



Code of Ethics & Integrity

# OUR VISION, MISSION, VALUES & PILLARS



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**our vision:** we love pets, and we believe pets make us better people. petsmart will be the trusted partner to pet parents and pets in every moment of their lives.

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**our mission:** every day with every connection, petsmart's passionate associates help bring pet parents closer to their pets so they can live more fulfilled lives.

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**our values:**

- do the right thing
  - accountability
  - customer-focused
  - teamwork
  - rigor
  - transparency

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**our pillars:**

- a consumer-insights driven, customer-focused retailer
- a highly efficient retailer
- a margin-focused retailer
- an aggressive competitor

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# INTRODUCTION

## **Why Do We Have a Code of Ethics & Integrity?**

Our Code of Ethics & Integrity is a guide that helps us make good ethical decisions at work. We care for our customers, our associates, and the communities where we live and work. By following our Code, we make sure that we do our job in a way that lives up to the values we share and follows the law.

Being ethical means that we are committed to following all laws and regulations that apply to our work and to our workplaces. The standards we set for ourselves, however, are higher than just following the law. Good judgment can often tell you what the correct course of action is, but if there's ever a case where you aren't sure, don't hesitate to ask.

## **Who Is Our Code For?**

Everyone on the PetSmart team is responsible for following this Code—all associates, officers, and directors, regardless of position or seniority. We also expect that our suppliers, vendors, agents, business partners, consultants, and licensees will follow similar principles.

## **What Do We Expect of Managers and Leaders?**

Managers play a crucial role in fostering collaboration and teamwork.

At PetSmart, we expect more from each other. For managers, that means supporting teams by acting as a role model and promoting PetSmart's open door policy. Managers should encourage their teams to raise questions or concerns and know how to resolve those concerns—or if they can't, immediately refer the concerns to the Ethics & Integrity Department or Human Resources. Anyone who has ideas, questions, concerns, or problems should feel empowered to freely discuss the matter with any level of management and feel comfortable doing so. Above all, management must ensure a retaliation-free workplace both in words and deeds, and report any suspected violation of our Company's non-retaliation policy.

For more information, refer to the [Open Door Policy and Procedure](#).



# MAKING GOOD CHOICES

## How Do I Make Good Choices?

Each of us is responsible for recognizing and avoiding or preventing situations that could violate our Code. While the Code is here to guide us when we are not clear on the rules, it cannot possibly address *every* situation that we may face. Therefore, if you don't know, don't guess. Ask your manager or leader or one of the people listed below. Our intranet, Fetch, is also a helpful resource.

## If You See Something, Speak Up

An essential element of this Code is the responsibility we have as associates to bring attention to any situation that causes us concern, including the topics raised in this Code. You should direct questions or concerns to any of the following resources:

- Your manager or leader
- Human Resources
- The Ethics & Integrity Department, [EthicsandIntegrity@petsmart.com](mailto:EthicsandIntegrity@petsmart.com)
- The Internal Audit Department
- Loss Prevention
- CareSmart Hotline, 1-800-738-4693 (in the United States (other numbers will be separately provided for those located outside the United States)
- CareSmart web portal [CareSmart.ethicspoint.com](http://CareSmart.ethicspoint.com)

PetSmart encourages you to direct questions or concerns to your manager or leader whenever you feel comfortable doing so. If this is not possible in your situation, you are welcome to contact one of the other in-person resources listed above or the CareSmart hotline or web portal. The hotline and web portal are operated by a third-party provider and are available to us 24 hours a day, 7 days a week. This service allows you to report your concerns confidentially and also keep your identity anonymous. Please be open and honest when making a report and provide as much detailed information as you can in order to help our Company conduct a full and proper investigation.



## Good Faith Reporting and Non-Retaliation

You may report any suspected violation of our Code, Company policy, or the law without fear of retaliation or any negative impact on your employment. PetSmart strictly prohibits retaliation against any person for reporting in good faith a possible violation or participating in an investigation involving possible misconduct. Individuals who engage in retaliatory acts will be subject to disciplinary action, up to and including termination.

You can expect all reports to be fully investigated in a professional and respectful manner. In addition, we will attempt to keep the investigation confidential to the extent possible and to share the outcome of an investigation with the individual who made the initial report, if appropriate under the circumstances.

For more information about this section, refer to our [Open Door Policy and Procedure](#).

**Good faith** means that you come forward with all of the information you have and believe you are giving a sincere and complete report. In other words, it does not matter whether your report turns out to be true, but your intentions must be honest.



