available to all Petco employees. During this training, employees learned tactical ways to be allies for the LGBTQ+ community. In early 2023, we also announced a partnership with Open to All, a national nondiscrimination campaign. Over the coming months, we'll be working with them to develop resources and training materials on inclusive and welcoming workplaces and retail practices.

Journey for Teams

In 2022, Petco & Petco Love partnered with the American Veterinary Medical Association (AVMA) & Veterinary Medical Association Executives (VMAE) as a Trailblazer sponsor for Journey for Teams, which provides a pathway for veterinary professionals to deepen their knowledge of diversity, equity, and inclusion (DEI) and foster the advancement of DEI in veterinary workplaces through access to complimentary resources and educational modules.

We will be sharing these resources to our Veterinary Community through our Vetco Total Care Doctor of Veterinary Medicine Newsletter that is published monthly and reaches hundreds of partners across our hospitals and clinics.

Partner Resource Groups

Partner Resource Groups (PRGs) are employee-led and provide an opportunity for diverse employee groups to exchange ideas, build connections, and promote inclusive activities. All our PRGs are supported by Executive Sponsors who actively engage in the group's events and initiatives, help advance their work, amplify their visibility, and support the career advancement of the employees who lead them.

Our seven PRGs host activities to support the personal and professional development of their members and educate employees on the unique experiences of their group. In 2022, our PRGs hosted more than 40 events, including our second annual Celebrate Diversity all-hands event. The Celebrate Diversity all-hands brought together leaders from all seven Partner Resource Groups for an intersectional discussion on creating a diverse and inclusive workplace, and included participation from our CEO, Chief Human Resources Officer, and head of DEI. Other events included:

- Panel discussions and conversations with respected external experts on topics of importance to members
- Events supporting the mental health of group members
- Celebratory and social events that allow members to come together in a supportive way
- Educational and development sessions, for example to provide support with public speaking, and to inform of relevant Petco benefits.

In addition to arranging internal activities, our seven PRGs also represent Petco in our local communities through outreach and relationships with community organizations.

ABILITY AT PETCO
Partner Resource Group

BLACK AT PETCO
Partner Resource Group

LGBTQ+ AT PETCO
Partner Resource Group

MILITARY & VETERANS AT PETCO
Partner Resource Group

PAN ASIAN AMERICAN AT PETCO
Partner Resource Group

PETCONTIGO AT PETCO
Partner Resource Group

WOMEN AT PETCO
Partner Resource Group

Providing Opportunities for Diverse Communities

We know that to ensure a diverse workplace, we must start by looking at our hiring processes. During 2022, we introduced new, company-wide guidelines to help facilitate a competitive hiring process internally and externally. The guidelines require that all open roles below VP be posted internally for a minimum of 5 days to ensure employee visibility to available opportunities and that efforts are made to include at least one BIPOC candidate and one person who identifies as a woman in the interview process. In 2023, we will be implementing a consistent hiring toolkit that provides managers with a framework for assessing candidates consistently against our values and leadership competencies, in addition to key business and technical skills required in the role.

Petco also partners with the Professional Diversity Network—a platform that connects job seekers with companies who promote a diverse workforce. They help Petco expand our recruiting reach and ensure we are connecting with diverse audiences.

In 2022, Petco participated in Verizon's adfellows program. Adfellows, Verizon, and their partners work to diversify the talent pipeline of the marketing field by providing a paid, nine-month, rotation-based work experience. Through adfellows, we welcomed nine individuals to Petco to complete a six-week rotation where they had an immersive brand experience and learned about brand marketing and communications.

DEI Outside of Petco

To show our employees and customers that we truly support them, we believe we have a responsibility to extend our DEI efforts beyond our internal practices. We work with RILA Diversity & Inclusion Leaders Council and CEO Action for Diversity & Inclusion, to share knowledge and leverage our collective voices to advance diversity and inclusion within the workplace.

In 2022, as part of our efforts to advance diversity and inclusion on a societal level, we endorsed two important documents that acknowledge equal rights: the Gender Identity Bill of Rights for the Veterinary Profession and the Respect for Marriage Act:

- We wholeheartedly stand behind the Pride Veterinary Medical Community's **Gender Bill of Rights for the Veterinary Profession**. The document acknowledges basic rights for transgender, non-binary and gender nonconforming people in the veterinary profession and aims to eliminate discriminatory practices against those individuals.
- The **Respect for Marriage Act** recently passed in the House of Representatives and supports marriage equality for same-sex couples and interracial couples under every state law, and we were proud to sign the Human Rights Campaign's letter of support for this Act.

Human Rights & Fair Labor Practices

We are committed to protecting the human rights of all those who contribute to our business—whether they are employees or within our supply chain—including their rights to be treated with dignity and respect, to a safe and healthy workplace, to have equal opportunities, and to be free from harassment and discrimination. Our approach is informed by international guidance such as the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and we comply with applicable standards and laws governing maximum hours, days of service, rest periods, overtime pay and restrictions, worker benefits, and leaves of absence.

Our Human Rights Policy, Code of Ethics, and our Harassment, Discrimination and Workplace Conduct Policy together set out our expectations for our employees and are available to them through our Petco employees' intranet. Our Vendor Guide further outlines our expectations for vendors, as described in the Planet section. We have zero tolerance towards violations of our policies and operate a confidential ethics hotline which can be used to report any concerns regarding human rights and potential breaches of a policy, as described in the Governance section.

Employee Health, Safety & Wellbeing

The health, safety, and wellbeing of all Petco employees is among our top priorities. After implementing additional safety procedures and restrictions due to COVID-19, we were able to lift all our outstanding COVID-19-related travel restrictions and mandatory testing in 2022, although we continue to follow CDC guidelines for reporting positive cases and exposures.

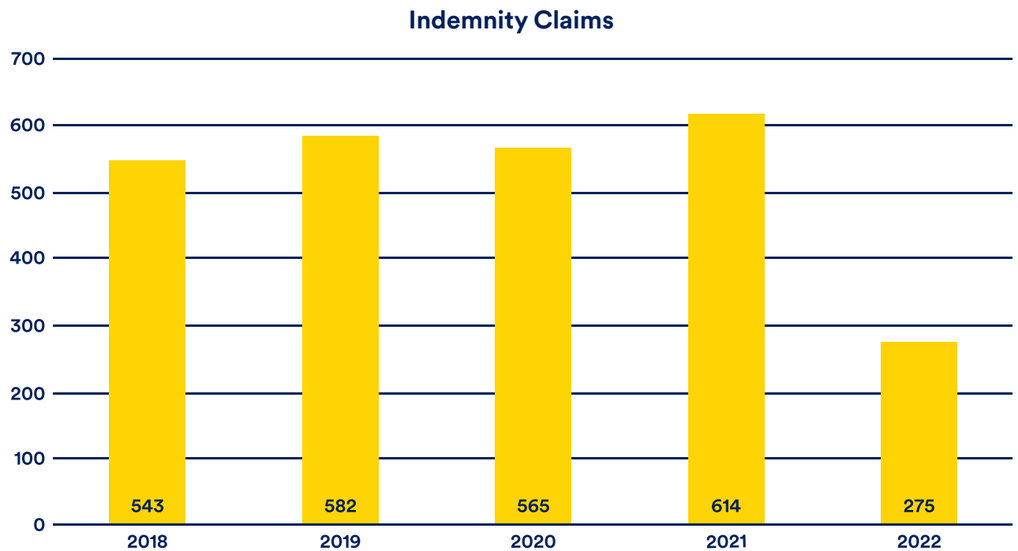
Although the total number of claims recorded increased last year, due to a change in classification criteria, the number of indemnity claims fell dramatically, and lost-time injury and injuries frequency rates also decreased, which means employees were not as severely injured and were getting back to work.

Injury & Illness Prevention

To help us minimize injuries and incidents, our Injury and Illness Prevention Program incorporates:

- Safety policies and procedures
- Work practices
- Training
- Clearly defined responsibilities
- Regular assessments
- Corrective action requirements

*This figure has been restated.



In addition, detailed procedures help us prevent and respond to zoonotic diseases, in line with CDC recommendations. A zoonotic group with representatives from various key departments monitor compliance with procedures and address any issues that arise.

Employee engagement is a key element of success in safety excellence, so we promote a culture of accountability and cooperation, where every Petco employee takes responsibility for complying with our Health & Safety policies and procedures. We conduct regular safety meetings at our Pet Care Centers and Distribution Centers and make safety training a central component of our approach. Every new Petco employee is provided with robust online training covering occupational health and safety, environmental compliance, and additional health and safety topics specific to their roles as part of their onboarding process. Employees receive ongoing training from line-managers, and we run quarterly enterprise-wide training on topics such as:

- Hazard communication
- Emergency action preparedness
- Safe lifting
- Injury and illness prevention
- Incident reporting and investigation
- Job-specific training sessions for employees in certain roles

During 2022, we worked to solidify our EHS excellence by focusing on Pet Care Centers and Distribution Centers. We implemented new software at our Distribution Centers that provides greater visibility into incidents that occur. It also gives managers the ability to note and track near misses and areas of excellence. This software will provide us with improved data from 2023 onwards and help us further identify areas for improvement.

