

# A World Through Their Eyes

Corporate Social Responsibility Report 2023

**PETSMART**  
ANYTHING for PETS





# A World Through Their Eyes

At PetSmart, we're working to create a world as our pets see it. Because a world through the eyes of our pets is one that's more compassionate, inclusive, sincere and community-centric. It's a world that recognizes the critical importance of healthy people and pets, the preservation of our planet and taking time to play.

Loving our pets makes us better people, and we learn from them every day. It's these lessons that guide us as we pursue opportunities to have a meaningful impact through our Corporate Social Responsibility (CSR) programs. We won't get it all right, right away, but we will strive to be transparent along our journey. Inspired by our pets, we are making investments to promote pet health and happiness, empower people and communities, and operate ethically and responsibly.

**This is our commitment to pets and the people who love them.**





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# A Letter from Our President & Chief Executive Officer

**We're pleased to share our second annual CSR Report — an update on our commitment to pets and the people who love them.** Throughout this year's report you'll learn more about how we've worked to integrate CSR into our business strategy, with added rigor that reflects the growth we've achieved.

Despite the headwinds of a challenging retail environment, we remain focused on the needs of pets, pet parents and our associates. We continue to find ways to improve their experiences – operating smarter and more efficiently so that we can offer greater value for pet parents and an even better associate experience.

In October 2023, Apollo Global Management made a strategic equity investment in PetSmart, a vote of confidence in our growth strategy and vision. The combined depth of expertise of Apollo and BC Partners will continue to serve us and our stakeholders well as we execute our strategy in a challenging macroeconomic environment.

**Our foremost responsibility is to the health and happiness of the millions of pets in our care each year.** In 2023, we continued to invest in the technology, training and infrastructure that prioritize their welfare. Our dedicated pet care associates completed more than 1.1 million hours of training and we continued to partner with them in optimizing existing processes and policies. These investments drove continuous improvement – and while one pet injured is too many, today our services are performed at a safety rate greater than 99.9%.

We have ambitious plans to help improve access to veterinary care in our communities. By January 2024, franchise agreements had been signed to operate nearly 80 PetSmart Veterinary Services® hospitals (PVS), building on our existing base of over 750 veterinary hospitals in our stores, the largest of any pet retailer. With an independent business ownership model that provides a complete solution for veterinarians to open their own practice, we are connecting pet parents with convenient access to care in their own community. In addition, we're committed to supporting the work being done to drive diversity across the veterinary industry through both PVS and PetSmart Charities, as further outlined in this report.

**Across our business, it's our pet-passionate people that make the difference.** It's their voices that have led PetSmart's most significant growth and change, and we continue to listen and respond. Over the past two years, I've participated in more than 30 listening sessions across the U.S. and Canada, sitting with store associates including cashiers and salon leaders, distribution center associates, district leaders and managers in our home offices. I've learned so much from them about their everyday life at PetSmart, and how they feel we can improve our policies and processes.

Our associates are feeling the results of this engagement – with process improvements that simplify their work and make us more efficient; updates to our training programs that empower them to prioritize the wellbeing of pets in our care; and talent management strategies that invest in their growth.



Our associate communication platform, Central Bark, is getting frontline associates the information that matters most to them, and new health and wellbeing offerings are providing greater flexibility and affordability.

It's also our associates' energy that drives our courage and commitment to diversity, equity, inclusion and belonging. Membership in our Associate Resource Groups grew 33% in 2023, driving impact across our business and in the communities where we live and work, while strengthening our culture of inclusion. I also joined the CEO Action for Diversity & Inclusion, a pledge to join my peers in creating more inclusive cultures and driving large-scale change, a longstanding commitment at PetSmart.

All of this work is done to fulfill our vision for a better world for pets, their families and our PetSmart associates. We look forward to the collaborative work ahead and thank you for taking the time to learn more.

Sincerely,

**J.K. Symancyk**

President & Chief Executive Officer



# A Letter from Our Vice President, CSR

2023 was a year of progress and evolution for CSR at PetSmart. We're proud to report on the work we've done to sustain our momentum since introducing our CSR framework, **A World Through Their Eyes**, in our inaugural 2022 Report. With a focus on aligning our social and environmental commitments with our mission, vision and values, in 2023 we continued to earn the trust of pet parents as the company that will do anything for the health and happiness of their pets.

It's this core commitment, to pets and the people who love them, that guided us as we matured our CSR strategy and incorporated additional transparency in our reporting. This year we are introducing long-term, public-facing goals across the three pillars of our strategy – **Healthy & Happy Pets, Empowered People** and **Responsible Stewards**. Our goal-setting process began with the findings from our 2022 materiality assessment. It was integrated with our enterprise risk management framework for maximum impact and to ensure alignment with key business priorities. You can read more about our goals and our path to achieve them throughout this report.

As we worked to develop our CSR goals, we wanted to ensure they focused on:



**Prioritizing the health and happiness of pets.**

We will never stop working to ensure the wellbeing of animals in our care. Our commitment is to implement industry-leading practices that prioritize safety, environmental needs and knowledgeable care. In 2023, our pet care teams and associates partnered with our expert veterinarians on infrastructure improvements, robust training and veterinarian-led policy development, and continued to refine the processes and protocols at the center of our health and safety practices.



**Creating an empowering and inclusive workplace for all PetSmart associates.**

Our over 50,000 PetSmart associates bring diverse knowledge, lived experience and an unwavering love for pets that define our culture and differentiate our business. Our diversity, equity, inclusion and belonging strategy has been designed to support associates in their professional growth, as well as driving impact in the communities we serve.



**Operating responsibly and taking the necessary steps to address climate change.**

We are finalizing our first investment in renewable energy, leveraged new technologies to better track energy usage, and improved packaging efficiency and waste diversion at our distribution centers. Our first public-facing energy reduction goal is supported by a roadmap for continuous operational efficiencies and investments in new strategies and infrastructure upgrades.



These commitments are cross-functional, collaborative and embedded across our enterprise. We have also looked outside our organization, collaborating with peers, business partners, trade associations and animal welfare organizations on the challenges that we can't solve alone. Greater transparency and robust communication on the issues that matter most to our associates and pet parents will define the work ahead as we build on our progress and momentum.

Sincerely,

**Joanne Dwyer**

Vice President, Corporate Social Responsibility & Corporate Communications



# About PetSmart

PetSmart is the largest omni-channel pet retailer in North America, offering products, services and solutions for the lifetime needs of pets. At PetSmart, we love pets and we believe pets make us better people. Every day with every connection, our more than 50,000 passionate associates help bring pet parents closer to their pets so together they can live more fulfilled lives. This vision impacts everything we do for our customers, the businesses we choose to partner with, how we support our associates, and how we give back to our communities.

Headquartered in Phoenix, Arizona, PetSmart operates over 1,670 pet stores in the United States, Canada and Puerto Rico, seven distribution centers, and over 200 in-store **PetSmart PetsHotel**® dog and cat boarding facilities. We provide a broad range of competitively priced pet food and products, as well as services such as dog training, pet grooming, pet boarding, **PetSmart Doggie Day Camp** and pet adoption.

PetSmart and **PetSmart Charities** work with a network of more than 2,500 shelters and rescues across North America to bring adoptable pets into stores so they have the best chance possible of finding a loving home. Through this in-store adoption program and other signature events, PetSmart has facilitated over 10 million adoptions, more than any other retail adoption provider.

Learn more about our **Mission, Vision and Values** at our [corporate website](#).

## 200+

in-store **PetSmart PetsHotel**® boarding facilities, **Doggie Day Camp** play spaces

**2.3M+**  
overnight stays

**420K**  
training sessions annually

**13.5M+**  
grooming appointments

## 10 Proprietary Brands

each exceeding **\$100M** in annualized sales, including



## 50K+

associates who will do **Anything for Pets**



## 7

distribution centers

## 1,670+

pet stores and grooming salons in the U.S., Canada and Puerto Rico

## 65M+

**PetSmart Treats Rewards**™ loyalty members

## HQ

located in **Phoenix, AZ** and Canadian Home Office in Burlington, Ontario

Veterinary care in

## 750+

stores, including through **PetSmart Veterinary Services**® hospitals





# 2023 Awards & Recognitions



**Forbes**  
 Customer Experience All-stars  
 .....  
 America's Best Large Employers

**FORTUNE**  
 America's Most Innovative Companies

**ENGAGE FOR GOOD**  
 Gold Halo Award  
 Best Consumer Donation Initiative

**Newsweek**  
 America's Best Loyalty Programs  
 .....  
 America's Greatest Work Places for LGBTQ+  
 .....  
 Most Trustworthy Companies in America





## OUR VISION

We love pets, and we believe pets make us better people. PetSmart is the trusted partner to pet parents and pets in every moment of their lives.

## OUR MISSION

Every day with every connection, PetSmart's passionate associates help bring pet parents closer to their pets so that they can live more fulfilled lives.

## OUR VALUES

### Passion for Pets and People

We unconditionally love pets and have a passion for serving the needs of pet parents. We are devoted to helping pets live their healthiest, happiest lives.

### Accountable to the Pack

We do what's right, deliver on commitments and own the outcomes of our actions. Each of us plays an active role in growing the business and finding solutions.

### Learn New Tricks

We are always curious, try new things and learn from our mistakes. Every day is an opportunity to be better.

### Play to Win

We see each day as a competition to be won. We embrace challenges, take prudent risks and celebrate successes.

### United Together

We promote belonging and inclusiveness where individuals with diverse backgrounds and talents can excel. We know that by working together, we can accomplish great things.



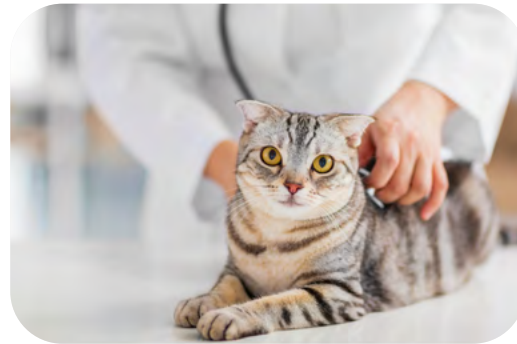
## CSR Governance

Leadership of our CSR strategy starts with our CEO and cascades across our enterprise. Our Environmental, Social and Governance (ESG) Steering committee includes our CEO and other members of our executive leadership team and supports PetSmart's ongoing commitment to environmental sustainability, and the health, safety and wellbeing of people and pets. It is a cross-functional management committee responsible for developing general strategy relating to ESG issues; allocating appropriate resources to execute on that strategy; and ensuring accountability and transparency to our many stakeholders. Our Vice President of Corporate Social Responsibility & Corporate Communications briefs the Steering Committee twice annually on strategic priorities and emerging issues. As the ESG Steering Committee provides oversight, the ESG Operating Committee supports leaders in managing strategy execution and working with individual subject matter experts to administer programs and implement policies.

Our leadership team, which includes our President & CEO and Chief Legal Officer & Corporate Secretary, reports regularly to our Board of Directors and incorporates discussion of ESG issues into Board and Committee meetings.

# Our CSR Strategy

Our CSR Strategy, **A World Through Their Eyes**, is inspired by our pets. A three pillar framework encompasses our investments and commitments to promote pet health and happiness, empower people and communities, and operate ethically and responsibly.



## Healthy & Happy Pets

Ensuring the health, safety and welfare of animals in our care and our communities is our foremost responsibility. Through the clinical expertise of our staff veterinarians, our investments in training and education, our drive to provide best-in-class products and services, and our support of PetSmart Charities, we are living up to our brand promise – *Anything for Pets*.



## Empowered People

Our 50,000+ passionate associates are the driving force that has made PetSmart the trusted partner to pet parents and pets. They are at the heart of PetSmart and we're committed to investing in programs that support their health and safety, improve their quality of life and experience at PetSmart, develop their professional aspirations, and celebrate our strong culture of belonging. We aim to build a diverse and inclusive workforce, and we're meaningfully investing in the advancement of our associates and communities.



## Responsible Stewards

We're committed to being responsible stewards of our brand and our planet. We aim for excellence in regulatory compliance and as we grow our company our focus is on operating ethically, responsibly and with increased transparency. This includes our efforts to mitigate our impact on the environment; safeguard human rights and animal welfare across our supply chain; and protect the data privacy of our customers and associates.



# Our CSR Goals

## Healthy & Happy Pets

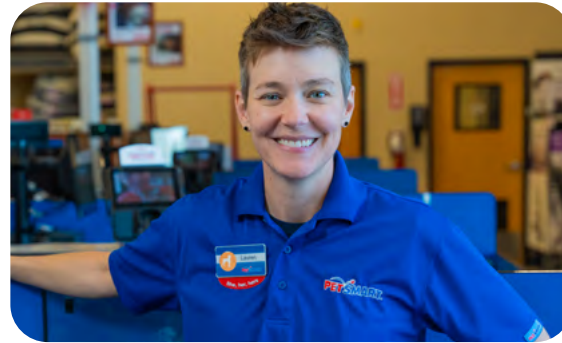


Support the health and happiness of **more than 6 million pets annually** through high quality care and services



Provide **more than one million hours of training** each year for associates who care for pets

## Empowered People



Provide **40,000 associates with upskilling** each year to help them grow their careers with PetSmart



**Expand access to pet ownership** to increase the diversity of U.S. households with pets

## Responsible Stewards



**Reduce our emissions intensity by 30% by 2030**, from a 2018 baseline



**Divert 75% of our waste** from landfills by 2030



# Support for the United Nations Sustainable Development Goals

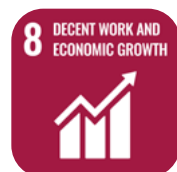
The United Nations Sustainable Development Goals (UN SDGs) are a set of 17 goals focused on protecting the planet, ending poverty, and achieving peace and prosperity for all, through global partnership. With more than 50,000 associates, operations across the U.S., Canada and Puerto Rico, and a global supply chain, we believe that innovative business strategies at PetSmart can have an important impact. In 2023, we identified several ways to align our activities in support of the UN SDGs, including efforts to achieve gender equality, create opportunities through sustained economic growth, and address the global climate crisis.



## Gender Equality

**Achieve gender equality and empower all women and girls**

Women comprise 77% of our customer base, 74% of our workforce and 53% of our leaders. We are committed to supporting our female associates through networking, mentorship and leadership development opportunities. Our Women Inspiring Strength & Excellence (W.I.S.E) Associate Resource Group focuses on advancing career growth. Through 2023, more than 100 women across our operations were paired with formal mentors.



## Decent Work and Economic Growth

**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

PetSmart field associate wages average \$18.28 an hour in the U.S., and we comply with all local, state and federal wage requirements. We conduct regular pay reviews to ensure all wages are market competitive. For both full- and qualifying part-time associates, we offer a range of benefits including health coverage, tuition assistance eligibility, 401(k) savings plans and mental health support. In 2023, we introduced a new medical plan offering to provide additional flexibility and affordability to U.S. associates.



## Reduced Inequalities

**Reduce inequality within and among countries**

In 2023, we reinforced our commitment to create equitable opportunity for all through initiatives aimed at talent acquisition, workforce development and an inclusive culture. In the communities where we operate, we aim to expand access to pet ownership, as well as to veterinary services, through the work of PetSmart Veterinary Services and PetSmart Charities. We respect and protect human rights wherever we operate and throughout our supply chain, following all labor and employment laws, including those that govern working hours, fair wages, and safety and health. [Our Supplier Code of Conduct](#) sets forth specific requirements for all PetSmart suppliers.



## Climate Action

**Take urgent action to combat climate change and its impacts**

We took several important steps forward in reducing our environmental impact in 2023. These include establishing our first, publicly facing energy reduction target and leveraging new technology to better monitor and manage resource usage. We are finalizing our first investment in renewable energy, with the planned installation of solar power at our Phoenix, Arizona distribution center.