## What Happens When Someone Makes the Wrong Choice?

We live our Company values, keep our promises, and use integrity as our guide when we make decisions. Doing so ensures that we uphold our Code and the law.

Violations of our Code, policies, or the law may carry serious consequences for the individuals involved and our Company. Associates who engage in unethical or illegal behavior, and those who direct, condone, approve, or facilitate such behavior, may be subject to legal action and disciplinary action up to and including termination.

# FOR OUR ASSOCIATES

## **Promoting Diversity and Inclusion**

We are welcoming of each others' opinions, beliefs, and cultures.

Our Company believes that it's important to have a diverse workforce and an inclusive work environment. Our different backgrounds, cultures, and talents give each of us a unique perspective. Having many points of view enables our teams to come up with more creative ideas and improvements that help us reach our goals. In short, PetSmart is a stronger company because we respect and value diversity.

Because teamwork and collaboration drive our success, diversity and inclusion are vital to the way we work. That's why employment decisions are never made on the basis of race, color, religion, sex, national origin, ancestry, age, medical condition, disability, veteran status, marital status, pregnancy, sexual orientation, gender identity, genetic testing or information, or any protected status. PetSmart only makes employment-based decisions—such as hiring, firing, and promoting based on skills, aptitude, and other legitimate business considerations. In fact, an important way our managers and leaders lead by example is to demonstrate a pattern of inclusion by embracing team ideas in a consistent, thoughtful manner.



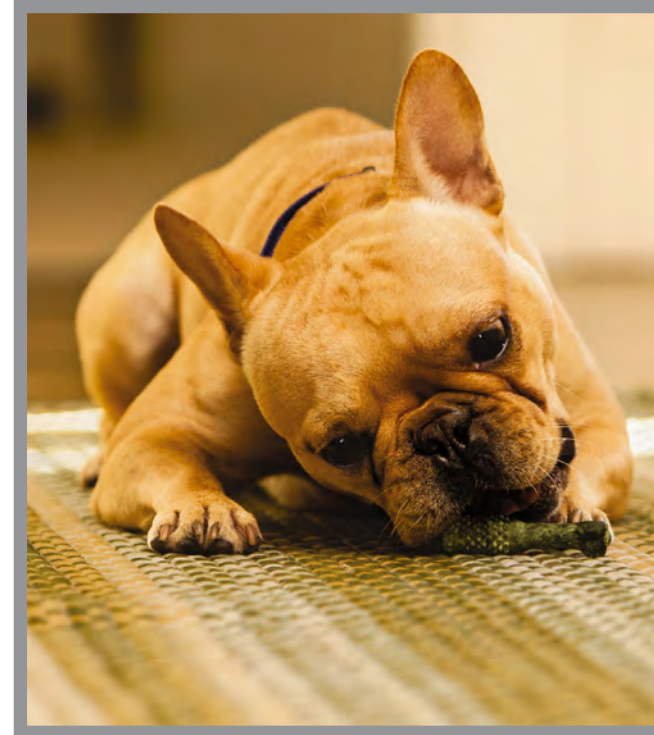
## Preventing Harassment

*Everyone should feel secure and respected in our workplaces.*

Harassment and bullying are not tolerated in any form. Harassment can be described in many ways, but at PetSmart, we define it (subject to applicable law) as behavior that has the purpose or effect of creating an unwelcome, intimidating, hostile, or offensive work environment for another person that is based on a protected classification or that involves violence, threats of violence, intimidation, bullying or other similarly inappropriate conduct. Harassment can be sexual or non-sexual in nature, and can include things like:

- ✓ **Verbal** comments, such as slurs, offensive comments and jokes
- ✓ **Physical** contact, including touching, hugging, massaging, assault, or intimidation
- ✓ **Visual** displays, such as offensive photographs, videos, and drawings
- ✓ **Electronic** statements, such as bullying or stalking on social media or text messages

If you experience or witness any form of harassment, you should report it to your manager, leader, another member of management, a Human Resources Manager, the Ethics & Integrity Department, or the CareSmart phone line or web portal. Remember, you will not experience retaliation for coming forward with a good-faith report. [Associates must also refer to and follow any Company policy applicable in your jurisdiction related to harassment and/or bullying, which will govern in the event of any conflict with this Code.]



## Workplace Safety

*Safety is our most important operational duty and, ultimately, the foundation for our success.*

We take pride in keeping our stores and workplaces safe for all associates, Pet Parents, business partners, and the pets we support. This commitment exists not only because this Code and the law require it, but because it ensures the continued trust and loyalty of our associates, customers, and communities. Take personal responsibility and ownership for safety by reading and following our [Safety Policy](#), [Pet Care Policy](#), and [Pet Safety Policy](#). A few of the key points are listed below.