At our Pet Care Centers, we increased communication and engagement on safety issues, sharing safety tips and recruiting safety champions. In certain states, we have introduced a formal safety committee and implemented monthly safety calls, where the safety team reviews any injuries that occurred and helps the relevant Pet Care Centers identify and address the root cause if needed. Specific safety topics will also be featured, as relevant, and shared through the rest of the territory through our Workplace intranet.

Wellbeing

We promote employee wellbeing through various resources focused on helping foster mindfulness, self-care, stress-reduction, and physical health. For example, we have an active stretching program in our grooming salons and an ergonomics program. At our Support Center locations, we have fitness centers, as well as dog parks to encourage employees to bring their pets to work and spend time outdoors. We organize activities and touchpoints that build a feeling of community, and promote resilience in our messaging to employees. In 2023, we are extending our support of employee wellbeing by offering on-site and on-demand fitness classes, as well as mental health and financial wellbeing webinars.

Talent Attraction & Development

Our employees have a passion for pets and pet parents: we want to nurture that passion by providing an inspiring work environment where they can grow and develop. We also want to reward them fairly for their work, which is why we've increased our minimum wage for our non-trainee hourly employees to $15 an hour and provide a competitive benefits package. We believe that this empowering work environment will help us attract and retain the most passionate employees, contributing to the success of our business.

Training and Development KPIs

- 94% of the total workforce across all locations received career- or skills-related training
- More than 500,000 hours of training for Pet Care Center employees
- 47% of General Manager and District General Manager positions filled by internal promotions

Training

Providing training opportunities that allow our employees to enhance their skills and deepen their knowledge helps them progress their careers, and also benefits pet parents as we fill roles with experienced and skillful employees. That's why we have specialized training programs, with a particular focus on leadership skills, across the organization.

All new employees receive orientation training that provides them with a comprehensive understanding of our business, strategy, culture, and expectations, including the Code of Business Conduct and Ethics, our Employee Handbook and other core policies and procedures. These are also available on our intranet and can be accessed at any time. New Pet Care Center employees also complete role-specific learning, which includes a combination of digital resources, leader-led learning, and on-the-floor job aids that specifically prepare them for their responsibilities in the Pet Care Center.

Some of our specialized training programs include:

- **Leadership Essentials:** Provides foundational leadership skills to all new and newly promoted managers over their first 90 days in the role. In 2022, almost 500 leaders participated in the program.
- **Next Generation General Manager and Next Generation Field Leader:** 20 emerging general managers and top performing field leaders are selected to participate in this program annually. They receive learning experiences and networking opportunities to prepare them for their next leadership role.
- **Elevate:** A five-month development experience for directors targeting one of three focus areas most appropriate for the individual: Business Strategy, Executive Communications, or Leadership. The development experience also includes a 360-leadership assessment roundtable discussions with executives and internal coaching partners.
- **Ascent:** This program targets VP leaders and includes a variety of growth and development experiences planned thought the year, with extensive involvement from our Board of Directors, outside consultants, external speakers, and the executive officer team.
- **Retail Leadership Cycle:** Aimed at developing the leadership skills of all Pet Care Centers and field employees. This series is a leader-led cascade that takes place on a quarterly basis, focused on empowering our Pet Care Centers and field leaders with

In 2022, we launched a new **Health & Wellness Certification Program** for employees in our Pet Care Centers providing them with new role-based learning pathways to elevate their sales and customer engagement skills. The program includes on-demand digital learning experiences, on-the-floor practice, leader feedback and observations, and final tests verifying skills and knowledge. Employees can earn certification in cat, dog, companion animal and aquatic life health & wellness, which provides them the opportunity to advance into key roles over time.

In addition to providing development benefits for our employees, the program helps us embed more expertise in pet health and wellness throughout out Pet Care Centers, helping more pet parents and solidifying our stance as health & wellness leaders in our industry.

Initially the program was made available in two pilot districts and continued to expand throughout 2022 to a total of 16 districts. We will continue to certify additional employees as we progress the program over the coming year.

skills and knowledge to build effective teams, drive purpose-driven performance, lead a culture of change, and lead through disruption.

Career Development

We want to set clear expectations about what is required to be successful at Petco and offer all our employees equal opportunities to progress. As such, we provide detailed guidance to leaders on how to have effective performance and career development conversations with their teams.

At the end of each fiscal year, employees receive a formal performance review to assess and provide feedback on their overall contribution against predefined objectives. Additionally, managers are encouraged to conduct quarterly check-ins with employees at support centers to discuss past performance, priorities for the upcoming quarter, and ongoing development.

Celebrating Leaders

Annual Leadership Summit
Our Annual Leadership Summit is a four-day event for Managers and leaders from across our business, including Pet Care Center General Managers and District General Managers. The high-energy event is intended to promote the company's vision and enthuse our leaders. As well as general sessions, which are recorded and made available to those who cannot attend in person, the event incorporates exhibitor booths, vendor workshops, leadership training, a celebration party, and more. In 2022, we were delighted to return to hosting an in-person Summit, which was attended by almost 1,200 employees, as well as 300 vendors.

Epic Elite Achievers
Our inaugural Petco Elite Achievers event, held in April 2022, aimed to recognize and reward our most elite Pet Care Center General Managers, District General Managers, Territory and Market Leadership Teams and high performing leaders from our National and Satellite Support Centers and Distribution Centers. 250 Petco employees, along with 160 of their guests and almost 40 vendors attended this exclusive event, which included workshops and training sessions, wellness activities and excursions, as well as an awards dinner. In addition to incentivizing and celebrating our leaders, the event also gave our award winners an opportunity to connect with our senior leadership team.

As part of our focus on development, we use a set of consistent criteria to identify leaders with high potential to become directors and vice presidents. Assessments are calibrated at the team and enterprise level with our senior executives to ensure cross-functional feedback is considered, consistency in assessment, and thoughtful development actions and investments that position these leaders for growth.

Veterinary technicians play an important role in our hospital and mobile vaccination locations and are in high demand. Through our partnership with Penn Foster College, we sponsor 100 employees annually to advance their career through an accredited veterinary technician career pathway program. This on-demand learning program is open to all employees with a minimum of six months of service. Employees are highly supported throughout the process with mentors and monthly check-ins and have up to four years to complete the program.

Total Rewards

Our compensation and benefits programs are designed to show our appreciation for and retain highly skilled, performance-oriented employees. We regularly evaluate the competitiveness and effectiveness of our compensation programs as well as our Corporate Annual Incentive Plan for eligible employees. In our 2021 Voice of the Partner survey, we heard our employees telling us that they were less satisfied with their salaries than other aspects of working for Petco, and in 2022, high inflation also had a significant impact on our employees. In response, we increased the Petco minimum wage to $15 per hour for all non-trainee hourly employees. Our hourly employees have some of the most direct impact on the lives of pets and pet parents, and by the end of 2022 we increased our base hourly wage rate by 15%.

In addition to financial compensation, Petco employees can enjoy:

- Medical, dental, and vision plans
- Robust Employee Assistance Program with wellness guides and counselling sessions, flexible spending accounts and disability assistance
- 401(k) with matching contributions, employee stock purchase program
- Insurance and cell phone plan discounts

Through investments and other savings, we were able to broaden employee benefits in 2022, while keeping benefits premiums flat. In early 2023, we also added a new benefit—the option for employees to enroll their pets in Nationwide's budget-friendly and comprehensive "My Pet Protection" insurance plan.

Our generous paid time off programs include parental leave for the birth or adoption of a child for all employees with over one year of service, and pet bereavement leave. In 2023, we expanded our benefits offering by adding family planning and adoption benefits, as well as a travel for medical reasons benefit.

Salaried employees may take unlimited personal time away from work with their supervisor's approval, while hourly and field employees have competitive time off programs including floating holidays for Martin Luther King Jr Day, and over Thanksgiving and Christmas to allow for more flexibility. To support employees with disabilities, our Leave and Accommodations department assesses each request for accommodation and provides support as needed.

Petco Partner Assistance Fund

Sometimes emergencies, hardship, or natural disasters will occur that will cause financial strain for our employees. Our Petco Partner Assistance Fund, launched in 2020 as a response to the COVID-19 pandemic, provides financial assistance to Petco employees in times of need. In 2022, we increased the maximum funding that could be received from $1,500 to $2,500. Since the launch of the program, it has provided funding to nearly 2,000 employees.

Employee Engagement

We strive to keep employees informed about our business and listen to what they have to say to us through regular Town Hall meetings, leader-led roundtables, team meetings, our company intranet, and our social media pages. We also want to make sure all our employees can provide us with feedback on their experiences working with us so that we can learn and improve. We provide opportunities to share feedback anonymously through our employee engagement survey titled, "Voice of the Partner" or VOP. In 2022, more than 90% of our employees participated in the survey. We were pleased to see progress in some areas, especially our Inclusion Index. We're working to improve the employee experience and our scores in 2023 by hosting additional executive-led roundtables that will help us understand the drivers behind the scores and what actions we can take to positively impact employees' experiences.