# Stakeholder Engagement

## Engaging with ...

### Our Associates

- Launched in early 2023, **Central Bark** is our mobile-first communication tool enabling all associates to stay more connected to PetSmart. It has substantially strengthened our ability to listen and respond to associate feedback. Associate adoption and usage is climbing, with 70% adoption across the enterprise and 4.5 million logins in 2023.
- We piloted an always-on listening and response tool, **Purrspective**, that sends voluntary check-in surveys to our associates. The tool collects and analyzes submissions to provide meaningful insights that are helping us improve the associate experience. Leaders also have the ability to respond directly via the platform while maintaining associate confidentiality.
- Our **Voice of the Associate listening tour** continued into its second year. Over the course of 18 months, we held 33 listening sessions that engaged over 500 associates from across our business. Sessions focused on pet care and salon services have led to process improvements and other solutions for associate challenges.
- In a new partnership with **Rock the Vote**, we'll provide associates with nonpartisan information on how, where and when to register to vote in their state. Voter registration and voter education sessions will take place throughout 2024.

Our CSR strategy considers how PetSmart serves our associates, customers, communities, business partners and society at-large. Our work in 2023 was strengthened by their input and collaboration. Maintaining ongoing, two-way communication with stakeholders enables us to be both forward-looking and responsive.

### Pets & Pet Parents

- In 2023, we proudly joined **Open to All**, a national public engagement campaign that makes it clear to our customers that everyone is welcome in PetSmart stores, regardless of race, ethnicity, national origin, sex, sexual orientation, gender identity and expression, immigration status, religion or disability.
- In-market tests, research and audience insights have informed the April 2024 launch of our new, industry-leading **Treats Rewards™** loyalty program for pet parents. Pet parents now enjoy an easier experience in navigating, earning and redeeming loyalty offers and points, as well as new membership tiers, new opportunities to earn discounts on salon visits for their pets, personalized offers and redemption options.
- Economic pressures in 2023 drove pet parents to prioritize needs over wants in their spending decisions. We continued to focus on the needs of pet parents with a breadth of offerings focused on value and quality. As an example, our Healthy Pet Advisory Committee examined economic considerations for consumable pet items and identified opportunities for consumer cost savings that do not detract from quality or nutrition.





(Stakeholder Engagement continued)

## Engaging with ...

### Suppliers

- Through targeted engagement and training for suppliers, in 2023 we increased the percentage of suppliers classified as “low risk” for social compliance to 95%.
- We worked closely with suppliers to conduct supply chain mapping to the raw-material level for all products containing polyvinyl chloride (PVC) and aluminum.
- We invited representatives from dozens of our top vendors to our 2023 Vendor Summit, where they heard from senior executives, including President and CEO J.K. Symancyk, about trends impacting our business and key strategy updates. Ten awards recognized standout vendors from 2022.

### NGOs

- We joined the Association of American Feed Control Officials in helping to inform its standards for **Pet Food Label Modernization**, which took effect in January 2024. We're proud of our contributions to new labeling standards that provide clearer, more transparent nutritional and ingredient information to pet parents.
- We have been a partner to the **Valley of the Sun United Way** for more than two decades, and PetSmart associates have donated more than \$11 million to the organization's critical community work through our **Be the Difference** associate giving campaign. In 2023, we expanded our partnership to include networking, leadership and volunteer opportunities for associates to drive workforce and professional development.

### Industry Organizations & Collaborations

- We partner with several organizations that drive our diversity, equity, inclusion and belonging strategy forward.
  - Our ongoing collaboration with the Black Chamber of Arizona, Arizona Hispanic Chamber and One Community of Arizona led to impactful convenings during our 2023 Belonging Week and strong connections with our talent acquisition teams.
  - In October 2023, our CEO J.K. Symancyk joined Disability:IN and 200 of his peers across American industry in a push to engage corporate leaders in disability inclusion and drive participation in the Disability Equality Index.
- As part of our ongoing engagement with the **Retail Industry Leadership Association (RILA)**, in 2023 we participated in the association's Vibrant Communities initiative – a collaboration of retailers, social services providers, law enforcement, civic and business groups to address the complex societal challenges that contribute to habitual theft, violence and other unlawful activity in and around retail establishments.

Executive Vice President and Chief Operating Officer David Redfield (L) and Vice President of Loyalty, CRM & Insights Bradley Breuer (R) presented the UNITY Agent award to Lynette Braddock, an Arizona mom who has worked tirelessly to expand non-discrimination protections, at ONE Community's Spotlight on Success Local Heroes Awards.



# Material Topics

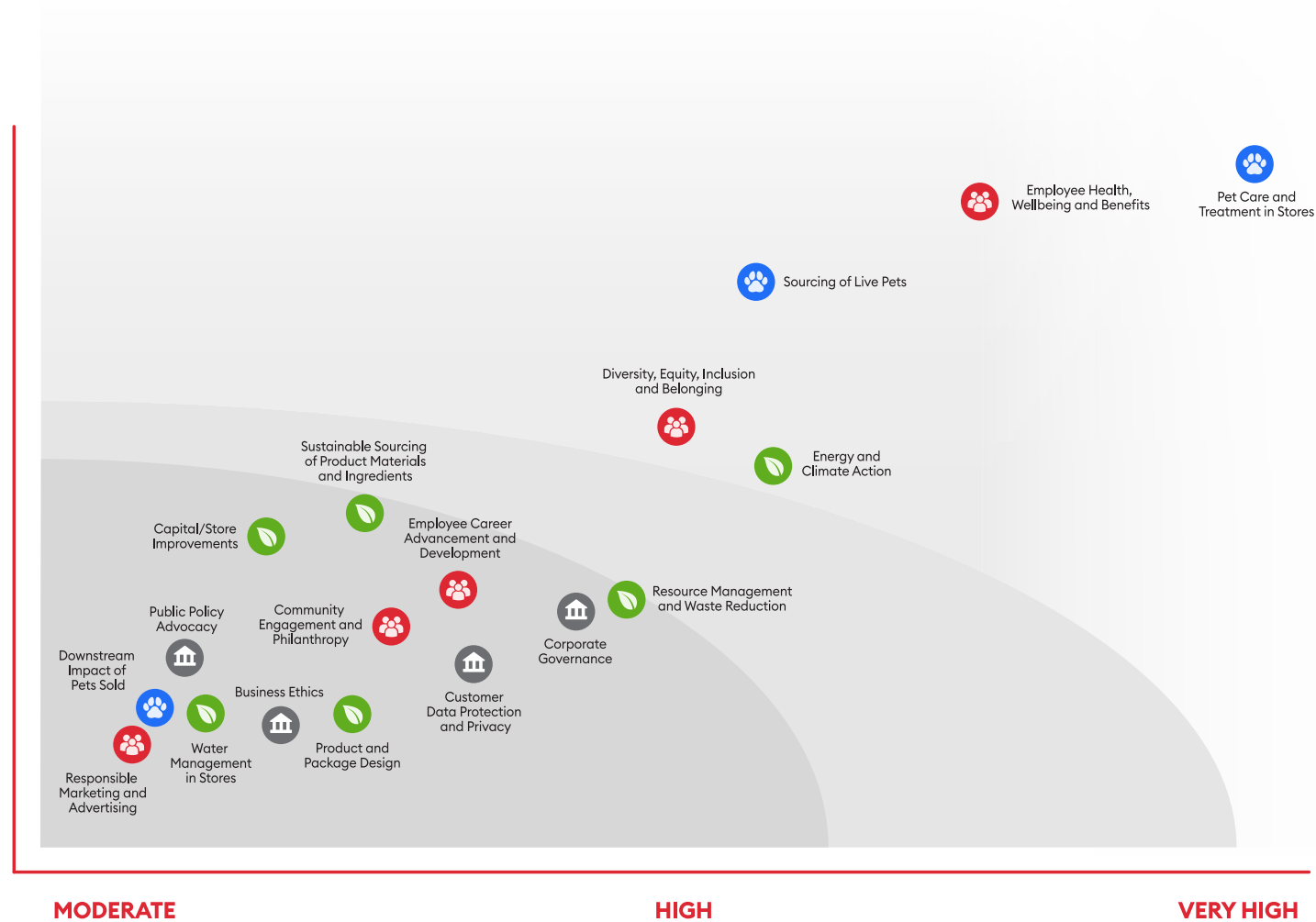
Our material topics represent the areas where we believe PetSmart can have the greatest impact in advancing our business performance and meeting the expectations of our many stakeholders. In 2023, we used these topics to inform the development of our corporate social responsibility goals, strategy and investments.

We completed the assessment to identify and prioritize these topics in 2022, in collaboration with the Pet Sustainability Coalition and an expert, independent consultant.



Influence on Stakeholder Assessments and Decisions

VERY HIGH  
HIGH  
MODERATE



Significance of Economic, Environmental and Social Impacts

- Environment
- Social
- Governance
- Industry Specific



# Material Topic Definitions

1

## **Pet Care and Treatment in Stores:**

ensuring the highest quality of care and humane treatment for all pets inside our stores, including those for sale, and those participating in grooming, boarding, day-care and training services

2

## **Associate Health, Wellbeing and Benefits:**

providing associates with offerings, commitments and wages that support them in pursuing healthy and fulfilling lives at PetSmart

3

## **Sourcing of Live Pets:**

considering the biodiversity impacts of our pet sourcing strategy, obtaining live pets from humane, ethical sources, and ensuring humane transport and delivery of pets

4

## **Diversity, Equity, Inclusion and Belonging:**

developing a workforce that celebrates diversity, and a culture where every associate feels they belong and can thrive

5

## **Energy and Climate Action:**

reducing our climate impact through GHG emissions reductions and other strategically planned initiatives

6

## **Waste Reduction:**

maximizing resources available, reducing waste within our operations, and improving recycling rates

7

## **Corporate Governance:**

information sharing to promote trust and defined responsibilities for greater accountability

8

## **Customer Data Protection and Privacy:**

implementing policies and investing in processes that ensure responsible use and prevent theft of customer data

9

## **Associate Career Advancement and Development:**

training, professional development and retention strategies that support associates in growing their careers at PetSmart

10

## **Community Engagement and Philanthropy:**

volunteerism, community investments and partnerships that transform the lives of pets and those who love them, including through pet adoption

11

## **Sustainable Sourcing:**

considering how the sourcing of product ingredients and materials impacts pets, people and the planet

12

## **Product and Packaging Design:**

designing products and packaging for maximum durability, recyclability, and with consideration of the full product life cycle

13

## **Water Management in Stores:**

increasing efficiencies in water-intensive practices within our stores, such as fish displays and grooming

14

## **Business Ethics:**

principles, policies and procedures that prevent fraud and ensure compliance and ethical operations

15

## **Capital/Store Improvements:**

identifying opportunities to reduce the environmental impact of our stores

16

## **Downstream Impacts of Pets Sold:**

programs and initiatives that address challenges and ecosystem impacts of purchased pets being released into the wild by customers

17

## **Public Policy and Advocacy:**

advocating for legislative and policy actions that support our economic, environmental, social and governance priorities

18

## **Responsible Marketing and Advertising:**

using our communications channels to promote transparency, honesty and inclusion



# HEALTHY & HAPPY PETS





# Healthy & Happy Pets

Our foremost responsibility is to the health and happiness of the millions of pets in our care each year.

In 2023, we proudly served and cared for over 6 million beloved pets – including the dogs and cats that visited our salons, training centers, daycares and hotels, and the small mammals, birds, reptiles, amphibians, fish and invertebrates in our stores. We also helped 389,460 pets find loving homes through in-store adoption events held in partnership with PetSmart Charities and local shelters. For each one of these pets and their families, we carry out our mission by providing them with the love, support and resources they need to live fulfilled lives together.

Our work to maintain pets' health is evidence-based and guided by our knowledgeable team of staff veterinarians. It prioritizes the health, safety and welfare of pets and we continue to find new ways to raise the bar, for ourselves and the industry, year after year. We do this in partnership with our pet-passionate associates, whose love for pets drives their dedication. In 2023, we implemented many of their ideas and suggestions – investing in their development and simplifying their daily experiences so they are empowered to provide the best care for pets.

We're also leveraging our size and scale, the clinical expertise of our staff veterinarians, and community partnerships to keep pets and their families together and thriving – through expanded access to veterinary care in stores and communities with support from PetSmart Charities; convenient and diverse products and services; and extra support in times of need.



Support the health and happiness of

**6M+**

pets annually through high quality care and services

Provide

**1M+**

hours of training each year for associates who care for pets

Our Goals

2023 HIGHLIGHTS

# Healthy & Happy Pets



**389,460**  
pets adopted  
through PetSmart  
Charities

**>99.9%**  
safety rate  
for pets

**1.1M+ hours**  
of training for  
associates

**6M+ pets**  
in our care

**39**  
PetSmart  
Veterinary Services®  
hospitals  
opened

**70K+ hours**  
spent on  
pet parent education  
each week





# Our Commitment to Pet Health & Safety

At PetSmart, doing **Anything for Pets** means ensuring our standards for pet care – developed in partnership with our team of expert veterinarians – lead the industry.

Our commitment is to continuous improvement, and it's reflected in our always evolving standards, policies and procedures. In 2023, we enhanced existing programs and implemented innovative solutions that build on our foundation of rigorous health and safety protocols, pet care guides, habitat policies and cleaning standards.

**While we believe one pet injured is too many, today our services are performed at a safety rate greater than 99.9% — that's less than a 0.1% injury rate for pets in our care.**

## Pet health and safety enhancements

In 2023, we introduced an improved process for welcoming live pets to our stores. Upon the arrival of all store-owned pets, associates perform a health assessment, including weight measurements and body condition scoring. A digital arrival health assessment is recorded, which helps associates identify potential concerns, and simplifies next steps for care if a pet is found to be ill or injured. Digitization of this information is providing greater visibility into pet health for our teams and helps to ensure accountability for vendors in meeting our health and safety standards for weights, body condition and general health status.

We are using this same technology to optimize care for pets who enter our quiet rooms. Every PetSmart store has a quiet room for pets who require individualized attention or veterinary care. Digitization of quiet room intake allows us to track health issues, veterinarian visits and lengths of stay. Store associates have access to case-specific, printable treatment logs and escalation protocols to help them ensure every pet is receiving the appropriate level of care.

We made several additional enhancements to policies and procedures in 2023, many resulting from feedback collected during our Voice of the Associate listening tour.

Examples include:

- The launch of our pet care app for store associates, eliminating paper checklists and automating pet care processes on store-issued tablets.
- Modifications to twice-daily store walks that incorporate additional pet care standards for leaders to validate.
- The simplification of pet habitat standards to eliminate vague or overly specific specifications, allowing associates to focus on standards most important to ensuring pet health.
- Updates to our live fish transportation processes that ensure clear identification of a package's contents, and proper discard or reuse of packaging.

Internally, a cross-functional committee of experts across store operations, pet health and merchandising are driving continuous improvement in pet care across our entire system. This Pet Health Safety & Steering Committee has established clear, measurable and actionable standards for pet care.



We completed the replacement of 127 aquatics systems and habitats in 2023, optimizing environments for fish health.

# Our Commitment to Pet Health & Welfare

Each year, we proudly care for millions of small mammals, birds, reptiles, amphibians, fish and invertebrates in our stores. Our expert team of staff veterinarians informs our pet care standards, policies and procedures with an evidence-based approach and clinical best practices. We have rigorous protocols, care guides, habitat policies and cleaning standards for the diverse group of animals in our care. Vendors of live pets play a pivotal role in our supply chain, and these standards apply to them as well, as part of our commitment to positively influence the upstream specialty pet supply in the industry.

## 1 Selecting our pet vendors

All pet vendors must comply with all applicable laws and regulations, ensuring legal possession and sale of pets. We maintain the right to inspect vendors' facilities to ensure their standard of care conforms to ours. We conduct due diligence for new vendors and provide ongoing monitoring through scheduled and unannounced inspections, virtual audits and third-party risk assessments.