In 2022, we introduced a new avenue for employee communication: Voice of Partner Councils. These councils create an additional forum for employees to engage with leadership to help make sure employee voices are heard, develop action plans and address issues that are affecting the employee experience. We currently have five councils: three councils for our Pet Care Centers, one council for our Distribution Center employees, and one for our Support Center employees. To ensure that all employees have an equal opportunity to participate, eligible employees who sign up are selected by lottery for a one-year term. At the end of each term, sign-ups will open for employees to express interest in serving on a council.

Making Pet Parenthood More Affordable and Accessible

We want everyone to have the opportunity to benefit from having a pet in their life, and to be able to provide their pet with the care that it needs to ensure its whole health. That's why we believe in the importance of accessible and affordable pet care, expanding the ease of access to products and services, and making veterinary care more convenient, affordable and accessible.

Expanding Access to Veterinary Services

By offering full-service veterinary hospitals within Petco Pet Care Centers through Vetco Total Care, we help more pets access the care they need. In May 2022, we expanded Vetco Total Care when we transitioned almost 100 full-service veterinary hospitals previously run under the Thrive brand within our Pet Care Centers and welcomed over 750 veterinary care professionals into the Petco family as our veterinary employees. This will provide a consolidated brand experience to pet parents taking advantage of our convenient full-service offering across our network. By the end of 2022, we had 247 full-service veterinary hospitals and 1,200 weekly Vetco mobile clinics providing pet parents with increased access to veterinary care.

Our Vital Care Premier membership program helps pet parents take care of their pets' routine wellness needs in a convenient, affordable way. By enrolling in this annual plan, pet parents can enjoy exclusive benefits for their pets including unlimited vet exams at all Vetco Total Care locations and discounts off nutrition, grooming, and other products and services. We even reward them for taking routine vet exams with a vet outside of Petco. The program was enhanced in March 2022 to include more benefits and make the program more accessible and inclusive than ever, including plans tailored to the specific needs of cats. In August 2022, we further expanded the program to include birds, reptiles, fish, and small pets, giving pet parents of other companion animals discounts on nutrition and supplies as well.

In addition, we've teamed up with Hill's Pet Nutrition, which supports shelters through its Food, Shelter & Love program, to offer exclusive Vital Care benefits and discounts to shelters across the country with the goal to provide post-adoption support and ensure adopted pets stay in their loving homes.

Ongoing veterinary care is key to pets' overall health & wellness, and helps them enjoy long, happy, healthy lives. Pet insurance plays a significant role in helping families say "yes" to care they may not otherwise be able to afford. In October 2022, we announced a multi-year partnership with Nationwide, the largest pet insurer in the country, to co-develop integrated and affordable pet health, wellness and protection solutions for every stage of a pet's life, with the goal of better pet health & wellness outcomes for the more than 90 million pet families in the U.S.

The comprehensive and customized programs we are co-developing for dogs, cats, small pets, reptiles, and birds, which are expected to become available during 2023, will include routine preventive care like vaccinations and unexpected medical needs related to accidents or serious illnesses. Pet parents will benefit from expanded access to a full range of pet care services as we replace our current insurance offering.

Expanding Access to Pet Products and Services

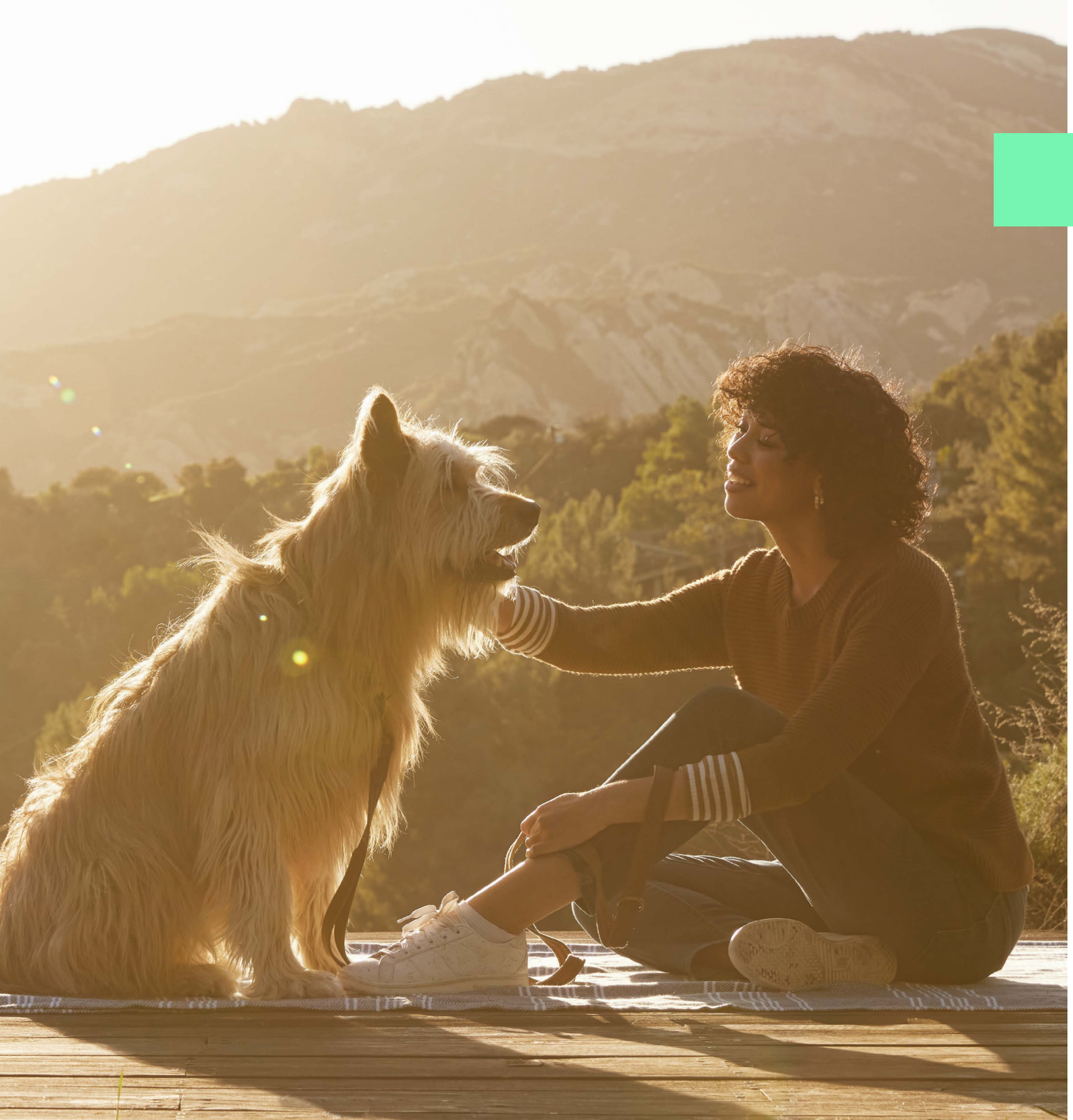
To increase pet parents' access to essential products and services, we launched a partnership with Lowe's in 2022 to bring a curated assortment of Petco's high-quality pet nutrition, and health & wellness supplies and services to select Lowe's stores. This innovative partnership helps DIY-loving pet parents to seamlessly include pet health & wellness needs when building a happy home. Our first location opened in San Antonio, Texas, in February 2022.

In June, we also launched our first Neighborhood Farm & Pet Supply Pet Care Center in Floresville, Texas, designed to serve the health & wellness needs of pets and farm animals in rural communities. These Pet Care Centers feature brand-new, stand-alone retail locations strategically and conveniently situated at the heart of rural communities, and in partnership with Petco Love, will also offer adoption services and other health & wellness programs to further support local pets. Five locations were opened in 2022, with a further 14 planned in 2023.

Another way we are increasing the inclusivity of pet parenthood this year is through a new collaboration with Rover, the world's largest online marketplace for loving pet care, to offer pet sitting, boarding, and dog walking services. The partnership makes it easier for pet parents to access services for dogs and cats on Rover directly from petco.com.

> *"At Rover, we believe everyone deserves to experience the unconditional love of a pet and our mission is to make it easy to experience that love by eliminating the most common barriers to pet parenthood. We're thrilled to have been selected by Petco, a company that values the health & wellness of pets, to better serve pet parents nationwide."*
>
> **-Brent Turner, President and CEO, Rover**

We have also entered into a partnership with Homes & Villas by Marriott Bonvoy to elevate the vacation experience for pet parents and their furry family members. Launched in November 2022, in time for the holiday season, our partnership will help pet parents identify pet-friendly vacation properties, make essential pet travel items available for shipping to rental properties, and provide information and packing checklists to make traveling with pets easier and more rewarding. In the future, we plan on expanding this partnership to include hotels.



PLANET

A concern for the health of our planet is a natural extension of our concern for the health and wellbeing of pets and our employees, and is a key part of our ESG efforts.