## 2 Before pets arrive in our care

Our Vet Assured™ program outlines the pet health and welfare standards required of all live pet vendors, and includes species-specific health, wellbeing and care requirements. Our veterinarians visit every vendor to inspect pets and caretaking operations. We monitor compliance on an ongoing basis.

## 3 Transport of pets

All pets must be transported in accordance with U.S. Department of Agriculture (USDA), Department of Transportation (DOT), International Air Transport Association (IATA) regulations and our Vet Assured™ program. Additional specifications for PetSmart vendors include temperature regulation, container material and size, providing food and water to pets, and minimizing time spent in containers.

## 4 Upon arrival

Upon the arrival of all store-owned pets, associates perform a health assessment, including weight measurements and body condition scoring. A digital arrival health assessment is recorded, helping associates identify potential concerns and simplifying next steps for care. Digitization provides greater visibility into pet health for our teams and helps ensure accountability for vendors.

## 5 While pets are in our care

Store teams perform daily walks to check on pet welfare and habitat cleanliness, and store and district leadership teams conduct weekly and quarterly walks. Our internal audit team visits up to 500 stores annually to verify compliance with our rigorous standards and policies. Robust isolation and care protocols are in place for any pet discovered to be ill or injured.

## 7 Bringing pets home

Species-specific care guides help pet parents ensure they leave our stores with the items they need to care for their pet. The Learning Center at PetSmart.com provides additional useful care tips and pet care articles. We also offer high quality, accessible veterinary care for pets across the U.S., with the largest existing base of veterinary hospitals of any pet retailer.

## 8 Meeting the lifetime needs of pets

As the trusted partner to pet parents, we provide expert advice and resources that help pets and their families thrive together. Whether it's counseling prospective pet parents, helping to find the right nutritional options or connecting them with veterinary services, pet parents know they can turn to PetSmart throughout their pets' lifetimes.

## 6 When pets are sold

Our associates receive training to help prospective pet parents make responsible decisions when considering a new pet. This includes education on the knowledge, experience and investment required to care for their new pet, and ensuring their home meets our habitat standards. We empower associates to deny the sale of a pet if they believe its welfare may be compromised, or if a pet parent is unable to commit to the level of care our standards require.





# The Most Hands-on Instruction and Training in the Industry

We train more pet specialists, with more extensive training, than any other pet retailer in North America. In 2023, our associates completed over 1.1 million hours of training to care for pets.

We continuously strive to ensure our associates have the tools, training and resources they need to master proper pet care and keep themselves and pets safe and healthy. In close partnership with our staff veterinarians, we made several enhancements to associate training programs in 2023, driving our commitment to year-over-year safety improvements and responding to associate feedback.



### Pet Care Onboarding

Revamped onboarding training for all new store associates includes an additional 16 hours of facilitator-led, hands-on training

### Annual Pet Safety Certification

Required for all leaders and associates caring for and interacting with pets in our Services areas; topics in 2023 spanned proper pet restraint and transport, injury prevention and identifying and responding to signs of stress within pets

### Pet Care Recertification

Required for all pet care associates and leaders, annually, with rotating topics informed by current pet health and safety data

### Pet Incident Prevention Program

Provides retraining for associates in response to an incident and/or injury trends

### Grooming Academy

Our groomers receive up to 800 hours of training to learn pet safety, breed characteristics and proper grooming techniques

### Cat Academy

Additional training and toolkits focus on improved safety when grooming cats

### Continued Education

Led by our Certified Master Groomers and offered quarterly to all salon associates

### Pet Safety Seminars

In-person, full-day sessions responsive to safety trends in salons; we held more than 40 seminars in 2023, reaching more than 500 salon associates

### Central Bark

Our intranet spotlights educational and safety awareness topics with themed video content released monthly



# Empowering Veterinarians, Transforming Care

Demand for veterinary care has never been higher, but a shortage in practitioners and the rising costs of care have created a crisis. Two-thirds of U.S. households now include pets, but 50 million of those pets are not getting basic veterinary care. Access to care for pets is more complex in communities that have historically been excluded from health care and other social services.

With the majority of U.S. families living within five miles of a PetSmart store, we have an unrivaled ability to increase access to veterinary care for pet parents in all communities. In 2022, we launched PetSmart Veterinary Services® hospitals (PVS) to build on what is already the largest base of veterinary hospitals of any pet retailer. The PVS business model is solving for the lack of access to veterinary care and providing easier access to care and diagnostic tools for pet parents. It is also increasing veterinarians' ability to provide their full scope of services by leveraging veterinary technicians and ensuring veterinarians don't perform tasks that someone else can.

In addition, we are committed to supporting efforts to drive diversity within the veterinary field. Only 10% of veterinarians are people of color and we are working to increase the number of veterinarians of color who are able to hold an ownership stake in their practice, across the communities PetSmart serves.

**By January 2024, franchise agreements had been signed to operate nearly 80 PetSmart Veterinary Services® hospitals and 39 were fully operating.**

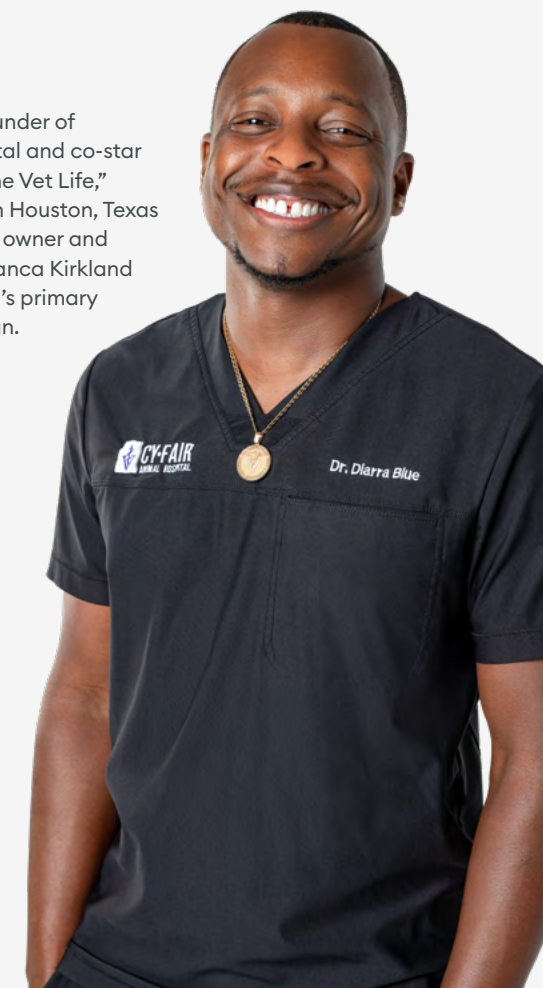
PVS provides veterinarians with an opportunity for independent business ownership that is attainable at any stage of their career. An affordable franchise model helps alleviate financial pressures at the time of the clinic opening and ramp-up, while centralized support for permitting, licensing, marketing and other administrative services allow vets to focus on pet care, first and foremost. We expect that all PVS locations will attain American Animal Hospital Association (AAHA) accreditation within 18 months of opening. AAHA is the only veterinary accreditation program in the U.S. and Canada and only 15% of all practices carry this distinction. Our first AAHA-accredited hospital is now open in Orlando, Florida.

PetSmart and PetSmart Veterinary Services are also investing in other innovative solutions to increase access to veterinary care, including a strategic partnership in Canada with a third-party telehealth provider. The partnership leverages a telehealth model to provide quick and convenient access to veterinary advice for pets in our care at PetSmart, reducing the need for associates to travel to seek veterinary care, particularly when there is not a veterinarian on site.

“It's long been a part of my mission and my passion to provide opportunities to grow and develop veterinarians of color. Through PVS, I am able to provide veterinarians with the ability to grow clinical and business skills.”

— Dr. Diarra Blue

Dr. Diarra Blue, co-founder of Cy-Fair Animal Hospital and co-star of Animal Planet's "The Vet Life," opened his first PVS in Houston, Texas in October 2023. Part owner and Houston native Dr. Bianca Kirkland serves as the location's primary practicing veterinarian.





# Living Fulfilled Lives, Together

As the trusted partner to pet parents across the U.S. and Canada, we provide expert advice and resources that help pets and their families thrive together – where and when they need it. Whether it’s counseling prospective pet parents, helping to find the right nutritional options, or providing new resources to access digitally, pet parents know they can turn to PetSmart throughout their pets’ lifetimes. In 2023, we achieved a net promoter score of 77.8, our highest score since 2018.

In 2023, our teams spent more than **70,000 hours** each week on pet parent education!



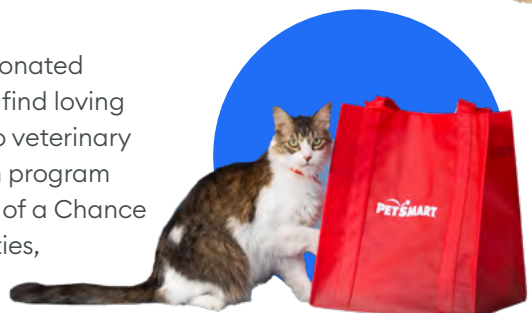
Life with pets just got even more rewarding with the launch of our new and expanded Treats Rewards™ loyalty program in April 2024. With a focus on creating an easier experience for pet parents to navigate, earn and redeem loyalty offers and points, the Treats Rewards™ loyalty program is free to join, with immediate benefits. New membership tiers reward top pet parents and new features give them the opportunity to earn salon visits for their pets, personalized offers and redemption options. All PetSmart associates enjoy immediate access to top tier rewards, or VIPP (Very Important Pet Parent) status. More prominent integration of PetSmart Charities programs highlights our shared passion to support pets and pet parents in need and rewards members even more for donating.



Training is an important part of keeping pets in their homes with their families. Our reputable trainers supported over 350,000 pet parents and their pets in classes in 2023. During Pet Training Awareness Month in July we served nearly 30,000 pets, a 3% increase over 2022.



Throughout 2023, PetSmart Treats® loyalty members donated more than 24 million points to help PetSmart Charities find loving homes for pets, fight pet hunger and expand access to veterinary care. We grew our popular Chance & Friends donation program to include Halloween celebrations. For each purchase of a Chance & Friends plush toy, \$1 was donated to PetSmart Charities, totaling over \$5.1 million.



Convenience means something a little different for every pet parent, and we continued to work throughout 2023 to get them access to the products their pets need in the way that best fits their preference, schedule and lifestyle. In April 2023, we became the first national pet retailer on the Uber Eats app across the U.S. and Canada for on-demand and scheduled delivery of must-have items – driving new customers to the PetSmart® brand and getting products into the hands of pet parents faster. We also launched and expanded upon our partnership with Instacart throughout 2023.

# Products for Healthy Pets

Pet parents trust PetSmart with the nutrition of their pets. They want to serve their pets food they feel good about and with ingredients they understand. That's why we've continued to expand on our natural pet food offerings – giving pet parents natural, simple recipes they're proud to feed their pets.

**In 2023, our Healthy Pet Advisory Committee (HPAC) continued to provide education and guidance to advance pet nutrition and wellbeing in our proprietary brand products. Topics reviewed by the HPAC included:**

- discussion of economic considerations for consumable pet items, and identification of consumer cost savings that do not detract from quality or nutrition;
- weight management techniques supported by product formulas and enrichment with electronic feeding toys;
- biotics in pet food to support gut health and wellbeing;
- and cat food preference research controlled by formula design and processing methods.



Our **Simply Nourish**® natural dog and cat food features real meat, poultry or fish as the #1 ingredient and includes added vitamins, minerals and other trace nutrients. Simply Nourish® is free from artificial flavors, colors and preservatives with no added corn, wheat or soy fillers.



**Weruva**® cat and dog food contains high quality, boneless, skinless cuts of meat and flaked fish loins, with a "what you see is what you get" philosophy on ingredient labeling. All Weruva® foods are crafted in state-of-the-art facilities that cater to the strictest international food standards.



**Tiki Cat**® cat food is made with high-quality protein as the #1 ingredient. Real, natural ingredients like shredded chicken and flaked fish are supplemented with superfoods like kale, spinach and pumpkin to give cats and small dogs a boost of vitamins, minerals and fatty acids. Tiki Cat® foods do not contain animal by-products, corn, white potatoes, wheat, artificial flavors, colors or preservatives.

## Product Safety and Quality

Pet parents rely on us to ensure the safety of the food and products we provide for their pets. We are committed to complying with all applicable food and product safety laws and to providing quality food and products that are safe and reliable. We only select vendors and manufacturers who share our commitment to safety and who have the expertise and experience to meet our high standards and expectations. The vendors and manufacturers that we use for our proprietary brands must submit to our rigorous testing and verification processes to ensure they are adhering to the requirements we set. If an issue arises that could pose a risk to the safety of our pet food or products, we take swift action to investigate the issue and, where necessary, withdraw or recall products from our stores.

We closely monitor evolving regulations and preferences related to chemicals of consumer concern and have established applicable limits for substances including PFAS, PFOS, phthalates, parabens and formaldehyde releases. No flame retardants are used in our products, with the exception of pet tents, which undergo extensive testing.

You can learn more about our commitment to quality and human rights across our supply chain in [Responsible Stewards](#).



We began offering pet parents another natural grooming option in our salons in 2023, with the introduction of **Skout's Honor**® Probiotic Grooming line. Probiotics support good bacteria on pet skin and serve as a natural defense against inflammation.

In November 2023, we added the #1 health-monitoring litter in the market to our shelves. **Pretty Litter**® cat litter helps show pet parents when their cat might have irregular urine, suggesting they may need to visit their veterinarian.



New supplement offerings in 2023 included **Pet Honesty**® dietary supplements, a line formulated with clean, research-backed ingredients that are free of fillers like wheat, corn and soy. Pet Honesty® dietary supplements offer multivitamins and targeted solutions that support digestion, calming, hip and joint health and more.





# A Legacy of Connecting People & Pets

On average, every 41 seconds a pet in need is connected with a new family in a PetSmart store. For nearly three decades, PetSmart Charities has proudly improved the lives of pets and the people who love them through adoption, in partnership with a network of more than 2,500 shelters and rescues across North America. With shelters stretched for resources and many pets experiencing extended stays, in 2023 PetSmart Charities and PetSmart store operations teams came together to bolster adoption rates.

Ahead of PetSmart Charities National Adoption Week in July, local shelter and rescue partners learned their cash-back adoptions rewards would double, providing additional incentive and support for bringing adoptable pets in stores. Stores received updated promotional materials to leverage foot traffic, and PetSmart groomers donated their time to participate in “Prep the Pet” events, helping adoptable pets put their best paws forward when meeting potential pet parents. This collaboration paid off, with more than 23,500 pets finding new homes during July’s National Adoption Week – the highest adoption total in a single week since the COVID-19 pandemic.

During November’s National Adoption Week, our new Adoption Made Easy processing software program was also rolled out, as was the Rescue Writer™ online tool, which harnessed the power of AI to help shelter staff, volunteers and fosters generate compelling bios for pets, faster. Nearly 20,000 pets found new people to love and started their journeys as families at PetSmart stores.



## The Leading Funder of Animal Welfare in North America

Since 1994, PetSmart Charities has granted more than \$613 million in funding to more than 4,000 animal welfare organizations. During that time, 10.7 million pets have found new homes through our signature, in-store adoption program. PetSmart Charities has earned a 4-star (the highest) rating by Charity Navigator for 18 years consecutively, and 90 cents of every dollar donated goes directly toward support for pets in need.