Over the past year, we have been focused on developing a deep understanding of our climate impacts through extensive and detailed data collection and analysis, which will allow us to set meaningful targets going forward. In the meantime, we have continued to look for ways to reduce our main operational impacts from energy use at our facilities and emissions from distribution, increasing our portfolio of sustainable products, and reducing our use of virgin materials and waste.

Our Impact on the Planet

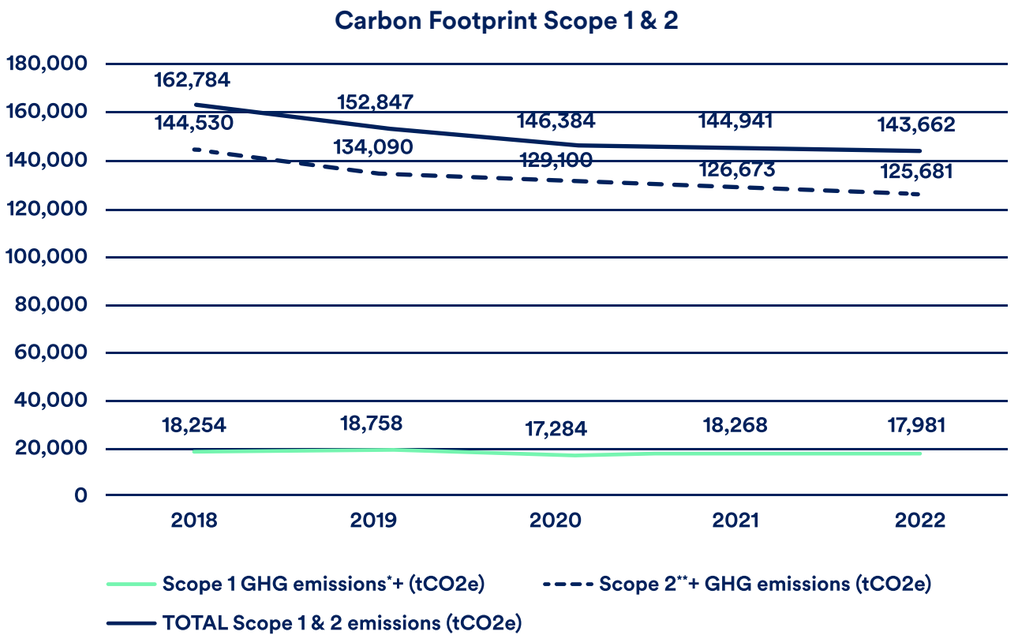
Emissions

We take our responsibility to reduce our impact on the climate very seriously. Over the past several years, we have taken steps to reduce our impact in those areas where we could most quickly make changes to improve our performance—energy use at our facilities and emissions from distribution—and we continue to work to reduce our energy and emissions intensity in these areas.

We are committed to continuing to improve our performance, in accordance with the Science-Based Target Initiative (SBTi) Net-Zero Standard. Over the past year, we have continued working on implementing the right framework and resource plan to ensure that targets we set ourselves and commitments we make are robust and achievable. This includes significant work to assess our internal capabilities and model the effectiveness of short- and long-term investments in addressing scope 1& 2 emissions, as well as the functions that need to be in place to successfully engage with our supply chain on scope 3 emissions. One of the key ways we envision achieving our emissions reductions is through transport and logistics efficiencies, including through:

- More efficient routing
- Opening a new distribution center
- Making fewer e-commerce shipments

Our Energy Management System helps us drive energy efficiencies at our Pet Care Centers.



*Scope 1 includes fuel consumption in buildings (natural gas, propane) and fuel consumption in vehicles at Distribution Centers. Excluded are fugitive emissions from air conditioning and freezer and refrigerator units. Also excluded are emissions associated with mobile pet service vehicles, which includes 126 vans.

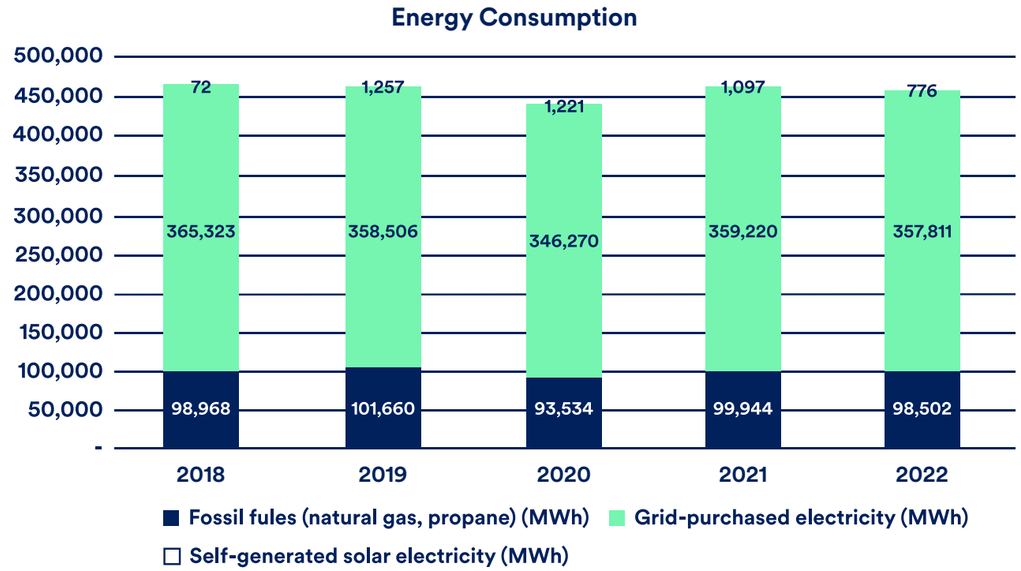
**Scope 2 includes electricity consumption. Scope 2 emissions are calculated only according to the location-based method using grid-average emissions factors from the EPA Emissions & Generation Resource Integrated Database (eGRID). Market-based emissions factors are not available.

+Scope 1 and 2 emissions data may have minor restatements for previous years due to the finalization of utilities data following the close of reporting and the release of energy grid emissions factors specific to those years.

Energy Consumption and Management

Electricity use at our Pet Care Centers is our main source of energy consumption. Since 2015, we have used an Energy Management System that monitors this energy consumption and performs real-time analysis of equipment and processes to allow us to quickly identify and respond to areas that are not operating as efficiently as they should.

Newly constructed and remodeled Pet Care Centers are fitted with energy efficient lighting and HVAC systems. At some of our Pet Care Centers, we implement a lighting curtailment program which deactivates half of the sales floor lighting for 1.5 hours a day, which has a negligible impact on customers and employees, but a significant cumulative impact on energy use.



Transportation & Logistics

We aim to maximize our fuel efficiency and minimize the carbon emissions of our transportation and logistics activities. By increasing the amount of inventory kept in Pet Care Centers so they need restocking less frequently, and opening micro and metro fulfillment center locations to keep products closer to where our customers live, we are able to reduce the number and distance of journeys made. We are also able to reduce emissions per journey by reducing our pallet use, which cuts down weight and waste.

In 2022, we found a way to increase efficiency in the way we are transporting the products we use in our grooming services. Beginning in April 2022, we started to store grooming products such as shampoos, conditioners, and spritzers in our Distribution Centers, rather than have them being shipped directly to the individual Pet Care Centers from vendors, so they can be delivered to our Pet Care Centers on the same trucks that are used to deliver products for sale. By combining the transportation of our grooming services and for sale products, we are able to reduce overall fuel use and carbon emissions, while also reducing cardboard packaging. We are implementing these changes in three waves, the first of which was put in place in 2022, and the final two will be implemented during 2023. We will provide further details on the success of this program in our 2023 report.

Circular Economy & Waste

We look for ways to minimize waste and to use virgin materials throughout our operations—from the way our products are designed, packaged, and disposed of, to our use of printed materials in Pet Care Centers. We also aim to contribute to a circular economy by looking for ways to upcycle and reuse materials wherever possible.