## A Decision to Save Lives

Amid several converging crises – including a nationwide shortage of veterinarians, sharp declines in spay and neuter surgeries during the COVID-19 pandemic and rising euthanasia rates – PetSmart Charities knew swift action was needed to alleviate crowding in shelters, keep animals healthy and help pets find their forever homes. Beginning in July 2023, PetSmart Charities implemented a temporary, optional policy change to allow spay and neuter surgeries to occur after adoption for puppies and kittens under six months of age, where permitted by law. All animals were previously required to be



Abdalla Eid with his daughters, Elene, Rose and Taleen. They adopted “Red” during PetSmart Charities National Adoption Week. Abdalla had been looking to adopt a pet not only to be a part of the family – but also as a great way to teach his children about compassion, care and responsibility. The girls were so excited to have a new sibling and now their family is even more complete.

spayed or neutered before participating in adoption events and/or staying in adoption centers. The decision was met with support from prominent animal welfare organizations, including The Humane Society of the United States, the Association for Animal Welfare Advancement, and the Association of Shelter Veterinarians. Early reports from animal welfare partners show that pet parents are doing their part to follow through with spay and neuter surgeries for their newly adopted puppies and kittens. The pilot policy has now been made permanent and is one key tool in alleviating the strain experienced by so many shelters.

## Introducing RescueWriter™

A pet’s backstory can inspire a person to adopt them, but they’re often left blank. In partnership with an award-winning creative agency, PetSmart Charities introduced the Rescue Writer™ tool ahead of November’s National Adoption Week. The free tool helps shelter staff and volunteers write attention-grabbing, heartwarming and editable bios, promising to increase pets’ chances of finding people to love.



PetSmart Charities partnered with store operations teams and community organizations in Puerto Rico to restore pet adoption on the island in 2023. All 12 of our Puerto Rico PetSmart locations offered adoptions during National Adoption Week, and 1,844 pets found new homes.

“Being a PetSmart Charities partner has been a transformative experience for PR Animals. The adoption events offer a unique opportunity for us to connect directly with our community, fostering a deeper understanding and appreciation of the importance of animal rescue and adoption in Puerto Rico. It has provided us with a valuable platform to find local loving homes for rescued animals. Being able to showcase our animals in the welcoming setting that the PetSmart stores offer has significantly increased our adoption rates.”

– Michelle Cintron, PR Animals  
(Puerto Rico Alliance for Companion Animals)



# Access to Care for Every Pet

Every pet should have access to the veterinary care they need to thrive and stay in their homes. Unfortunately, the rising cost of veterinary services in the U.S. makes it difficult for many pet parents to afford even basic care, which an estimated [50 million pets lack](#). Social factors exacerbate these challenges and create inequities. When a lack of access to food, housing, transportation and education impacts pet parents, it is likely the same will be true for access to veterinary care for the pets in their family.

With its largest grant commitment ever, and with support from PetSmart and generous pet parents, PetSmart Charities is investing \$100 million over five years to help break down barriers to veterinary care – partnering with existing programs, universities and community organizations, while also funding forward-looking solutions such as low-cost clinics and veterinary student scholarships. All efforts will work toward expanded access and affordability, particularly for remote and bilingual communities.

As part of its “Incubator” grant portfolio, in 2023 PetSmart Charities supported partners creating access to veterinary care for 10 Latino communities in the U.S., and 10 remote, indigenous communities in Canada. Grantees hosted listening sessions and other engagements to understand unique community needs and which barriers to accessing veterinary care are greatest – including financial, language, proximity and others.

Grantees are using the information gathered in their first phase of work to co-create programs and solutions with



community members. Next, the Incubator grant portfolio will address additional cohorts, including predominantly Black communities. This visionary program ensures the communities served play a vital role in identifying local stakeholders to speak to their needs for sustainable models of care. With new partners brought on board in late 2023, this program now serves a total of 39 remote communities that have been historically excluded from veterinary care.

Additionally, PetSmart Charities invested over \$10 million in 17 low-cost clinics across North America through its “Accelerator” program, ensuring that veterinary care is available and affordable in communities where incomes are not able to sustain a typical veterinary practice.

In 2023, PetSmart Charities launched the Foundation Veterinary Student Heritage Scholarship at the University of Arizona. Two first-year students, three second-year students and two third-year students from four different tribes were represented. The seven students received awards of \$17,142 each, and selected students will receive the scholarships annually until they each graduate.



Credit: Ruthless Kindness

The leaders of Ruthless Kindness describe themselves as veterinarians who help people. As “Incubator” grantees, the organization chose to reach into a specific Latino community in

Napa, California. Income disparity is stark, and agricultural workers experience the same barriers to veterinary care as other services, despite being adjacent to staggering wealth.

“This program is so unique; we got to spend an entire year building relationships and trust. What other funder does that? We are grateful for the opportunity to invest the time we needed to reach a community very much in need of support for both pets and people.”

– Sarah Reidenbach, DVM,  
Co-founder, Ruthless Kindness



In 2023, PetSmart Charities awarded \$150,000 in veterinary scholarships to students planning to spend some portion of their career in community-based practices. One recipient, Giulia Lanza-Billetta, is studying at University of California Davis. She plans to start her career in shelter medicine and own her own nonprofit practice one day.

# Keeping Pets & Families Together in Times of Crisis

The majority of pet parents in the U.S. are prepared to evacuate their homes with their pets in case of an immediate disaster – but they wouldn't leave home if they couldn't take their pets with them to safety. They would even give up their spot in a shelter if their pets were unable to co-shelter. These findings from a 2023 PetSmart Charities survey<sup>1</sup> reinforce the vital importance of incorporating pets in disaster relief preparedness and response plans.

**In 2023, PetSmart Charities provided over \$426,000 in emergency funding to help people and their pets safely find shelter locally or evacuate, and to help shelters rebuild or repair after a disaster.**

PetSmart Charities has continued to grow its yearslong partnership with the American Red Cross to help serve all members of a family during times of crisis, including beloved pets. Supported by \$2.25 million of funding from PetSmart Charities over three years, the American Red Cross has begun to introduce pet liaisons at its response sites. New technology launched in 2023 allowed for pets to be tracked as essential members of a family, so the organization can provide the appropriate relief and follow-up.



Devastating wildfires in Alberta and Atlantic Canada displaced thousands of people and their pets in 2023. PetSmart Charities supported 14 organizations on the front lines of disaster relief efforts with over \$187,000 in grant funding to rescue pets trapped in danger zones, keep evacuated pets safe and cared for, and support pet parents in accessing essential supplies like pet food and litter.

<sup>1</sup>The PetSmart Charities Pet Preparedness Survey was conducted by Wakefield Research among 1,000 nationally representative U.S. pet owners ages 18 and over, between May 19-25, 2023, using an email invitation and an online survey. This data has been weighted to ensure accurate representation of U.S. pet owners ages 18 and over.



# Feeding Hope for Today & Tomorrow

Each day, an estimated 30 million pets across the United States face hunger, but it's a problem that often goes unnoticed by society. Families are making heart-wrenching decisions as a result. [Research commissioned](#) by PetSmart Charities found that 83% of pet parents struggling with food costs would forgo their own meals to make sure their pet has enough to eat.



A social media "dinner dance" challenge and website donation match from an anonymous donor resulted in \$100,000 raised for the campaign.

In 2023, PetSmart Charities set out to change these realities for good. To bring public attention to the issue of pet hunger, and to encourage food banks to stock pet food on their shelves, the inaugural Pet Hunger Awareness Day™ campaign took place on September 26, 2023. In partnership with Feeding America, the campaign included four distribution events with local food bank affiliates in Tampa, Florida; Phoenix, Arizona; Denver, Colorado and San Antonio, Texas to attract media attention. In Phoenix, Mayor Kate Gallego issued a proclamation to mark the day. Across each site, pet parents picking up food for themselves and their pets shared their gratitude for the support.

Ongoing partnerships with Feeding America and Meals on Wheels America continue to support families in need to feed their pets and stay together. In 2023, Feeding America received donations of pet food valued at over \$9.6 million to distribute to their affiliate food banks across the country, the equivalent of over 60 million meals. Meals on Wheels America received \$500,000 from PetSmart Charities in grant funding. In turn the organization distributed funds to local affiliates to support pet food and access to veterinary care for seniors, whose pets are often a sole source of companionship.





# EMPOWERED PEOPLE







Provide

**40,000**

associates with upskilling each year to help them grow their careers with PetSmart

Expand

**access to pet ownership**

to increase the diversity of U.S. households with pets

# Empowered People

Across our business, it's our pet-passionate people that make the difference.

Throughout 2023, we made important investments in the way we operate. These changes were led by the voices of our associates and are focused on putting them in the best possible position to do **Anything for Pets**. From training and career development to wellbeing and workplace culture, we are investing in associates to ensure their experience meets the demands of a rapidly changing retail landscape. Together with our associates, we are securing a knowledgeable, compassionate workforce, today and in the future.

In 2023, we saw the results of our investments and values-driven actions through the feedback of our associates, which exceeded industry engagement benchmarks in areas related to change management, career development, diversity and belonging.

In an increasingly divisive world, our values guide us in providing a safe and inclusive environment for every associate and pet parent. In 2023, we advanced our diversity, equity, inclusion and belonging strategy through continued engagement with leaders, our teams in the field and external partners. As we worked to establish goals for our work in this area, we recognized that diversity among pet parents directly correlates to diversity among PetSmart associates. For that reason, we are focused on both external and internal initiatives that will expand access to pet ownership, serve diverse pet parents and increase diverse representation among our associates.



## 2023 HIGHLIGHTS

# Empowered People



**\$18.28**  
average U.S. field associate hourly wage

**83%**  
of associates say their leader supports their skill and career development

**\$57M+**  
spent with diverse suppliers

**100+**  
operational enhancements delivered as a result of associate feedback

**8.13**  
enterprise safety incident rate (OSHA TRIR)

**100**  
Human Rights Campaign's Corporate Equality Index



**33%**  
increase in Associate Resource Group participation

**\$500k+**  
in value of associate volunteerism





# Elevating Our Associates' Voices

As an employer that has always sought to meet the unique needs of our associates, we welcome opportunities to respond to shifting expectations and exceed a higher standard that is expected of employers today – particularly among retailers. Over the past several years, the workforce of eligible retail talent has become smaller and more diverse, and places an increased emphasis on skills development. We work to retain talent by ensuring PetSmart is a place where associates feel like they belong and can grow. One of the most critical ways that we ensure our associates know we want them to stay with PetSmart is by always asking for feedback and acting on those things that help us to build a better work experience.

In 2022, we launched our Voice of the Associate listening tour to create opportunities for senior leaders and decision makers to hear directly from associates on how we could improve their experience at PetSmart. Over the course of 18 months, we held 33 listening sessions that engaged over 500 associates from across our business. The results have been transformative – for our business and our associates.

Early in the tour, leaders developed a greater understanding of the impact that decisions made at our home office have in our stores, and where we can do better in managing change and decisions with our associates in mind first. In 2023, we began to host topic-specific sessions – bringing together associates in specific roles for deeper dives into topics of high priority raised in general sessions, including pet care and salon care.

In 2024, we plan to launch a digital, always-on listening and response tool across the enterprise. The tool, Purrspective, sends voluntary check-in surveys to our associates, collecting and analyzing associate submissions to provide meaningful insights that would improve the associate experience. The tool also provides leaders the opportunity to respond via the platform while maintaining associate confidentiality. In addition to continuing the Voice of the Associate listening tour into 2024, Purrspective will allow us to hear from more associates, more often, providing better quantitative and qualitative data to inform where and what specific interventions could improve the associate experience and drive retention.

Our associates are seeing the results of this engagement via process improvements that both simplify and make us more efficient, and updates to our training programs and talent management processes that invest in their growth. These improvements are delivered under an internal program called the Associate Journey, focused on establishing a work experience that attracts, retains and develops the workforce of the future by changing how we operate.

**By the end of 2023, the Journey had delivered several initiatives to our stores that drive our operating model, including:**

- More than 100 operational enhancements that reduce friction for associates
- Digital tools to improve the health care of pets we carry in our stores

- Redesigned foundational onboarding content for all store associates and leaders
- Role-specific onboarding curricula for salon bathers and pet products associates
- Simplified monthly continuing education for store associates
- New tools that provide insights into workforce planning and organizational health

## Central Bark

In early 2023, we launched Central Bark, a mobile-first communication tool that connects all associates to PetSmart, our values and culture, and each other. Central Bark provides a customizable forum to provide frontline associates with the content that matters most to them, while also giving them additional opportunities to provide ideas and feedback. Associate adoption and usage is climbing, with 70% adoption across the enterprise and 4.5 million logins in 2023. We continue to look for ways to provide our associates with meaningful and position-specific content.

## 2023 Associate Engagement Survey

The results of our annual engagement survey demonstrate the impact that our listening tour has had on associates' perceptions of two-way communication and openness. Associates described our culture as fun, inclusive, friendly, caring and diverse. We exceeded industry benchmarks in areas including: favorable view of company leadership, effective cooperation among departments, creating an environment where people with diverse backgrounds can succeed, and trust and respect for one another.

# Keeping the Pack Well

The health, safety and wellbeing of our associates is our greatest investment. We have designed competitive, comprehensive offerings to keep our associates well, help them get better when they aren't, and feel supported and prepared at every stage of their life and career.

## PETSMART AWESOME associate work experience OFFERINGS

- **Health:** [medical](#), [dental](#) and [vision](#) plans; [medical spending accounts](#); [health programs](#)
- **Financial:** [401\(k\) matching](#), [financial guidance](#), [deferred compensation plan](#)
- **Life Events:** [time away from PetSmart](#), [Ally employee assistance program](#), [PetSmart Associate Assistance Foundation \(PAAF\)](#)
- **Discounts:** [Associate discount](#), [tuition assistance](#), [PerkSpot](#) deals, [pet insurance](#)

We are always evaluating our offerings to provide the right level of support. In 2023, we embarked on a journey to switch to a private, online insurance marketplace for U.S. associates – giving those associates more choice, flexibility and affordability in selecting the medical, dental and vision coverage that's right for them and their families. Our medical, dental and vision enrollment increased by an average of 3% and enrollment in our life and disability insurance increased more than 50%. Over 27% of eligible participants enrolled in one or more of our newly added Critical Illness, Hospital Indemnity and Accident Insurance policies. PetSmart continues to share the cost of health coverage through a fixed employer cost share and maintains all other available benefits associates have previously utilized, such as medical spending accounts, Employee Assistance Program (EAP), and MetLife Legal Plan.

In Canada, new benefits related to prescription coverage, fertility treatment and gender affirming care took effect in January 2024.

### In 2023:

**583 associates**  
used our paid parental leave benefit

We contributed  
**\$16.7M**  
to participating associates' 401(k) accounts

Associates leveraged our employee assistance program, Ally,  
**700+ times**

Since its founding in 2011, the PetSmart Associate Assistance Foundation (PAAF) has provided over \$7 million in financial assistance and emergency resources to over 5,000 PetSmart associates experiencing unforeseen hardships. Funded by donations from PetSmart and our associates to help one another when it's needed most, in 2023 donations to the PAAF totaled nearly \$1 million.

In late March 2023, a tornado destroyed the home of Stephanie Jones, a member of our distribution center team in Newnan, Georgia. Stephanie was able to get her family to safety, but when the storm had passed she found they had lost all their belongings and vehicles. The PAAF was there to help Stephanie and her family rebuild. "PetSmart made sure we understood they were going to help us. The whole HR department was there for me. They helped me through the process of an application for PAAF. They helped pay for our rooms. They made sure we had food. They went and purchased me clothes, shoes – everything I needed to come back and be productive. When I began donating to the Associate Fund, I never thought, ever, that I would need their help."



During Mental Health Awareness month in May, we provided associates with tools and opportunities to talk about mental health and seek support as needed. Messages from senior leaders sharing their own vulnerability and personal stories set the tone, and our Associate Resource Groups held targeted group conversations throughout the month. All associates were invited to participate in a 20-day mental health challenge and encouraged to find new ways to check in on the mental wellbeing of their colleagues.