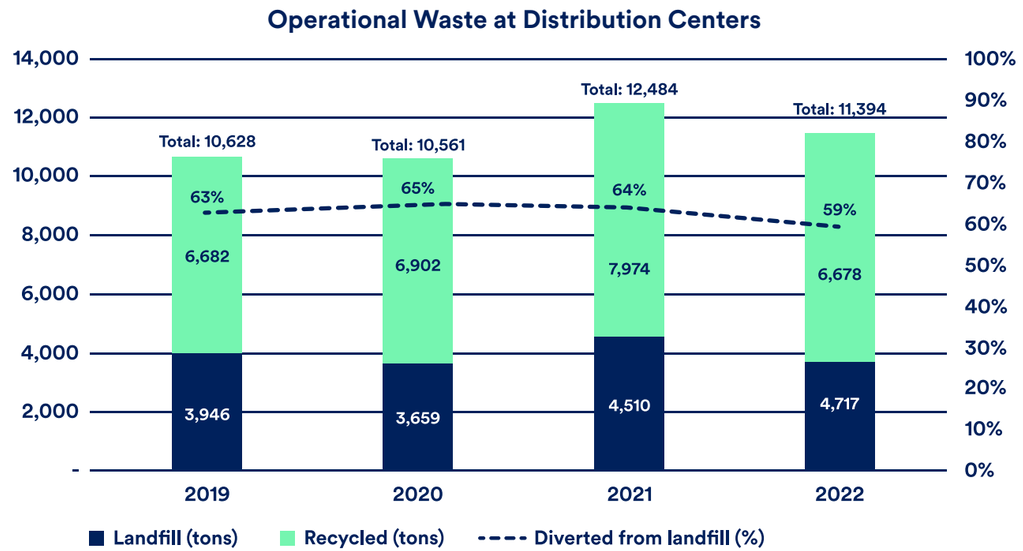
Circular Economy

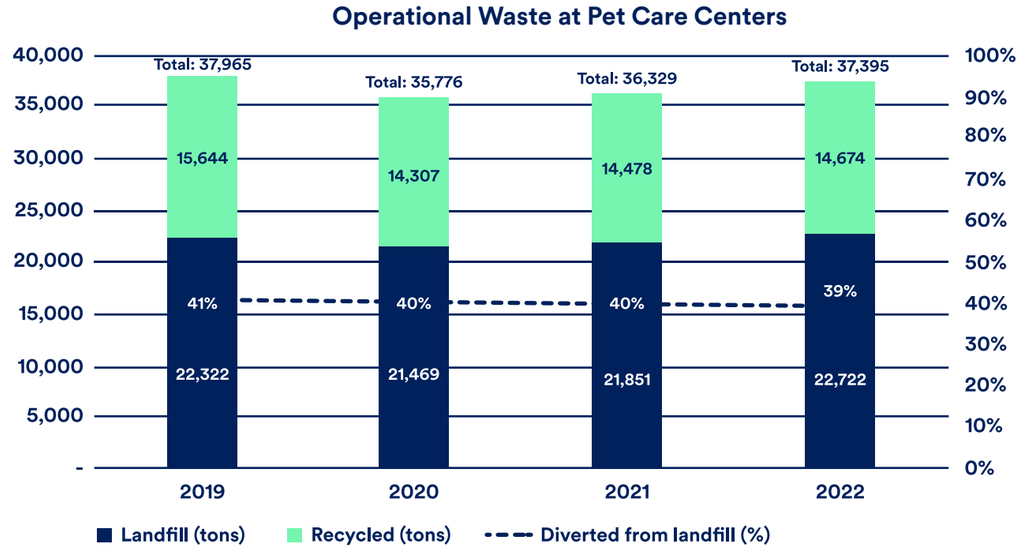
We aim to contribute to a circular economy and minimize the use of virgin materials in our products by looking for ways to use upcycled materials instead. For example, our So Phresh brand uses recycled, biobased, and durable materials, as well as refillable packaging. Over 60% of our So Phresh litter boxes contain repurposed plastic and are developed with reusability in mind.

Using refillable containers rather than single-use ones also helps reduce packaging waste. For example, our refillable cat litter station allows customers to buy one filled hard plastic bucket, then bring that bucket back to the Pet Care Center to be filled again and again, eliminating the need for plastic packaging each time.

When available, we choose locally sourced business partners that produce high-quality materials, so we can benefit the local economy and reduce our carbon emissions from grower to manufacturing plant. Many of our So Phresh products meet these criteria including:

- Grass Seed Cat Litter is grown and packaged in the USA from family-owned farms and milling plants all within a 2-hour drive.
- Paper Pellet and Paper Crumble Litter is made in the USA from 100% recycled paper, some of that coming from PaperGator®, a local community-wide recycling program that collects local junk mail, magazines, and books to be recycled into litter for a second life.
- Clay Litter and our Refill Bin Litter comes from local-mining facilities across the US that promote native biodiversity initiatives and leave the land better than they found, replanting dig sites with native plants and grasses and continuously monitoring past sites to guarantee plant and animal life regeneration.





Hazardous Waste

We have a company-wide hazardous waste management program that includes strict responsibilities so that unavoidable hazardous waste, such as cleaning and pharmaceutical products from our veterinary clinics, are managed appropriately and properly disposed of. We offered training on hazardous waste to all of our employees in 2022 with an over 95% completion rate.

In 2022, we were able to significantly increase our waste to landfill diversion rate by using internal software to better classify the waste being disposed of. All products to be disposed of are scanned by a handheld device, and if it is considered hazardous waste, it will be identified by the device, which also informs the employee where to place the waste.

We partner with National Association of Information Destruction (NAID) AAA-certified vendors to ensure the secure remarketing and disposal of our electronic waste (e-waste).

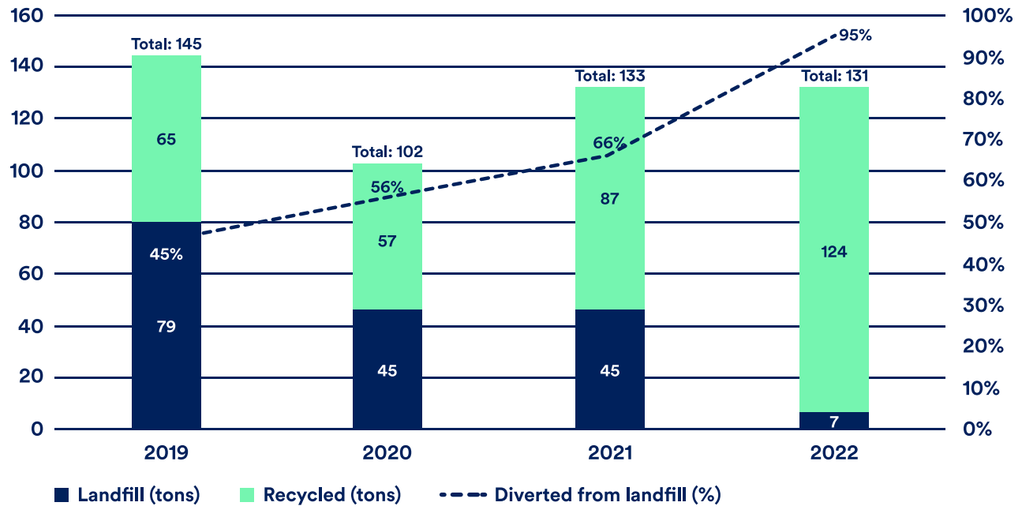
Sustainability Within Our Pet Care Centers

We recognize the critical importance in using more sustainable materials that are recyclable, produced with recycled content, or are certified by organizations such as the Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC). We will continue to aim to maximize the use of more sustainable materials such as these for signage in our Pet Care Centers and are working towards completely eliminating the use of foamcore and styrene, which can take hundreds of years to biodegrade.

In an effort to reduce our use of materials wherever possible, all our companion animal care sheets are now provided in an electronic format for pet parents. We also offer customers the option of no receipts or e-receipts in lieu of a printed receipt, which saves a significant amount of paper. Since we began providing this option in July 2021, customers have chosen one of these options for over a third of all transactions, saving more than 8,500 miles of receipt paper and almost 1,700 trees annually.

In April 2023, we launched a plastic drop-off recycling pilot at around 40 Pet Care Centers, which will encourage customers to drop off their plastic waste for recycling. Customers can bring in non-curbside plastic waste such as used shopping bags and other plastic film to Petco stores for recycling, which we collect along with our own plastic waste such as shrink wrap from pallets. These will be collected from our Distribution Centers by our recycling partner, Trex, who will convert the plastic waste into composite decking material for commercial and residential use.

Hazardous Waste and Recycled Materials



Responsible Packaging

As a retailer, packaging waste is a key area for us, and we continuously look for ways to reduce unnecessary packaging without compromising the safety and quality of our products. Following the principles of the 3 R's (Reduce, Reuse, Recycle), our Owned Brands packaging team is working to minimize packaging size, use recycled and recyclable materials, and reduce unnecessary use of protective polybags.

We are also testing innovative materials such as stretch fabric, recyclable honeycomb, Stygreen™, and other sustainable packaging options that will help us reduce waste and the use of virgin materials during product shipping.

Sustainable Shipping Options

In addition to improving efficiencies in our own shipping practices, we have been working to incentivize customers to make more efficient shipping choices as well. For example, providing Same-Day Delivery and Buy Online, Pick Up in Store options help reduce packaging waste at the point of sale as these orders can be fulfilled from local Pet Care Centers and therefore don't require the same use of protective packaging that traditional online orders would.