# Keeping the Pack Safe

Our passion for pets and people starts with safety. Our safety culture of “Keeping the Pack Safe” is one where every associate is responsible for their safety as well as others. It helps ensure that all associates go home in the same condition that they arrive and provide a shopping environment that fosters an incident-free experience.

As part of our work to continuously improve our health and safety policies and procedures, we worked closely with associates and leaders throughout 2023 and made several data-driven investments and decisions. Through monthly and quarterly safety improvement meetings, our cross-functional People Health & Safety Steering Committee comes together to review data analysis, discuss emerging trends and identify opportunities for improvement while keeping associate personal health-related information confidential. Our safety

teams partnered with store operations and our learning and development teams to ensure safety was appropriately incorporated in all new training and onboarding programs launched in 2023.

## Investing in associate safety

- Following a successful pilot in our Phoenix distribution center, in September 2023, we introduced wearable safety technology at all seven distribution centers, with the goal of improving and sustaining ergonomic safe behaviors while reducing safety incident rates. This wearable technology provides real-time feedback and trend identification to support associates in reducing the risk of sprain and strain incidents. Through the first 100 days of use, 366 associates utilized the new technology devices including new-in-role associates, safety team members and other associates.
- Our loss prevention and safety team closely monitors community-level retail crime and violence trends to aid in supporting associate and customer safety. In areas that have experienced escalated levels of incidents, we are expanding existing solutions and testing new ones. In 2023, we deployed live monitoring in select parking lots and introduced third-party monitoring triggered via camera analytics with live talk-down intervention at select stores and our Home Office vehicle gates. Stores that have implemented third-party live monitoring have seen a 57% average reduction in vagrancy incidents. We are also participating in the Retail Industry Leadership Association (RILA) [Vibrant Communities initiative](#) – a collaboration of retailers, social services providers, law enforcement, civic and business groups to address the complex societal challenges that contribute to habitual theft, violence and other unlawful activity in and around retail establishments.



## A Culture of Safety & Continuous Improvement

From the moment an associate joins the Pack, they begin their safety commitment journey with role-specific training and safety certifications. Associate learning and safety commitment is further sustained through monthly awareness program content and annual safety certifications.

- Annual associate safety certification training
- Monthly safety topics explored through discussion and e-learning
- Store and distribution center safety captains
- Monthly safety inspections
- Daily safety observations and engagements
- Quarterly trend review and strategic engagement with senior executives

### 2023 Safety Performance

**Enterprise**  
Associate safety  
incident rate  
(OSHA TRIR): 8.13

**Stores**  
Associate Safety  
incident rate  
(OSHA TRIR): 8.47

**Distribution Centers**  
Associate safety  
incident rate  
(OSHA TRIR): 3.23

# Investing in Associate Growth

From their first days on the job, we want every associate to be able to envision a career with PetSmart. Investing in the development of our associates is essential to our business strategy and in providing pet parents with the most knowledgeable support in the industry.

In 2022, our Voice of the Associate listening tour helped us uncover an opportunity to streamline and strengthen our onboarding processes, and in 2023 we implemented a new program that provides a solid foundation for individual growth and career development. We continue to evaluate our development programs to ensure they create a clear path for associates to increase their earning potential, uncover new career opportunities and become leaders at PetSmart.

## #NewToThePack

When associates join our team, there's a lot to learn – from pet care and safety to store operations and customer service. We've simplified onboarding for our store associates and leaders to ensure they are equipped with the knowledge and skills they need to perform at the top of their ability. In 2023, we also increased hands-on practice learning events while decreasing overall training time in our foundational onboarding training, #NewToThePack. Today, 65% of onboarding training for store associates is comprised of hands-on, on-the-floor activities, often side-by-side with knowledgeable associates. Each role in our stores includes a customized program that includes task and behavior-based coaching from leaders and/or experts in functional areas.

## Building a Career in the Salon

In 2023, we also redesigned the onboarding experience for our bathers, the entry point to PetSmart salons. The redesign is aimed at positioning associates with foundational, transferrable pet grooming skills and to help them see a career path in our salons. The program, Splash, replaces about half of the previous, computer-based training with direct, hands-on practice with a salon leader. In addition to learning proper technique and safety for bathing pets, associates learn about grooming, pet anatomy and more. Initial feedback from our salons has been overwhelmingly positive, with associates reporting greater confidence in performing the skills they've learned.



Our tuition reimbursement program encourages professional development and continued education for associates. We are proud to offer \$3,500 of tuition assistance per year for eligible full- and part-time associates. In 2023, we saw a 34% increase in associate participation, resulting in over \$660,000 in grants. Over 94% of participants are frontline associates.

## Developing Leaders

Our development programs build on strong, foundational onboarding experiences to cultivate leaders among our associates. Each program brings together hands-on experience and assignments with strong mentorship and ongoing learning and training. Instructor-led and self-paced training helps associates continue to develop critical business skills, and in 2023 we expanded instructor-led training to store leaders. Nearly 900 associates participated in 70 PetSmart-exclusive, instructor-led trainings in 2023.

### Other 2023 highlights include:

- Quarterly effectiveness training for all hotel and salon leaders;
- Intensive communication training for 40+ directors and managers to transform the way they engage with their teams, customers and key stakeholders;
- Our Store Leader Talent Acceleration Program, which graduated nine future market or district leaders;
- The launch of a new District Leader Talent Acceleration Program cohort to develop our pipeline of regional vice presidents and office leaders;
- A week-long leadership effectiveness training for 50+ high-performing store leaders, elevating their ability to drive greater engagement, retention and operational performance.



# Diversity, Equity, Inclusion & Belonging

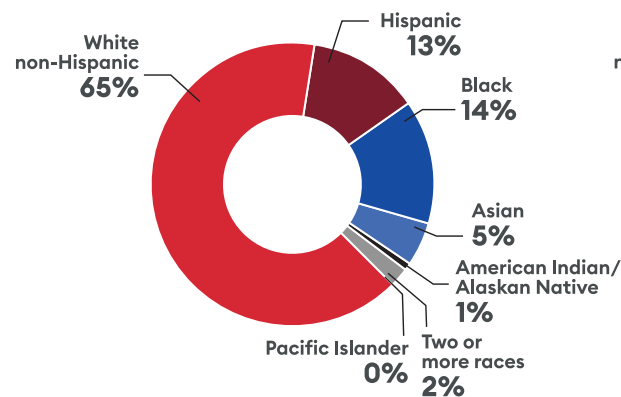
We believe that every family should be able to experience the joy and companionship pets bring to a home. Today, inequities that exist across systems and communities are also reflected in pet ownership. For example, according to the U.S. Census American Housing Survey, 74% of U.S. households that own pets are white, though white households make up 65% of the U.S. population. Conversely, Black households make up 14% of the U.S. population, but only 7% of pet ownership.

Our diversity, equity, inclusion and belonging strategy aims to grow diversity among pet ownership, while also growing the diversity of our associate population to reflect it. In 2023, we enhanced our strategy to align with this vision, and maximize our opportunities to positively impact PetSmart associates, customers and communities.

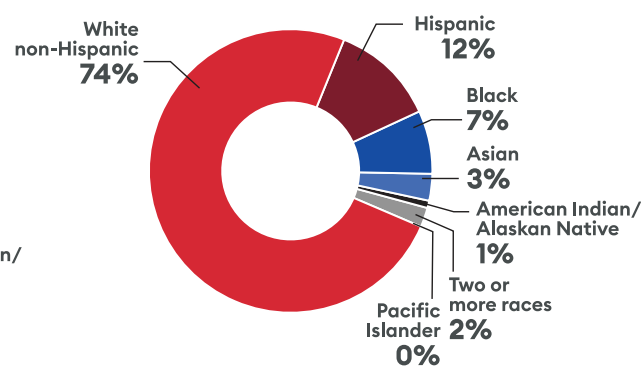
Within PetSmart, our work is focused on increasing diverse representation at every level of the business; creating equitable access to opportunity for associates to grow their careers; and fostering an inclusive workplace where every associate feels they truly belong. Through external engagement and collaboration, we are driving our industry forward in partnership with suppliers; ensuring that PetSmart stores are welcoming to all customers; and establishing new relationships and opportunities to advance our work. We partner closely with PetSmart Charities to maximize the impact of programs aimed at eliminating barriers and expanding access to pet ownership.



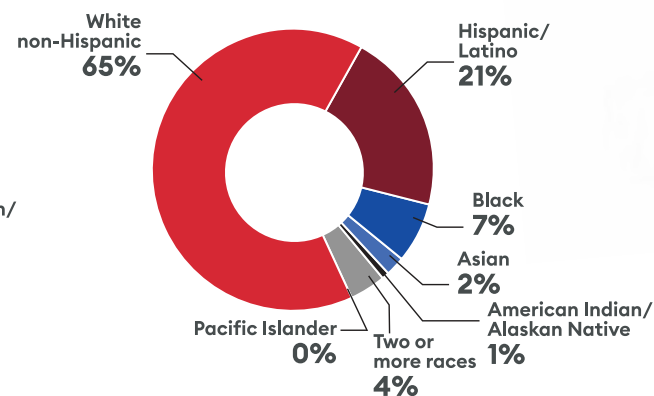
**U.S. Households**



**U.S. Pet-Owning Households**



**PetSmart Associates<sup>1</sup>**



<sup>1</sup>PetSmart associate data includes U.S. and Puerto Rico associates, as well as Only Natural Pet. Data excludes Canada associates, PetSmart Charities, seasonal associates, interns and temporary associates. Data is reflective of a total associate count of 45,588, as of December 2023.

# Diverse Talent

PetSmart is a stronger business because of the rich diversity our associates bring to the workplace each day – across gender, race, ethnicity, age, sexuality, culture, ability, education, lived experience and more. Our progress in 2023 included enhancements to our recruitment process to increase diverse applicants. We also completed a review of our existing mentorship programs and participants to identify opportunities to formalize, strengthen and expand programs. In 2023, nearly 70% of mentorship program participants since 2018 were still with PetSmart.

## Progress in 2023

- We successfully partnered with Professional Diversity Network (PDN), a recruiting platform aimed at connecting diverse talent to employers. The PDN/PetSmart diversity profile page yielded over 23,000 job views and 15,000 apply starts. The partnership also launched meaningful campaigns related to belonging and veteran hiring.
- Understanding bias in the workplace is the first step to managing it. In 2023, we offered unconscious bias and decision-making training to over 90% of leaders in our home offices, distribution centers and the field, and we expect to reach full completion in spring 2024. Over 500 associates and leaders gained a deeper understanding of unconscious bias through a total of over 400 hours of training. The training includes how to facilitate conversations around how biases develop and influence perceptions and decision making.
- Our Talent Acquisition team made significant strides toward streamlining and improving diverse talent sourcing by implementing proactive measures. Key outcomes included providing hiring managers with resources to create inclusive job descriptions, optimizing recruiting tools to provide anonymous candidate information and consolidated metrics, and creating a diversity dashboard for comprehensive historical diversity insights. These integrated efforts collectively foster a more informed and data-driven approach to diversity, equity and inclusion initiatives throughout the recruitment process.
- In September 2023, six PetSmart associates from our stores and distribution centers were selected to attend the National Retail Federation Foundation Emerging Leaders Summit, focused on learning and skill building for emerging retail leaders of color. Attendees had the opportunity to build their knowledge of the retail industry, hear directly from NRF experts and retail leaders, and cultivate a network of peers and individuals that are eager to invest in the next generation of leaders.

## PetSmart Scholarship Foundation

Established in 2020, the PetSmart Scholarship Foundation provides two scholarship programs, allowing all associates and their dependents the opportunity to apply for grants in pursuit of an associate or bachelor's degree. We awarded 20 grants in 2023. Part of the program includes focused grants to associates of color and their dependents, recognizing social-economic disparities and aiming to bridge the gap by providing increased educational opportunities and financial support.

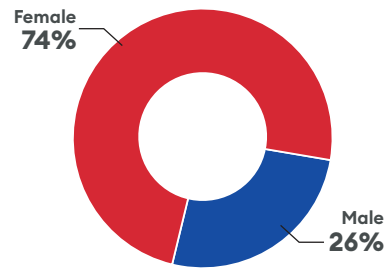


We will participate in the Arizona Diversity Legal Writing Program for the third consecutive year in 2024. The collaborative scholarship program between the Maricopa County Bar Association, the State Bar of Arizona, and Phoenix law firms and companies provides diverse law students with 12-week internships during their spring semesters.

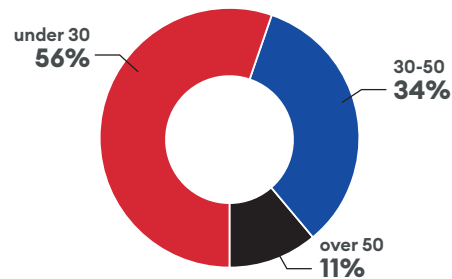


# Diverse Talent

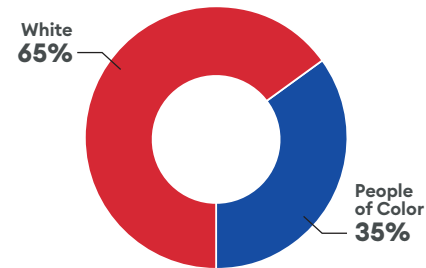
**Gender | Total Associates**



**Age | Total Associates**

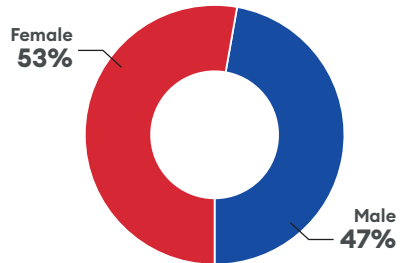


**Race | Total Associates**



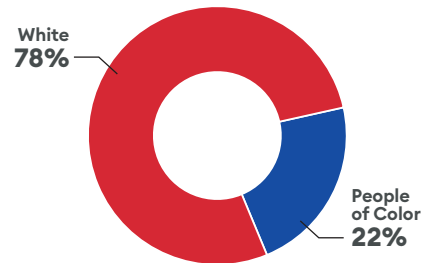
**Gender | Leaders of People<sup>1</sup>**

Total Count: 3897



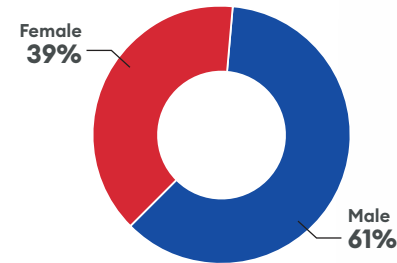
**Race | Leaders of People<sup>1</sup>**

Total Count: 3897



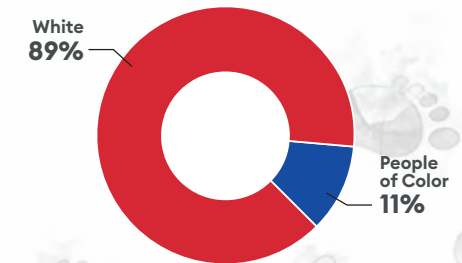
**Gender | Vice Presidents & above**

Total Count: 64



**Race | Vice Presidents & above**

Total Count: 64



This data is reflective of a total associate count of 45,588<sup>2</sup>, as of December 2023

Rounding may result in totals other than 100.

<sup>1</sup>Leaders of people include all associates with a direct report and excludes vice presidents and executives.

<sup>2</sup>Associate data includes U.S. and Puerto Rico associates, as well as Only Natural Pet. Data excludes Canada associates, PetSmart Charities, seasonal associates, interns and temporary associates.

# A Workplace Where Every Associate Belongs

PetSmart associates are at their best when they feel welcome and included as part of a team. Our culture has a long legacy of coming together to show each other we care – by setting aside time to learn, listen and share our experiences. We invest in a culture of belonging through development offerings, inclusive policies and practices, community investment and engagement opportunities.

## Celebrating Belonging

We celebrated our 5<sup>th</sup> annual Belonging Week in April 2023, spotlighting the backgrounds, experiences and differences that make every associate at PetSmart unique. Throughout the week, we invited associates to make intentional space and join in different conversations, engagement activities, learning opportunities and more. For the first time, in-store and distribution center associates were paid for three hours of labor time in order to participate in Belonging Week events. Over 2,300 associates attended our Belonging Town Hall, in person and virtually, and over 1,400 participated in one of our Associate Resource Group spotlight events. Belonging Week content on Central Bark received over 5,000 unique views.



One of the best ways to create impact is by providing associates with a supportive space to share more about themselves and what is important to them. Our “I Belong” series harnesses the power of empathy through storytelling. In 2023, associates submitted their own belonging stories and photos and we highlighted more than 100 associate stories on our internal and external social channels, at company town halls and other events, building a bridge to gain new perspectives and connections to each other.



In 2023, we introduced vest and smock options to identify deaf and hard-of-hearing associates. We also continue to make available store badge add-ons, business card templates and salon smocks with gender pronoun identifiers for those who wish to use them.

## PRIDE at PetSmart

We are honored to be named one of America's Greatest Workplaces for LGBTQ+ individuals by Newsweek, a recognition of our efforts to create an environment where all associates can do their best work. In 2023, our Pride at Work (PAW) Associate Resource Group grew our Pride month celebration in June to include more than 225 stores, all seven of our distribution centers, and our home offices in the U.S. and Canada. Associates participated in local pride events in 35 cities, and over 1,000 associates engaged in celebrating this cultural milestone.





# The Impact of Our ARGs

Our Associate Resource Groups (ARGs) give every PetSmart associate an opportunity to shape our culture, support their own and others' professional development and drive business growth. We took several steps in 2023 to maximize the impact of their work, including engaging an external consultant to support ARG leaders in their continued strategic evolution. In addition to executive sponsors, each ARG was also provided with a leadership advisor to give co-chairs more guidance and support in driving their groups' impact.

We also sought to increase participation in our ARGs, particularly in our stores and distribution centers. By launching ARGs on Central Bark and expanding communication channels to reach more associates, we grew membership by 33% in 2023. The addition of two new ARGs in 2024 – one for parents and caregivers and one for associates interested in environmental sustainability – will provide more opportunity for engagement.



### PetSmart ARGs are:

#### Advancing the careers of PetSmart associates

Our Women Inspiring Strength & Excellence (W.I.S.E) ARG elevated the voices of three of PetSmart's newest female leaders at a Belonging Week event attended by 130 associates. W.I.S.E. expanded its membership to 1,200 associates in 2023.

#### Engaging with our communities

Our Veteran ARG, SERVE, partnered with the Arizona Veterans Standdown Alliance and the Arizona Housing Coalition, supporting over 3,000 Veterans and their pets who are experiencing housing instability and homelessness. In partnership with the City of Phoenix, SERVE was a Medal of Honor sponsor, joining the annual Veterans Day Parade. In honor of our Veterans, PetSmart made its second annual \$25,000 donation to K9s for Warriors, offering PetSmart Treats® loyalty members 11X points on all purchases, an over \$463,000 investment from PetSmart on Veterans Day.

#### Driving awareness of issues impacting our associates

Awareness of Visible and Invisible Differences (AVID) facilitated an enterprise-wide sign-language training with over 200 associates in attendance. This event led to the creation of Deaf and/or Hearing Impaired vests for store associates who request one. Pride at Work (PAW) partnered with ONE Community to develop an empathy-building exercise that takes associates through the experience of coming out as LGBTQ+. Discussion and sharing throughout the exercise allows time to process and bond together as allies to step into the shoes of fellow associates, family and friends.



PetSmart associates participated in local pride events in 35 cities and over 1,000 associates engaged in celebrating this cultural milestone.



United together for Martin Luther King Jr. Day, associates from two distribution centers and our Phoenix home office marched in honor of Dr. King's vision of service and equality.

# Marketplace Diversity

Our own consumer research shows us that when pet parents feel included as part of our marketing campaigns, products and services, they become more loyal customers. Our inclusive marketing strategy includes consumer outreach and product offerings brought to market by diverse suppliers. In 2023, we spent over \$57 million with diverse suppliers, including more than \$49 million with women-owned businesses and \$8 million with minority-owned businesses.

Engaging Latino pet parents and increasing their loyalty is imperative for our continued growth – Latino consumers contributed an estimated \$3.2 trillion to the U.S. economy (GDP) in 2021, with purchasing power growing at twice the rate of non-Latinos. In 2023, we created a Hispanic Market Strategy Bootcamp for our marketing and merchandising partners, providing our teams with an opportunity to hear from Hispanic marketing experts and thought leaders on how we can incorporate this growth opportunity into our business plans in 2024 and beyond.

## UNINTERRUPTED x PetSmart

In 2023, we teamed up with multi-Emmy Award-winning athlete empowerment brand UNINTERRUPTED, founded by LeBron James and Maverick Carter, to bring important conversations about pet ownership to new audiences. Along with our partners at Hill's Pet Nutrition, we sponsored an episode of More than a Pet, featuring Tampa Bay Buccaneers wide receiver Chris Godwin and his two dogs, Ghost and Ziggy, as he shows the world the benefits of adopting. In another feature, titled Playdate, pro athletes Sydney Leroux and Lonnie Walker discuss their dogs, Zola and Penelope, the three Ts (training, toys, treats), and how animals have helped them during important parts of their life.

## External partnerships and sponsorships support each aspect of our DEIB strategy

- In 2023, we proudly joined Open to All, a national public engagement campaign that makes it clear to our customers that everyone is welcome in PetSmart stores, regardless of race, ethnicity, national origin, sexual orientation, gender identity and expression, immigration status, religion or disability.
- Our ongoing collaboration with the Black Chamber of Arizona, Arizona Hispanic Chamber and One Community of Arizona led to impactful convenings during our 2023 Belonging Week and strong connections with our talent acquisition teams.
- In October 2023, our CEO J.K. Symancyk joined Disability:IN and 200 of his peers across American industry in a push to engage corporate leaders in disability inclusion and drive participation in the Disability Equality Index. J.K. also became a signatory to CEO Action for Diversity & Inclusion, which aims to build greater understanding and create workplaces and communities that better reflect the diversity of our society.





# PetSmart Associates Make a Difference

Across the U.S. and Canada, PetSmart associates are active members of their local communities, supporting the organizations and causes they are passionate about with their time, talent and dollars. Our paid volunteer program is one way we show associates our support, and allows all associates to use at least four hours each calendar year to volunteer for a nonprofit cause that supports our values.

## In 2023:

- PetSmart associates were paid for over **17,000 hours of volunteer time**, donating approximately \$530,000 in value of volunteerism to the causes they care most about.
- PetSmart associates **donated over \$1.9 million** through our Be the Difference campaign, including \$1 million in support of the PetSmart Associate Assistance Foundation, and the remaining funds for PetSmart Charities and the United Way.



## Engaging Associates in Democracy

As we enter an election year, we are working to provide resources to all associates who are interested in making their voice count. PetSmart is committed to connecting associates to their communities and helping them to amplify their voice. Through a new partnership with Rock the Vote, a non-partisan 501(c)(3) organization, we will support associates with voter registration, state-specific voter information, identification of the issues in their own communities, and more. A dedicated PetSmart website will give associates the opportunity to check their registration status, pledge to vote and request an absentee ballot if needed. Voter registration and education sessions will take place throughout 2024.

## Associate Recognition

We reward the dedication, creativity and passion of our associates through several recognition programs.



- In 2023, we introduced the Talk of the Town, an award to celebrate the power of teamwork and cross-functional collaboration in driving business growth and innovation. The inaugural award recognized teams from our pet health, risk management and store operations teams for their work together to enhance our intake process for pets arriving at our stores.
- Our Excellence in Leadership Awards recognize district leaders and field partners who exemplify PetSmart values and make significant contributions toward our mission.
- Our Leader of the Pack awards recognize associates on a quarterly basis who consistently inspire others, embody PetSmart's company values, or go above and beyond to support pet parents and fellow associates.
- Our PlayUp recognition cards program allows for all associates to recognize each other for exemplifying our PetSmart values. In 2023, we reached over 2 million recognitions issued by associates since the program launched in 2020. In 2023, over 800,000 recognitions were received by associates. During Belonging Week, 5.9 million PlayUp points were awarded.





# RESPONSIBLE STEWARDS





Reduce our emissions intensity by

**30%**

by 2030, from a 2018 baseline

Divert

**75%**

of our waste from landfills by 2030

# Responsible Stewards

As the leading omnichannel pet retailer in North America, we are committed to acting as responsible stewards of our business and the PetSmart® brand – for millions of loyal customers and pets, our over 50,000 associates, the communities where we operate, and our shareholders. We earn their trust by putting our values into action each day and maintaining accountability to the pack – doing what’s right, delivering on our commitments and owning the outcomes of our actions.

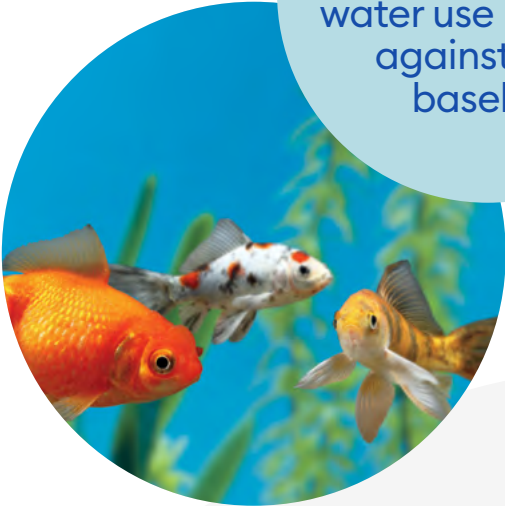
Our commitment to responsible stewardship encompasses all of our business practices. It includes a heightened focus on those areas where we know our business faces evolving risks and where we have the greatest opportunity for impact, including the health, safety and wellbeing of pets and our associates, empowerment of people and communities, and the preservation of our planet for future generations of pets and pet parents.

In 2023, our work to secure a healthier planet included the development of our first environmental sustainability goals. We are finalizing our first investment in renewable energy and have made significant advancements throughout our supply chain: investing in technology to reduce fleet mileage, expanding successful recycling programs and facilitating the donation of unsaleable goods. Our growing assortment of product offerings with sustainability attributes reflects deepening consumer engagement around climate action and ethical consumption.



## 2023 HIGHLIGHTS

# Responsible Stewards



**5.4%**  
reduction in  
water use intensity  
against 2018  
baseline



**57%**  
waste diverted  
from landfills

Finalizing  
**first  
investment**  
in renewable energy  
at Phoenix  
distribution center

**\$380K**  
in unsaleable  
product donated



# Strong Governance & Business Practices

In October 2023, Apollo Global Management (Apollo) made a strategic equity investment in PetSmart, joining BC Partners in a vote of confidence in our growth strategy and vision. The combined expertise of BC Partners and Apollo is enabling even greater value creation opportunities as our business continues to grow. Since becoming our controlling owner in 2015, BC Partners has partnered closely with our leadership team to grow the business by 40%, while also supporting investments in the experience of our associates and customers. Apollo brings added welcome expertise in the consumer, grocery and retail sectors to our team.

Our Board of Directors comprises a mix of individuals appointed directly by BC Partners and Apollo, and includes two committees which provide additional oversight. Duties of the Audit Committee include monitoring the integrity of financial statements and reporting; compliance with legal and regulatory requirements; adherence to our [Code of Ethics and Integrity](#); and performance of our internal audit function. The Committee also evaluates the qualifications, independence and performance of independent auditors and facilitates communication among independent and internal auditors and management. Responsibilities of the Compensation Committee include oversight of our overall compensation philosophy as well as CEO and executive officer compensation, including incentive compensation.

## Protecting data privacy

We earn, maintain and foster trust with our customers and associates through stringent data privacy and information security practices. Our data privacy committee is led by an executive vice president and comprised of vice presidents and other leaders with direct responsibility for data privacy and information security within the company. This committee sets the direction for privacy protection at PetSmart and ensures compliance with all state, provincial and federal laws. In 2023, the committee closely monitored external trends, legislative proposals and risks to inform implementation of best practices in privacy and security.

## Enterprise risk management

Our enterprise risk management (ERM) committee takes a proactive approach to monitoring and mitigating risks posed to the near- and long-term sustainability of our business, including risks related to macroeconomic trends, pet and people health and safety, our competitive landscape, cybersecurity and regulatory activity. In 2023, our ERM framework also helped to inform the establishment of our CSR goals: we surveyed executive leadership on the top business risks that could be mitigated through our work to achieve new goals, ensuring alignment between our business and CSR strategies.



# Responsible Consumption

Over the past decade, we have steadily expanded the footprint of our operations while reducing the intensity of resources required to power them. Each year, we accelerate our progress with added rigor and in 2023 deployed new technologies to further our energy, water and waste reduction initiatives. With comprehensive measurement and monitoring in place, we have also begun working toward achieving two reduction targets by 2030:

- Reduce our emissions intensity by 30%, compared to a 2018 baseline
- Divert 75% of our waste from landfills



The single largest source of our greenhouse gas emissions is the electricity we use to power our stores. In 2023, we used approximately 585,000 mWh of electricity for stores, which made up 70.2% of total emissions. Meeting our energy reduction target will require continued investments in operational efficiencies as well as in renewable energy sources outside of our operations. Across our retail operations, we are:

- Working to steadily expand our latest system for automating building energy usage, currently in 500 stores and generating significant energy savings.
- Proactively replacing outdated HVAC systems.
- Expanding participation in demand response programs with energy providers.
- Continuing to proactively retrofit facilities with LED lighting.
- Upgrading our fish wall systems, saving energy and water. In 2023, we upgraded 127 systems.
- Exploring additional test projects, such as humidity control solutions.



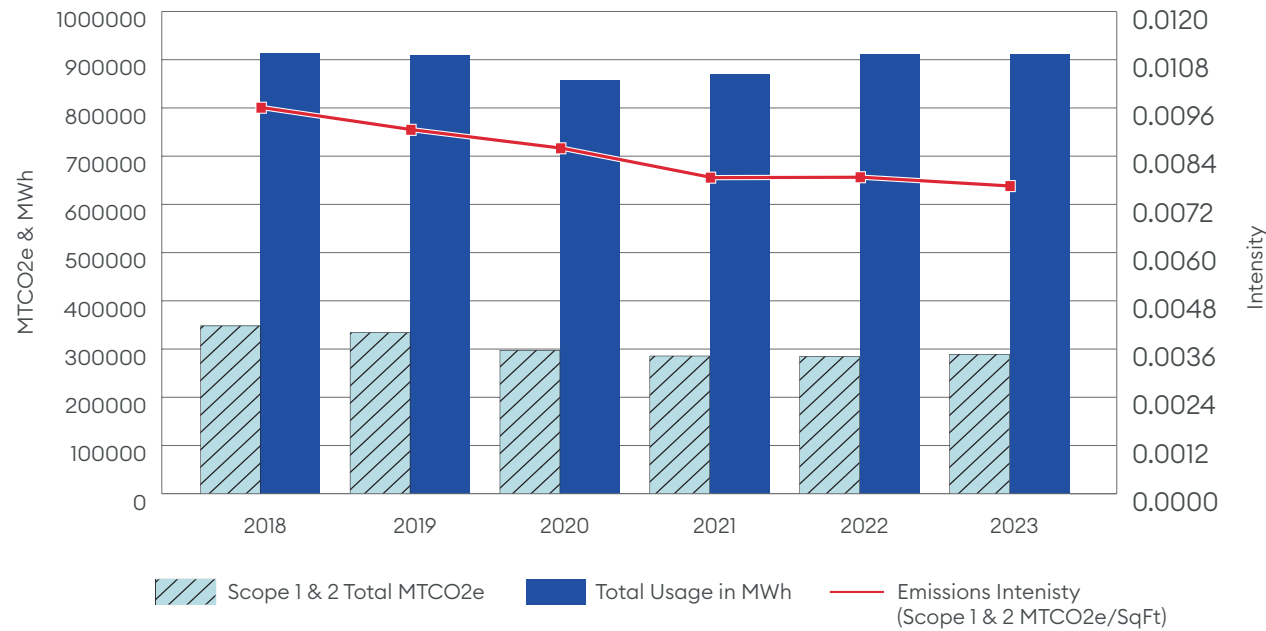
## Investing in Renewables

We are always evaluating opportunities for renewable energy investments that will help us meet our energy reduction goals and align with our real estate strategies. We are finalizing an agreement to power our Phoenix, Arizona distribution center with solar power – marking PetSmart’s first investment in renewable energy sources. Each year, the solar system is expected to offset 25% of energy used in the facility.