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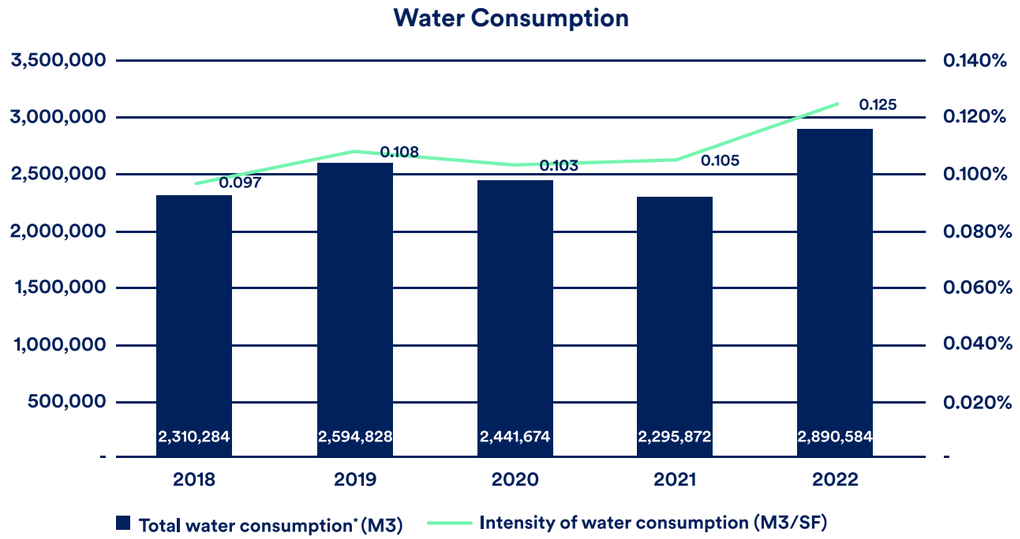
Water-Related Risks & Impacts

Our main water impacts come from our aquatic systems in Pet Care Centers and water use for animal care, particularly grooming. To reduce water use for our dog grooming process, we have updated their bathing system to dispense shampoo within the water stream, reducing the time needed, and therefore the amount of water used for each dog grooming. For our aquatic systems, when they are due for an upgrade, we replace them with systems that include a water change feature that allows us to filter and recycle water back into the tank rather than draining it.



Sustainable Product Offering

We are dedicated to increasing the sustainability of our products and have set a bold and ambitious target that 50% of our assortment would be sustainable by 2025. This means that 50% of the unique products available to purchase across our portfolio will meet our definition of sustainability by this time and includes expanding both our own owned brands sustainable products and sustainable product sourcing from vendors.

> We aim to increase our assortment of sustainable products to 50% by the end of 2025.

To determine whether a product can be considered sustainable, we reviewed product attributes, certifications, and standards, in consultation with Petco teams and suppliers. This rigorous, multi-step process allowed us to establish principles regarding the criteria that can be used to meaningfully define a product as sustainable and include it within our sustainable product commitment. These are:

- Sustainability attributes must be supported by measurable, verifiable environmental impact
- Content levels must include a threshold that is significant and meaningful
- Reference a reputable third-party standard where possible
- Avoid generalizations and attributes without clear definitions or beneficial impacts

We will revisit these standards as time evolves to ensure continued relevance. To be considered sustainable, a product must also align with at least one of the following sustainability pillars:

Responsible Manufacturing	Sustainably Sourced Materials	Sustainably Sourced Ingredients	Responsible Packaging	Animal Welfare
Brands and products that use responsible manufacturing practices during production	Products made with materials like organic cotton or recycled nylon	Food and treats made with ingredients that are more environmentally friendly or emit fewer greenhouse gases	Packaging that is more sustainable, including packaging designed to be refilled, recyclable packaging, and packaging made with recycled content	Brands helping to ensure animals are treated humanely and products meet Petco's cruelty-free standard

To measure our progress, we have built more robust internal reporting systems that track our performance over time against our sustainable product commitment. This enables us to analyze our performance on various levels, such as sustainability attribute, pet category, product level details, and more. We have also been evolving attributes to take vendor feedback into account and rely on feedback from third-party pet industry experts such as the Pet Sustainability Coalition.

Collaborating With Vendors

Our vision is to create a movement towards sustainable products in our industry and inspire others to make positive changes as well. We collaborate with our vendors and brand partners so that we can exchange learnings and innovate together. We push them to find new solutions, meet more standards, and consider which sustainable thresholds they can increase.

We engage regularly with our vendors to help them understand our requirements and meet our criteria. We include sustainable product attributes in our vendor intake forms to help us more easily identify prospective vendors that meet our sustainability requirements. When a vendor adds a new item or product line to our portfolio, they complete an Attribute Request Form, which collects details on the sustainability attributes that each item meets. Items will populate in our Sustainable Product shop to help our customers make sustainable choices. Additionally, we meet quarterly with strategic vendors to share progress updates, learnings, and new innovations both teams are exploring in the sustainability space.

For our owned brands, we work with vendors who can provide us with more sustainable materials such as those with Global Recycled Standard (GRS), Oeko-Tex®, and organic certifications.

Product Information & Labeling

To help make choosing sustainable products easier for pet parents, we provide clear in-aisle signage in our Pet Care Centers and have a dedicated shopping destination online that highlights the sustainable attributes of our products and allows pet parents to filter by the issues that are most important to them. This year, we added a new Products with Impact section to our website, which showcases and makes it easier for pet parents to find both sustainable and clean ingredients products.

Product Quality & Safety

The safety of our products and services for those who use them is paramount. Our Six Steps to Total Quality Assurance process is designed to ensure the safety, quality, and reliable performance of our owned brand products and encompasses each stage of the product lifecycle. Before any product goes to market, it must undergo rigorous testing at a certified third-party testing lab. Additionally, specific products undergo further real-

life pet testing to determine function and durability. Further, most of our new owned brand products require a certified third-party inspection before shipping. A Petco or vendor inspection is permitted only on low-risk products.

Our testing protocols are designed by quality assurance professionals with strong knowledge of animal safety and behavior. In developing these protocols, we use stringent global safety standards as well as relevant state, federal and country specific regulations,6 and tailor them to each animal type's behaviors and needs. Our international and domestic vendor employees are required to comply with all federal and state quality and safety regulations.

We regularly review Pet Care Center and customer feedback to determine where improvement is needed. In addition, we conduct random sampling from Pet Care Centers to test and validate continuing performance using certified, independent testing labs. This allows us to learn and improve upon our product designs and testing protocols. Reporting tools are in place for our Distribution Centers and Pet Care Centers for product quality and safety concerns to be reported to the appropriate Quality Assurance teams.

Responsible Sourcing & Supply Chain Practices

Strong, mutually beneficial partnerships with trusted suppliers who create innovative products and solutions for our customers are critical to our success as a company. All vendors are expected to read and comply with our Code of Ethics and the Vendor Ethical Standards outlined in our Vendor Guide, as well as all applicable local, federal, and international laws. Compliance is a condition of partnership, and we are dedicated to strict enforcement. Vendors are also required to allow their employees access to Petco's confidential whistleblower hotline to report ethics concerns.

Prior to starting a relationship with Petco, our owned brand vendors must participate in robust vendor onboarding practices. Annually thereafter, we require third-party Quality Management System audits as well as Social Compliance audits, which encompass the health, wellness, and ethical treatment of their workforce, from every manufacturer of Petco owned Brand products. Violations of either are addressed through a Corrective Action process and can result in penalties including business termination if not remedied. Additionally, we are strengthening our responsible sourcing management systems to include owned brand suppliers in ESG risk assessments.

Appendix
Our Performance

Pets

Petco Love		Unit	2021	2022
Internal Metric	Pet lives saved	Number	400,000	409,092
	Free vaccines distributed to under-resourced communities (Goal of 1 million vaccines achieved)	Number	500,000	1,313,575
	Petco Love Lost: Pets reunited with parents to date	Number	4,000	17,746
	Money raised for Petco Love	$M	$35.7	$26
	Money invested in lifesaving animal welfare work to date	$M	$330	$346
	Animals saved through Petco Pet Care Centers to date	Number	6.5 million	6.7 million
	Grants to shelters and animal welfare organizations	$M	--	$9
	Grant investments available to hundreds of employees	$M	--	$15
	Adoptions	Number	136,121	121,345

People

SASB CG-MR 330a. GRI 405-1			2021		2022	
	Gender Representation*	**Unit**	**Male**	**Female**	**Male**	**Female**
	Board of Directors	Percentage	64	36	64	36
	Sr. Officers		67	33	62.5	37.5
	Vice Presidents		55	45	68	32
	Managers and Directors		51	49	48	52
	Non-Management		33	67	32	68
	Total workforce		**34.4**	**65.6**	**33**	**67**

*Figures may not equal 100% due to rounding

SASB CG-MR 330a.1 GRI 405-1			2021		2022	
	Ethnic Representation	**Unit**	**People of Color**	**White**	**People of Color**	**White**
	Board of Directors	Percentage	36	64	36	64
	Sr. Officers		0	100	0	100
	Vice Presidents		21	79	32	68
	Managers and Directors		24	76	25	75
	Non-Management		36	64	38	62
	Total workforce		**35.5**	**64.5**	**37**	**63**

Employee Safety*		Unit	2018	2019	2020	2021	2022
GRI 403-9	Indemnity claims	Number	543	582	565	614	275
	Total claims		2,144	2,680	2,361	2,895	3,883
	Fatalities from work-related injuries		0	0	0	0	0
	Lost-time injury rate		1.7	1.7	1.66	1.9	1.16
	Lost-time injuries frequency rate		8.5	8.5	11.10	9.50	3.70**

*Petco tracks workplace injury during calendar year instead of fiscal year
**This figure has been restated.