In October, we completed the installation of electric vehicle chargers at our Phoenix home office, with usage steadily increasing through year-end.



**Energy Usage<sup>1</sup>**



**Emissions<sup>1</sup> (MTCO2e)**

	2018	2019	2020	2021	2022	2023
Scope 1	67,093	67,613	66,780	69,814	63,569	64,298
Scope 2	281,452	266,799	231,364	216,284	221,588	225,393
Scope 1 & 2 MTCO2e	348,545	334,412	298,144	286,098	285,157	289,692
<b>Total GHGs (MTCO2e)</b>	<b>348,545</b>	<b>337,782</b>	<b>298,589</b>	<b>286,421</b>	<b>286,173</b>	<b>291,517</b>

<sup>1</sup>Energy usage and emissions data provided by third-party bill pay partners



**Our operational footprint**

**1,670+**

retail locations throughout the U.S., Canada and Puerto Rico

**7**

distribution centers

**4**

non-store sites, including U.S. corporate headquarters and data center

# Conserving Water

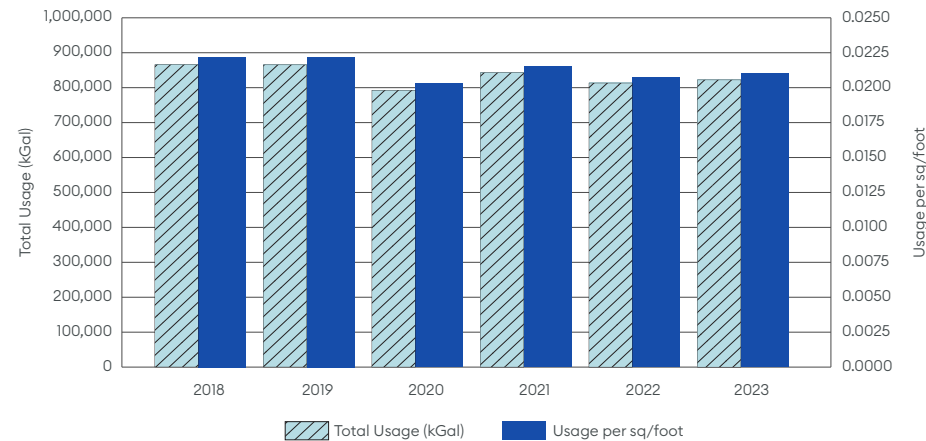
We have reduced our water use intensity by 5.4% since 2018.

Following a comprehensive analysis of our water consumption in 2022, we began exploring new monitoring systems to help us better track and manage water use, particularly in our retail operations. We will focus our efforts in two areas with the greatest opportunity for usage reductions – our salon bathing operations and our fish wall systems.

As part of our store retrofit strategy, which we anticipate will result in several upgrades at 600 PetSmart stores nationwide by 2026, we installed new fish wall systems in 127 stores in 2023. At completion, we expect these replacements will result in significant water savings.



## Water Usage<sup>1</sup>



<sup>1</sup>Water usage data provided by third-party bill pay partners



# Transportation & Logistics

Our entire fleet is operated by third parties and nearly 50% of our stores are serviced by a dedicated fleet. We work closely with all carriers to maximize efficiencies, and in 2023 we surveyed them on programs they've implemented to measure and reduce mileage, fuel usage and costs.

We have also invested in several new partnerships to drive fleet efficiency:

- We began integrating all U.S., cross-border and intra-Canada shipments with Breakthrough Fuel, which provides shippers with real-time fuel data to improve efficiency and sustainability.
- Our collaboration with Uber Freight, which has now been integrated in all shipping to our distribution centers, is helping us identify routing opportunities to reduce our carbon footprint, including shipper collaboration and “less than truckload” pooling options that were not previously available to us.
- We worked with a global supply chain consultant to complete a network review, resulting in over 300 stores changing distribution center origins for improved efficiency.

In our digital space, we have also been investing in optimizing our ship to home experience for both our pet parents and associates. Our goal is to offer pet parents convenience, speed and reliability in digital orders. We are actively working to reduce shipping time and decrease the distance an order is traveling to sustain a more efficient digital network. In 2023, we introduced “ship from store” capabilities at 100 stores in the U.S. with plans for rapid expansion in 2024. We continue to build out our tracking capabilities to measure and report on associated environmental savings.

## Reverse Logistics

We continue to expand our backhaul program, which allows for the return of recyclable materials from stores to distribution centers and now includes 62% of our fleet. In 2023, we expanded the collection of assets to include corrugated fish boxes, insulated liners, Styrofoam boxes and soft plastic materials for reuse and recycling. We also tested a few scenarios to validate our ability to return metal salvage and repairable goods to our distribution centers for reuse or recycling. These test scenarios were successful and we're evaluating options to expand this program over time.



# Diverting Waste

In 2023, we diverted 57% of our waste from landfills.

As we work toward our goal of diverting 75% of all waste from landfills by 2030, we continue to identify waste streams that can be targeted for reuse and recycle programs. Across our stores and distribution centers, we recycle all corrugate, pallets, Styrofoam and soft plastics, and are working to expand plastic stretch wrap recycling across our operations. In 2023, we investigated new options for comprehensive organics and aluminum recycling and established a new partnership to expand reuse of unsaleable goods that are stored in our distribution centers.



## 2023 Highlights

- We established new case packaging standards to optimize inventory management and eliminate waste. By choosing right-sized case packaging, we estimate we will reduce total cases used by 49%, and total corrugate used by 24%, resulting in approximately \$400,000 in savings.
- We partnered with [Good360](#) to facilitate the donation of unsaleable hard goods to nonprofit organizations. Good360 will pick up and store product or find donation partners with the capacity to pick up product directly from our distribution centers. Our first donation in 2023 included \$150,000 worth of product from our Phoenix, Arizona distribution center. In a separate donation, we provided \$230,000 worth of product at our Newnan, Georgia facility to Flew The Coop® charitable initiative, an organization that supports nonprofits in rescuing animals in need and providing emergency assistance to those in crisis during disasters.
- We diverted over 16 tons of e-waste from landfills, across our corporate offices and distribution centers. We also donated equipment valued at \$45,000 to PetSmart Charities.

## Waste Diversion at Our Distribution Centers

	2021	2022	2023
Recycled corrugate	9,670 tons	9,829 tons	9,087 tons
Recycled stretch wrap	681 tons	798 tons	748 tons
Waste to landfill	6,362 tons	7,052 tons	5,548 tons
Percent recycled	62%	60%	64%

## Waste Diversion at Our Stores

	2021	2022	2023
Waste generated	102,203 tons	104,909 tons	108,053 tons
Waste diverted	57,821 tons	60,547 tons	61,093 tons
Percent diverted	56.6%	58%	57%





# Sustainable Products

Pet parents are more concerned about the environment than non-pet owners, with a [recent survey](#) finding that 70% of pet parents around the world are trying to have a positive impact on the environment through everyday actions. We continue to introduce brands that prioritize sustainability – through their ingredient selection and sourcing, packaging attributes and philanthropic commitments.

- **Only Natural Pet**, a wholly owned subsidiary of PetSmart, was the first North American pet food and treat company to become a designated Certified B Corporation by international nonprofit B Lab, meaning it's part of a global community that voluntarily meets high standards of social and environmental impact, transparency and accountability. Only Natural Pet now offers 200+ products featuring natural, high-quality, responsibly sourced ingredients. In 2023, we introduced MaxBlends™ dehydrated dog food, offering a fresh-frozen comparable dog food in a shelf stable, non-refrigerated format. New, non-toxic dog waste bags



are made from 100% post-consumer recycled plastic and are compatible with a new, 100% post-consumer recycled dog waste bag dispenser. New dog toys come in a variety of designs and are made with sustainable materials, including post-consumer recycled poly-fill and natural rubber.

- Launched in March 2023, **Arcadia Trail**® pet bandanas, dog t-shirts, and dog hoodies are made with 100% recycled material, helping dogs roam the great outdoors in style while reducing their environmental paw prints.



- An expanded assortment of **Grrreen**® dog toys are made from recycled plastic bottles. The brand focuses on preventing plastic waste from ending up in our oceans and landfills by making it into pet-friendly, earth-friendly gear.



- We introduced **earthbath**® shampoo, conditioner and detangling spritz as an option in all salons in 2023. Earthbath® products are non-toxic, paraben- and sulfate-free, phthalate-free, phosphate-free, dye-free and soap-free.



We're also working to integrate sustainability throughout the pet parent experience. In 2023, we began testing paper gift cards to replace existing plastic in 125 stores across the U.S. and Canada. During the three-month period that paper gift cards were available, we observed a positive user experience and began making plans for expansion of the program. By the end of 2024, PetSmart will utilize 100% paper PetSmart gift and merchandise cards in our U.S. and Canadian stores.

Our commitment to explore different solutions to single use plastic bags also progressed in 2023. We have stopped distributing bags at our Canadian retail locations, with the option for customers to request one at a cost of 10 cents. Since making this switch in January 2023, consumer adoption has been positive with minimal disruption.



# Ethical & Sustainable Sourcing

Our proprietary brand products are sourced from suppliers across the U.S., Canada and abroad. We work closely with each supplier to ensure they meet the expectations set forth in our [Supplier Code of Conduct](#). PetSmart respects and protects human rights wherever we operate and throughout our supply chain, following all applicable labor and employment laws, including those that govern working hours, fair wages, safety and health. We select and work only with business partners who are also committed to these principles.

We work with a third-party provider to conduct social compliance audits of our direct sourcing suppliers for all proprietary brands. In 2022, we revamped our supplier education program, including robust training for new vendors and ongoing resources and support for all suppliers in striving for continuous improvement. We are seeing the results of this deepened engagement through year-over-year reductions in the percentage of our suppliers classified as “high risk.” In 2023, nearly 95% of all proprietary brand suppliers were classified as “low risk”; nearly 5% were “medium risk”; and less than 1% were “high risk.” We continue to focus on “high risk” suppliers through individualized outreach and coaching.

For certain materials that are more frequently associated with forced labor concerns in the global supply chain, we conduct additional due diligence, including but not limited to supply chain mapping to the raw-material level. In addition to cotton, this process now applies to polyvinyl chloride (PVC) and aluminum.

## Product Quality

For every product we sell, we closely monitor customer reviews for feedback on quality, value and pet satisfaction. In 2023, we consistently achieved average ratings above 4 stars for our proprietary brand items, a result of effective design work and collaboration with our suppliers.



In addition to health and safety checks, we audit our distribution centers for hygiene and cleanliness monthly. These audits consistently surpassed industry cleanliness standards in 2023, with all scores at or above 90%.

## Labeling Transparency

Over the past several years, we joined the Association of American Feed Control Officials in helping to inform its standards for Pet Food Label Modernization, which took effect in January 2024. The new labeling standards provide clearer, more transparent nutritional and ingredient information to pet parents, with a nutrition panel that looks the same as it would for human food.



## Sustainable Paper Sourcing

In 2023, we completed an audit of the paper used in our print center, which provides services to all our business and marketing functions. We continue to shift our paper purchasing to options that carry either Forest Stewardship Council (FSC) or Sustainable Forestry Initiative (SFI) certification. These standards ensure the protection of areas of high biodiversity, endangered species and water quality, among other criteria. In 2023, 82% of all paper sheets purchased carried FSC or SFI certification, or both.



# About this Report

PetSmart's second annual Corporate Social Responsibility report details business practices across dimensions of environment, social and governance (ESG) and reflects the company's commitment to operate responsibly, generate positive impact for its stakeholders, and improve the lives of pets and pet parents.

Reporting boundaries include all North American operations in the U.S., including Puerto Rico and Canada, except where otherwise noted. Our small operations in Asia are not included within the boundary of this report, except as they pertain to our sourcing practices and vendor management. Data and information included in the report reflect activities for Fiscal Year 2023 (January 30, 2023-January 28, 2024), unless otherwise noted. All data and information have been extensively reviewed internally and are accurate to the best of our knowledge at the time of publication. Data has not been assured or verified by a third party.

Certain information and data contained herein has been obtained from third parties. While we believe these third-party sources are reliable, we have not independently verified the data from these third-party sources and make no representations regarding the accuracy and completeness of such data. Unless otherwise noted, certain internal metrics, such as safety rates, are calculated using criteria that management finds useful and may not be comparable to similar metrics cited by other parties.

This report has also been reviewed by our ESG Steering and Operating Committees, and shared with our Board of Directors.

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## Materiality

In 2022, we conducted our first CSR materiality assessment. The issues, statements and data included in this report are being provided because we have concluded they are of interest to our various stakeholders. Our inclusion of these issues, statements and data is not intended to convey that we believe such statements and data meet the definition of materiality as used in the context of financial reporting or for regulatory reporting purposes.



We welcome feedback on our CSR strategy and reporting. Please direct questions or comments to [CSR@PetSmart.com](mailto:CSR@PetSmart.com)

## Forward-Looking Statements

The Information contained in this report includes forward-looking statements regarding, among other things, our expectations for future performance, goals, plans and objectives. You should not place undue reliance on these forward-looking statements, which are based on currently available information and management's current expectations and beliefs about future events or future performance and actions. We have attempted to identify forward-looking statements by words such as "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "should," or other comparable terminology. However, such terminology is not the exclusive means of identifying forward-looking statements and its absence does not mean that the statement is not forward-looking. Although we believe the expectations and beliefs reflected in the forward-looking statements are reasonable, such statements speak only as of the date of the information, and we do not undertake any obligation to update or revise, publicly or otherwise, any of the forward-looking statements after such date.

Forward-looking statements are not guarantees of future performance or results and involve inherent risks and uncertainties that could cause actual results to materially differ from those predicted in such forward-looking statements. Further, 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.