Work-related ill health		Unit	2022
GRI 403-10	Fatalities as a result of work-related ill health	Number	0
	Cases of recordable work-related ill health		0

Training and Development		Unit	2022
Internal Metric	% of the total workforce across all locations who receivedcareer- or skills-related training	Percentage	94
GRI 404-1	Hours of training for Pet Care Center employees	Hours	500,000
Internal Metric	General Manager and District General Manager positions filled by internal promotions	Percentage	47

Employees receiving regular performance and career development reviews		Unit	2022
GRI 404-3	Employees receiving regular performance and career development reviews	Percentage	100

Planet

Scope 1 and 2 Emissions		Unit	2018	2019	2020	2021	2022
GRI 305-1	Scope 1 GHG emissions*	tCO2e	18,254	18,758	17,284	18,268	17,981
GRI 305-2	Scope 2**+ GHG emissions		144,530	134,090	129,100	126,673	125,681
	TOTAL Scope 1 & 2 emissions		**162,784**	**152,847**	**146,384**	**144,941**	**143,662**
GRI 305-4	Scope 1 & 2 intensity	tCO2e / SF	0.00697	0.00662	0.00639	0.00640	0.00620
GRI 305-4	Scope 1 & 2 intensity	tCO2e / $M sales	37.1	34.5	29.8	25.0	23.8

*Scope 1 includes fuel consumption in buildings (natural gas, propane) and fuel consumption in vehicles at Distribution Centers. Excluded are fugitive emissions from air conditioning and freezer and refrigerator units. Also excluded are emissions associated with mobile pet service vehicles, which includes 126 vans.

**Scope 2 includes electricity consumption. Scope 2 emissions are calculated only according to the location-based method using grid-average emissions factors from the EPA Emissions & Generation Resource Integrated Database (eGRID). Market-based emissions factors are not available.

Scope 3 Emissions*			Unit	2021	2022
GRI 305-3	1	**Purchased goods & services** *All product and non-product spend not accounted for elsewhere*	tCO2e	548,622	493,814
	2	**Capital goods** *Equipment, fleet purchases, and building construction*		14,522	12,874
	3	**Fuel- and energy-related activities** *Upstream energy-related emissions not included in Scope 1&2*		43,817	43,547
	4	**Upstream transportation & distribution** *All contracted transport and third-party freight from tier 1 suppliers*		154,652	212,080
	5	**Waste generation in operations** *Treatment of solid and recycled waste, and wastewater*		17,111	16,837
	6	**Business travel** *Travel, hotels and expenses*		2,051	3,412
	7	**Employee commuting** *All employee commuting to and from Petco workplace*		6,077	27,136,021
	8	**Upstream leased assets** *Not relevant to Petco*		N/A	N/A
	9	**Downstream transportation and distribution** *Not relevant to Petco*		N/A	N/A
	10	**Processing of sold products** *Not relevant to Petco*		N/A	N/A
	11	**Use of sold products** *Energy use of sold electrical devices*		In progress	In progress
	12	**End-of-life treatment of sold products** *End of life treatment of product and packaging materials*		In progress	In progress
	13	**Downstream leased assets** *Not relevant to Petco*		N/A	N/A
	14	*Franchises*		In progress	In progress
	15	*Investments*		In progress	In progress

*As part of our commitment to accurately assessing and measuring our impact, we have worked hard over the last year to improve our data collection and calculation methodologies. A significant portion of the changes in our emissions are due to these quality improvements.

Energy Consumption		Unit	2018	2019	2020	2021	2022
GRI 302-1	**Non-renewable**						
	Fossil fuels (natural gas, propane)	MWh	98,968	101,660	93,534	99,944	98,502
	Grid-purchased electricity		365,323	358,506	346,270	359,220	357,811
	Renewable						
	Self-generated solar electricity	MWh	72	1,257	1,221	1,097	776
	Total energy consumption						
	Total energy consumption	MWh	464,363	461,423	441,024	460,261	457,089
GRI 302-3	Energy intensity (electricity)	kWh / SF	8.6	15.5	15.1	15.6	15.5
	Energy intensity (electricity)	kWh / $M Sales	83,192	81,128	70,625	62,047	59,408

Operational Waste at Distribution Centers		Unit	2019	2020	2021	2022
GRI 306-5	Landfill	Tons	3,946	3,659	4,510	4,717
GRI 306-3	Recycled		6,682	6,902	7,974	6,678
	Total waste generated		**10,628**	**10,561**	**12,484**	**11,394**
GRI 306-4	Diverted from landfill	Percentage	63	65	64	59

Operational Waste at Pet Care Centers		Unit	2019	2020	2021	2022
GRI 306-5	Landfill	Tons	22,322	21,469	21,851	22,722
GRI 306-3	Recycled		15,644	14,307	14,478	14,674
	Total waste generated		**37,965**	**35,776**	**36,329**	**37,395**
GRI 306-4	Diverted from landfill	Percentage	41	40	40	39

Hazardous Waste and Recycled Materials		Unit	2019	2020	2021	2022
GRI 306-5	Landfill	Tons	79	45	45	6
GRI 306-3	Recycled		65	57	87	120
	Total hazardous waste generated		**145**	**102**	**133**	**127**
GRI 306-4	Diverted from landfill	Percentage	45	56	66	95

Water-Related Risks & Impacts		Unit	2018**	2019**	2020**	2021	2022
GRI 303-5	Total water consumption*	M3	2,310,284	2,594,828	2,441,674	2,295,872	2,890,584
	Intensity of water consumption	M3/ SF	0.097	0.108	0.103	0.105	0.125

*All our water consumption is freshwater supplied by municipal water utilities. This total includes estimated water consumption for around 40% of our Pet Care Centers for which direct metered data is not available.

Content Indexes

SASB Disclosure Table

Topic	SASB code	2022 Metrics
Energy Management in Retail & Distribution	CG-MR-000.B	(1) Total energy consumed: 457,089 MWh (2) Grid-purchased electricity: 357,811 MWh (3) Renewable: 776 MWh
Data Security	CG-MR-230a.1	**Approach to identifying and addressing data security risks:** Petco's approach to identifying and addressing data security risks is discussed in the Data Privacy and Cyber Security section of this Report and more details can be found at: https://corporate.petco.com/privacy
Workforce Diversity & Inclusion	CG-MR-330a.1	**Percentage of gender and racial/ethnic group representation for (1) Management and (2) All other Employees:** **Gender** / **Female** / **Male** Management / 51% / 49% All other employees / 68% / 32% **Racial/Ethnic Group** / **Management** / **All Other Employees** Asian / 3% / 5% Black or African American / 6% / 4% Hispanic or Latino / 20% / 12% White / 61% / 73% Other* / 8% / 4% Not disclosed/ available / 2% / 2% *Other includes Native American or Alaska Native, Native Hawaiian or Pacific Islander, and "Two or more races" classifications
Product Sourcing, Packaging & Marketing	CG-MR-410a.2	**Processes to assess and manage risks and/or hazards associated with chemicals in products:** *Our Six Steps to Total Quality Assurance process is designed to ensure the safety, quality, and reliable performance of our owned brand products and encompasses each stage of the product lifecycle.* *Our test protocols are designed by quality assurance professionals with strong knowledge of animal safety and behavior. In developing these protocols, we use stringent global safety standards and tailor them to each animal type's behaviors and needs. Our international and domestic vendor partners are required to comply with all federal and state quality and safety regulations. Before any product goes to market, it must undergo rigorous testing at a certified third-party testing lab.*
	CG-MR-410a.3	**Strategies to reduce the environmental impact of packaging:** *As a retailer, packaging waste is a key area for us, and we continuously look for ways to reduce unnecessary packaging without compromising the safety and quality of our products.* *Over the past few years, we have been working to add more product categories to our polybag reduction initiative, which reduces the number of protective polybags used in the packaging of individual products when shipping to our Pet Care Centers.* *See the Responsible Packaging section for details on our efforts in 2022.*
Activity Metrics	CG-MR-000.A	**Number of:** **(1) Retail locations:** *1,433* **(2) Distribution centers:** *13*
	CG-MR-000.B	**Total area of:** **(1) Retail space:** *19,421,929 square feet* **(2) Distribution centers:** *2,750,902 square feet*

GRI Content Index

STATEMENT OF USE: Petco Health and Wellness Company, Inc. has reported the information cited in this GRI content index for the period of our Fiscal Year (January 30, 2022, through January 28, 2023) with reference to the GRI Standards.