# GRI Content Index

Statement of use: PetSmart has reported with reference to the GRI Standards for the period January 30, 2023 – January 28, 2024

GRI 1 used: GRI 1: Foundation 2021

## GRI 2: General Disclosures 2021

GRI Standard	Disclosure Title	PetSmart Response
2-1	Organizational details	About PetSmart, <a href="#">p. 6</a> , 2023 CSR Report; PetSmart is a privately-held limited liability company (LLC)
2-2	Entities included in the organization's sustainability reporting	About this Report, <a href="#">p. 55</a> , 2023 CSR Report
2-3	Reporting period, frequency and contact point	About this Report, <a href="#">p. 55</a> , 2023 CSR Report
2-4	Restatements of information	This report includes no restatements of information.
2-5	External assurance	About this Report, <a href="#">p. 55</a> , 2023 CSR Report
2-6	Activities, value chain and other business relationships	About PetSmart, <a href="#">p. 6</a> , 2023 CSR Report
2-7	Employees	Diverse Talent, <a href="#">p. 39</a> , 2023 CSR Report
2-9	Governance structure and composition	Strong Governance & Business Practices, <a href="#">p. 47</a> , 2023 CSR Report
2-11	Chair of the highest governance body	The Chair of the Board is not a senior executive in the organization.
2-12	Role of the highest governance body in overseeing the management of impacts	Strong Governance & Business Practices, <a href="#">p. 47</a> , 2023 CSR Report CSR Governance, <a href="#">p. 9</a> , 2023 CSR Report





## GRI 2: General Disclosures 2021

GRI Standard	Disclosure Title	PetSmart Response
2-13	Delegation of responsibility for managing impacts	Strong Governance & Business Practices, <a href="#">p. 47</a> , 2023 CSR Report CSR Governance, <a href="#">p. 9</a> , 2023 CSR Report
2-14	Role of the highest governance body in sustainability reporting	About this Report, <a href="#">p. 55</a> , 2023 CSR Report
2-15	Conflicts of interest	We conduct a quarterly review for conflicts of interest among our primary shareholders and have established a robust disclosure, approval and management process for any transaction that may result in cross-shareholding.
2-22	Statement on sustainable development strategy	A Message from our President & Chief Executive Officer, <a href="#">p. 4</a> , 2023 CSR Report
2-23	Policy commitments	<a href="#">Code of Ethics &amp; Integrity</a> <a href="#">Supplier Code of Conduct</a>
2-24	Embedding policy commitments	<a href="#">Code of Ethics &amp; Integrity</a> <a href="#">Supplier Code of Conduct</a> Strong Governance & Business Practices, <a href="#">p. 47</a> , 2023 CSR Report Ethical & Sustainable Sourcing, <a href="#">p. 54</a> , 2023 CSR Report
2-25	Processes to remediate negative impacts	<a href="#">Code of Ethics &amp; Integrity</a>
2-26	Mechanisms for seeking advice and raising concerns	<a href="#">Code of Ethics &amp; Integrity</a>
2-28	Membership associations	Stakeholder Engagement, <a href="#">p. 12</a> , 2023 CSR Report
2-29	Approach to stakeholder engagement	Stakeholder Engagement, <a href="#">p. 12</a> , 2023 CSR Report
2-30	Collective bargaining agreements	0.04% of employees are covered by collective bargaining agreements



### GRI 3: Material Topics 2021

GRI Standard	Disclosure Title	PetSmart Response
3-1	Process to determine material topics	In 2022, we partnered with the Pet Sustainability Coalition and an expert, independent consultant to complete a materiality assessment that identified and prioritized our material topics. Through this assessment, we solicited feedback from internal and external stakeholders, including senior leaders and associates, investors and experts in the areas of animal welfare, retail sustainability and corporate responsibility. The results of this assessment guide our CSR investments and have informed our work in determining forward-looking goals and performance targets. CSR Strategy: Material Topics, <a href="#">p. 14</a> , 2023 CSR Report
3-2	List of material topics	CSR Strategy: Material Topics, <a href="#">p. 14</a> , 2023 CSR Report

### GRI 203: Indirect Economic Impacts 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	PetSmart Charities, <a href="#">p. 25</a> , 2023 CSR Report
203-1	Infrastructure investments and services supported	PetSmart Charities, <a href="#">p. 25</a> , 2023 CSR Report
203-2	Significant indirect economic impacts	PetSmart Charities, <a href="#">p. 25</a> , 2023 CSR Report

### GRI 205: Anti-Corruption 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Strong Governance & Business Practices, <a href="#">p. 47</a> , 2023 CSR Report <a href="#">Code of Ethics &amp; Integrity</a>
205-1	Operations assessed for risks related to corruption	100% of owned operations have been assessed for risks related to corruption through our enterprise risk management process.
205-2	Communication and training about anti-corruption policies and procedures	<a href="#">Code of Ethics &amp; Integrity</a>



## GRI 3: Material Topics 2021

### GRI 301: Materials 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Sustainable Products, <a href="#">p. 53</a> , 2023 CSR Report
301-1	Materials used by weight or volume	In 2023, we began a packaging audit to provide us with a baseline assessment of all proprietary brand packaging – including the type of packaging for each component and its post-consumer life cycle. This information will help us work with our suppliers to develop sustainable packaging standards, eliminate unnecessary or problematic materials, and increase the recyclability and reuse of our product packaging.

### GRI 302: Energy 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Responsible Consumption, <a href="#">p. 48</a> , 2023 CSR Report
302-1	Energy consumption within the organization	Energy use intensity, <a href="#">p. 49</a> , 2023 CSR Report <sup>1</sup>
302-3	Energy intensity	Energy use intensity, <a href="#">p. 49</a> , 2023 CSR Report
302-4	Reduction of energy consumption	Responsible Consumption, <a href="#">p. 48</a> , 2023 CSR Report

#### <sup>1</sup>Energy Use

Heating	MTCO <sub>2</sub> e
Natural Gas	61,145
Propane	1,943

### GRI 303: Water and Effluents 2018

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Conserving Water, <a href="#">p. 50</a> , 2023 CSR Report
303-1	Interactions with water as a shared resource	Conserving Water, <a href="#">p. 50</a> , 2023 CSR Report <sup>2</sup>

#### <sup>2</sup>Water Withdrawal

Type	kGal
Waste Water	262,565
Water	546,263
Irrigation, Cooling, Sprinklers	13,448

## GRI 3: Material Topics 2021

### GRI 304: Biodiversity 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	We believe that providing a legal and traceable supply chain for the sale of live pets with accountable vendors and breeders is paramount for responsible pet ownership. Our specialty pet business includes certain species of fish, birds, reptiles, amphibians, invertebrates and other small animals. When considering animals for sale in our stores, we review criteria which includes, but is not limited to, conservation and trade status (within the International Union for Conservation of Nature and the Convention on International Trade in Endangered Species), safety and public health factors, and environment and care requirements. We also closely monitor the regulatory landscape, evolving animal welfare standards and consumer preferences to inform our decisions on small pet sourcing and sales.
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	To determine appropriateness of the sale of a species, we require review and evaluation of the International Union for Conservation of Nature (IUCN) species list.

### GRI 305: Emissions 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Responsible Consumption, <a href="#">p. 48</a> , 2023 CSR Report
305-1	Direct (Scope 1) GHG emissions	Responsible Consumption, <a href="#">p. 48</a> , 2023 CSR Report
305-2	Energy indirect (Scope 2) GHG emissions	Responsible Consumption, <a href="#">p. 48</a> , 2023 CSR Report
305-3	Other indirect (Scope 3) GHG emissions	We track Scope 3 emissions related to business travel <sup>1</sup>
305-4	GHG emissions intensity	Responsible Consumption, <a href="#">p. 48</a> , 2023 CSR Report
305-5	Reduction of GHG emissions	Responsible Consumption, <a href="#">p. 48</a> , 2023 CSR Report

### <sup>1</sup>Scope 3 Emissions

All Travel	Carbon Emission DEFRA	CO2 Tonnes
Air	1,227,255	1,227
Rail	5.96	0.01
Car	138,184	138
Hotel	460,089	460
<b>Total</b>	<b>1,825,534</b>	<b>1,826</b>





## GRI 3: Material Topics 2021

### GRI 306: Waste 2020

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Diverting Waste, <a href="#">p. 52</a> , 2023 CSR Report
306-1	Waste generation and significant waste-related impacts	Diverting Waste, <a href="#">p. 52</a> , 2023 CSR Report
306-2	Management of significant waste-related impacts	Diverting Waste, <a href="#">p. 52</a> , 2023 CSR Report
306-3	Waste generated	Diverting Waste, <a href="#">p. 52</a> , 2023 CSR Report
306-4	Waste diverted from disposal	Diverting Waste, <a href="#">p. 52</a> , 2023 CSR Report
306-5	Waste directed to disposal	Diverting Waste, <a href="#">p. 52</a> , 2023 CSR Report We directed 70 tons of hazardous waste to disposal in 2023.

### GRI 401: Employment 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Empowered People, <a href="#">p. 31</a> , 2023 CSR Report
401-1	New employee hires and employee turnover	We hired 24,406 new associates in 2023. Our attrition rate was 48.7%.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Keeping the Pack Well, <a href="#">p. 34</a> , 2023 CSR Report <a href="https://benefits.petsmart.com">benefits.petsmart.com</a>
401-3	Parental leave	583 associates used our paid parental leave benefit in 2023, including 418 females and 165 males



## GRI 3: Material Topics 2021

### GRI 403: Occupational Health and Safety 2018

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Keeping the Pack Safe, <a href="#">p. 35</a> , 2023 CSR Report
403-1	Occupational health and safety management system	Our safety program elements are designed to foster a culture of safety and commitment to preventing injuries and meet all federal, state, and provincial health and safety regulations.
403-2	Hazard identification, risk assessment, and incident investigation	Potential hazards are identified and resolved through operational processes including safety inspections, safety meetings, and our safety observations program where associate safe behaviors are coached and recognized in the moment. All associates are required to immediately address safety issues and report unsafe conditions or behaviors, no matter how minor, to their leader to aid in resolution. All associate work-related injuries or illnesses are required to be reported within our integrated incident management system and be investigated to determine root cause and develop a plan to prevent a recurrence. In addition to distribution center and store level inspections and observations, field leadership and Internal Audit conduct similar audits to aid in identifying hazards and process improvements.
403-3	Occupational health services	Keeping the Pack Safe, <a href="#">p. 35</a> , 2023 CSR Report
403-4	Worker participation, consultation, and communication on occupational health and safety	Keeping the Pack Safe, <a href="#">p. 35</a> , 2023 CSR Report
403-5	Worker training on occupational health and safety	Keeping the Pack Safe, <a href="#">p. 35</a> , 2023 CSR Report
403-6	Promotion of worker health	Keeping the Pack Well, <a href="#">p. 34</a> , 2023 CSR Report <a href="https://benefits.petsmart.com">benefits.petsmart.com</a>
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Keeping the Pack Safe, <a href="#">p. 35</a> , 2023 CSR Report
403-8	Workers covered by an occupational health and safety management system	100% of associates are covered by an occupational health and safety management system.
403-9	Work-related injuries	Keeping the Pack Safe, <a href="#">p. 35</a> , 2023 CSR Report
403-10	Work-related ill health	Keeping the Pack Safe, <a href="#">p. 35</a> , 2023 CSR Report



## GRI 3: Material Topics 2021

### GRI 404: Training and Education 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Investing in Associate Growth, <a href="#">p. 36</a> , 2023 CSR Report
404-2	Programs for upgrading employee skills and transition assistance programs	Investing in Associate Growth, <a href="#">p. 36</a> , 2023 CSR Report
404-3	Percentage of employees receiving regular performance and career development reviews	All PetSmart associates receive regular performance reviews. Review types, and the integration of career development topics, vary by role and level.

### GRI 405: Diversity and Equal Opportunity 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Diversity, Equity, Inclusion & Belonging, <a href="#">p. 37</a> , 2023 CSR Report
405-1	Diversity of governance bodies and employees	Diverse Talent, <a href="#">p. 38</a> , 2023 CSR Report

### GRI 408: Child Labor 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Ethical & Sustainable Sourcing, <a href="#">p. 54</a> , 2023 CSR Report
408-1	Operations and suppliers at significant risk for incidents of child labor	<p>PetSmart has a social responsibility program that evaluates its proprietary brand suppliers on an annual basis. PetSmart follows the World Governance Indicators (WGI) scorecard to evaluate risk by country. Factories located in countries presenting a higher risk are required to undergo a social audit every year. Audit results are evaluated, and the factory is obligated to complete and submit to PetSmart an extensive corrective action plan (CAP) process to remedy all observed non-compliances. Year-over-year performance is tracked to ensure suppliers are taking steps to comply with and perpetually maintain standards established by PetSmart's Code of Conduct.</p> <p>PetSmart's Internal Audit (IA) team pre-screens suppliers prior to awarding business. This screening process assesses risk based on several factors including, but not limited to location, size, annual business and product type. The IA team reserves the right to conduct random visits to factories across the globe and notify PetSmart of any non-conformances potentially requiring actions. Our program is intended to educate vendors to proactively prevent forced/child labor issues in their operations. We will not engage with a new supplier if we become aware during screening of child labor or forced labor.</p>

## GRI 3: Material Topics 2021

### GRI 409: Forced or Compulsory Labor 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Ethical & Sustainable Sourcing, <a href="#">p. 54</a> , 2023 CSR Report
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<p>PetSmart's Internal Audit (IA) team pre-screens all proprietary brand vendors prior to awarding business. This screening process assesses risk based on several factors including, but not limited to location, size, annual business and product type. The IA team reserves the right to conduct random visits to factories across the globe and notify PetSmart of any non-conformances potentially requiring action. Our program is intended to educate vendors to proactively prevent forced/child labor issues in their operations.</p> <p>To mitigate the occurrence of forced labor, PetSmart has instituted processes around high-risk materials. PetSmart defines these materials as those known to have origins in areas of the world where forced or compulsory labor takes place. PetSmart performs supply-chain due diligence efforts focusing on products identified to contain high-risk materials to ensure that our products and materials used in our products are not sourced from such areas. We will not engage with a supplier if we become aware during screening of forced labor.</p>

### GRI 414: Supplier Social Assessment 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Ethical & Sustainable Sourcing, <a href="#">p. 54</a> , 2023 CSR Report
414-1	New suppliers that were screened using social criteria	<p>PetSmart's Internal Audit (IA) team pre-screens all proprietary brand vendors prior to awarding business. This screening process assesses risk based on several factors including, but not limited to location, size, annual business and product type. The IA team reserves the right to conduct random visits to factories across the globe and notify PetSmart of any non-conformances potentially requiring action. Our program is intended to educate vendors to proactively prevent forced/child labor issues in their operations.</p>



## GRI 3: Material Topics 2021

### GRI 415: Public Policy 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	PetSmart's political activities are coordinated to ensure that any positions we may take and initiatives we may support are consistent with our values. All decisions regarding PetSmart's position on an issue and any political contributions are made through the Corporate Office in conjunction with the Chief Legal Officer. Any position on a political cause or activities in support of or against a matter or candidate that is not approved by and issued through the Corporate Office is not endorsed by and cannot be attributed to PetSmart. Associates are encouraged to participate in the political process and engage in activities that improve our communities. If associates contribute time or money to political activities, they are required to make it clear that they are acting independently, and not on behalf of PetSmart.
415-1	Political contributions	PetSmart did not make financial or in-kind political contributions in 2023.

### GRI 416: Customer Health and Safety 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Our Commitment to Pet Health & Safety, <a href="#">p. 19</a> , 2023 CSR Report Product Safety & Quality, <a href="#">p. 54</a> , 2023 CSR Report Keeping the Pack Safe, <a href="#">p. 35</a> , 2023 CSR Report
416-1	Assessment of the health and safety impacts of product and service categories	Product Safety & Quality, <a href="#">p. 54</a> , 2023 CSR Report



## GRI 3: Material Topics 2021

### GRI 417: Marketing and Labeling 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Our customers expect our marketing communications to be truthful and provide the information they need to make sound purchasing decisions. We follow truth-in-advertising laws and provide customers with accurate and complete information about our products and services. We follow standard processes to confirm that descriptions and claims regarding our products and services are truthful and have been adequately substantiated. Labeling transparency, <a href="#">p. 54</a> , 2023 CSR Report
417-1	Requirements for product and service information and labeling	Per its <a href="#">Supplier Code of Conduct</a> and its standard vendor agreements, PetSmart requires the vendors who supply it products to comply with all laws applicable to the products they produce, as well as PetSmart's own standards and industry best practices. All vendors are required to ensure truth and accuracy in their product claims. Further, PetSmart requires its proprietary brand vendors to comply with additional quality and social responsibility policies.

### GRI 418: Customer Privacy 2016

GRI Standard	Disclosure Title	PetSmart Response
3-3	Management of material topics	Protecting data privacy, <a href="#">p. 47</a> , 2023 CSR Report
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	We have no knowledge of any material breaches of customer privacy. PetSmart maintains and practices its Data Incident Response Plan to address potential security and privacy incidents. The Plan includes processes to meet PetSmart's notification obligations under applicable laws.



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