GRI 1 USED: Foundation 2021

APPLICABLE GRI SECTOR STANDARD(S): N/A

Disclosure Number	Disclosure	Reporting location	Additional remarks
GRI 2: General Disclosures 2021 - General disclosures			
The organization and its reporting practices			
2-1	Organizational details	GRI Content Index 2022 10-K, pg. 1	Petco Health and Wellness Company, Inc., a publicly traded company, is headquartered in San Diego, CA, and serves the U.S., Mexico, and Puerto Rico markets.
2-2	Entities included in the organization's sustainability reporting	About This Report	--
2-3	Reporting period, frequency and contact point	GRI Content Index	This annual report was published on May 19, 2023 and covers our 2022 Fiscal Year (January 30, 2022, through January 28, 2023), in alignment with our annual financial reporting period.
2-4	Restatements of information	GRI Content Index	Where information is restated, we have noted it as such within the report.
2-5	External assurance	GRI Content Index	This Report has not been assured by a third party.
2-6	Activities, value chain, and other business relationships	2022 10-K, pg. 6	--
2-7	Employees	Introduction – Our Company GRI Content Index	Total – 29,247 Female – 19,610 Male – 9,637

Disclosure Number	Disclosure	Reporting location	Additional Remarks
Governance (Petco material topic: Ethics, Business Conduct & Corporate Governance)			
2-9	Governance structure and composition	ESG Governance Petco website – About Petco – Board of Directors	--
2-11	Chair of the highest governance body	GRI Content Index	Our CEO, who serves as Chairman of the Board.
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability at Petco – Materiality ESG Governance	--
2-13	Delegation of responsibility for managing impacts	ESG Governance	--
2-14	Role of the highest governance body in sustainability reporting	Sustainability at Petco – Materiality	--
2-15	Conflicts of interest	Code of Business Conduct and Ethics, pg. 2-3 2022 10k-K, pg. 35	--

Disclosure Number	Disclosure	Reporting location	Additional Remarks
Strategy, policies and practices (Petco material topic: Ethics, Business Conduct & Corporate Governance)			
2-22	Statement on sustainable development strategy	Letter from our CEO	--
2-23	Policy Commitments	ESG Governance GRI Content Index Petco ESG website – Policies	Our approach and policies are informed by international instruments such as the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Please see the Petco ESG Governance section to learn more.
2-24	Embedding policy commitments	Code of Business Conduct and Ethics 2022 10-K, pg. 31	--
2-25	Processes to remediate negative impacts	Petco Code of Ethics Code of Business Conduct and Ethics, pgs. 6-7	--
2-26	Mechanisms for seeking advice and raising concerns	ESG Governance GRI Content Index	We support a corporate culture based on ethical values and professional conduct, as outlined in our Code of Ethics and the ESG Governance page on our company website.
2-27	Compliance with laws and regulations	GRI Content Index 2022 10-K, pg. 25-26	To our knowledge, no significant instances o non-compliance with laws and regulations occurred during the reporting period. No monetary fines for instances of noncompliance with laws and regulations nor from legal proceedings associated with labor law violations were paid during the reporting period.
2-28	Membership associations	ESG Governance - Government Affairs	--

Disclosure Number	Disclosure	Reporting location	Additional Remarks
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Sustainability at Petco – Stakeholder Engagement	--
2-30	Collective bargaining agreements	GRI Content Index	There are no collective bargaining agreements in place.
GRI 3: Material Topics 2021			
3-31	Process to determine material topics	Sustainability at Petco – Materiality at Petco	--
3-2	List of material topics	Sustainability at Petco – Materiality at Petco	--

Governance

Disclosure Number	Disclosure	Reporting location	Additional Remarks
GRI 415: Public Policy 2016 (Petco material topic: Government Affairs)			
3-3	Management of material topics	ESG Governance – Government Affairs	--
GRI 418: Customer Privacy 2016 (Petco material topic: Data Privacy & Cyber Security)			
3-3	Management of material topics	ESG Governance – Data Privacy andCyber Security	--

Pets

Disclosure Number	Disclosure	Reporting location	Additional Remarks
Petco material topic: Pet Welfare & Humane Treatment			
3-3	Management of material topics	Pets – Pet Welfare & Humane Treatment	--
Petco material topic: Animal Welfare in the Supply Chain			
3-3	Management of material topics	Pets – Pet Welfare & Humane Treatment Pets – Pet Health, Nutrition & Wellbeing	--
Petco material topic: Pet Health, Nutrition & Wellbeing			
3-3	Management of material topics	Pets - Pet Health, Nutrition & Wellbeing	--
Petco material topic: Community Engagement & Philanthropy			
3-3	Management of material topics	Pets – Community Engagement & Philanthropy	--
Petco material topic: High Quality Delivery of Pet Care			
3-3	Management of material topics	Pets – Pet Welfare & Humane Treatment Pets – Pet Health, Nutrition & Wellbeing	--

People

Disclosure Number	Disclosure	Reporting location	Additional Remarks
GRI 403: Occupational Health and Safety 2018 (Petco material topic: Employee Health, Safety & Wellbeing)			
403-1	Occupational health and safety management system	People – Employee Health, Safety & Wellbeing	--
403-2	Hazard identification, risk assessment, and incident investigation	People – Employee Health, Safety & Wellbeing	--
403-4	Worker participation, consultation, and communication on occupational health and safety	People – Employee Health, Safety & Wellbeing	--
403-5	Worker training on occupational health and safety	People – Employee Health, Safety & Wellbeing	--
403-6	Promotion of worker health	People - Employee Health, Safety & Wellbeing	--
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People - Employee Health, Safety & Wellbeing	--
403-9	Work-related injuries	People – Employee Health, Safety & Wellbeing Our Performance – People	--
403-10	Work-related ill health	People – Employee Health, Safety & Wellbeing Our Performance – People	--

Disclosure Number	Disclosure	Reporting location	Additional Remarks
GRI 404: Training and Education 2016 (Petco material topic: Talent Attraction & Development)			
3-3	Management of material topics	People – Talent Attraction & Development	--
404-1	Average hours of training per year per employee	People – Talent Attraction & Development GRI Content Index	Average of 17 hours of training per Pet Care Center employee
404-2	Programs for upgrading employee skills and transition assistance programs	People - Talent Attraction & Development	--
404-3	Percentage of employees receiving regular performance and career development reviews	Our Performance – People	--
GRI 405: Diversity and Equal Opportunity 2016 (Petco material topic: Diversity, Inclusion & Belonging)			
3-3	Management of material topics	People – Diversity, Equity, & Inclusion	--
405-1	Diversity of governance bodies and employees	People – Diversity, Equity, & Inclusion Our Performance – People SASB Index	--
GRI 408: Child Labor 2016 (Petco material topic: Human Rights & Fair Labor Practices)			
3-3	Management of material topics	People – Human Rights & Fair Labor Practices	--
408-1	Operations and suppliers at significant risk for incidents of child labor	Petco ESG website – Human Rights Policy	--
Petco material topic: Accessibility, Affordability & Inclusivity of Pet Parenthood			
3-3	Management of material topics	People – Making Pet Parenthood More Affordable and Accessible	--

Planet

Disclosure Number	Disclosure	Reporting location	Additional Remarks
GRI 301: Materials 2016 (Petco material topic: Sustainable Product Offering, Responsible Packaging)			
3-3	Management of material topics	Planet – Circular Economy & Waste	--
GRI 302: Energy 2016 (Petco material topic: Energy Management)			
3-3	Management of material topics	Planet – Our Impact on the Planet	--
302-1	Energy consumption within the organization	Planet – Our Impact on the Planet Our Performance – Planet	--
302-3	Energy intensity	Planet – Our Impact on the Planet Our Performance – Planet	--
302-4	Reduction of energy consumption	Planet – Our Impact on the Planet	--
GRI 303: Water and Effluents 2018 (Petco material topic: Water Related Risks)			
3-3	Management of material topics	Planet – Water-Related Risks & Impacts	--
303-1	Interactions with water as a shared resource	Planet – Water-Related Risks & Impacts	--
303-5	Water consumption	Our Performance – Planet	--
GRI 305: Emissions 2016 (Petco material topic: Climate Impact, Transportation & Logistics Impacts)			
3-3	Management of material topics	Planet – Our Impact on the Planet	--
305-1	Direct (Scope 1) GHG emissions	Planet – Our Impact on the Planet Our Performance – Planet	--
305-2	Energy indirect (Scope 2) GHG emissions	Our Performance – Planet	--
305-3	Other indirect (Scope 3) GHG emissions	Planet – Our Impact on the Planet Our Performance – Planet	--
305-4	GHG emissions intensity	Our Performance – Planet	--

Disclosure Number	Disclosure	Reporting location	Additional Remarks
GRI 306: Waste 2020 (Petco material topic: Circular Economy & Waste)			
306-2	Management of significant waste-related impacts	Planet – Circular Economy & Waste	--
306-3	Waste generated	Our Performance – Planet	--
306-4	Waste diverted from disposal	Our Performance – Planet	--
306-5	Waste directed to disposal	Our Performance – Planet	--
GRI 416: Customer Health and Safety 2016 (Petco material topic: Product Quality & Safety)			
3-3	Management of material topics	Planet – Consumer Engagement & Promoting Sustainable Consumption	--
GRI 417: Marketing and Labeling 2016 (Petco material topic: Product Information & Labeling)			
3-3	Management of material topics	Planet – Sustainable Product Offering	--
Petco material topic: Consumer Engagement & Promoting Sustainable Consumption			
3-3	Management of material topics	Planet – Sustainable Product Offering	--
Petco material topic: Sustainable Product Offering			
3-3	Management of material topics	Planet – Sustainable Product Offering	--