**WHEN IT COMES TO SAFETY, HERE ARE YOUR RESPONSIBILITIES:**

- ✓ Follow all safety policies and procedures that apply to your work.
- ✓ Obtain the training and certifications required for any equipment you operate, use all equipment properly, and use personal protective gear as required.
- ✓ Maintain high standards for the humane care and treatment of pets by following all pet care and pet safety procedures, reporting issues immediately, and encouraging customers to come forward with feedback about problems they perceive or witness.
- ✓ Keep your work environment clean and dispose of materials correctly.
- ✓ Recognize and report unsafe conditions or behaviors, no matter how minor, to your manager.

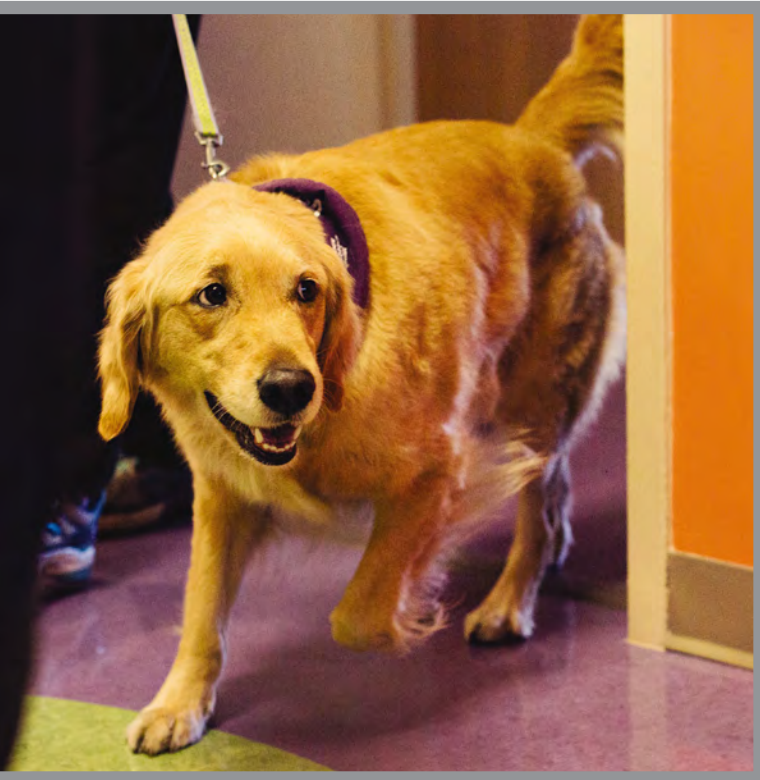
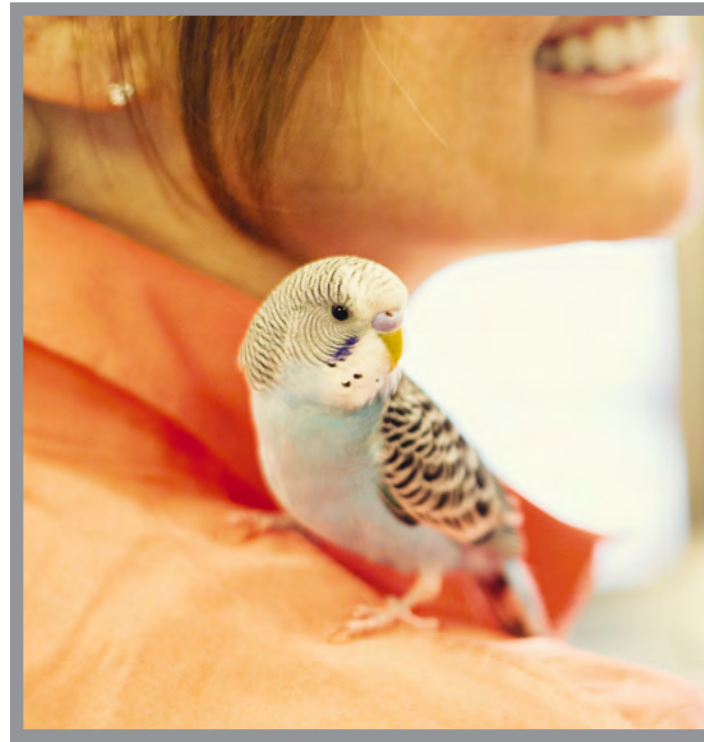
**ALONG THE SAME LINES, MANAGERS AND LEADERS ARE *ADDITIONALLY* RESPONSIBLE AND ACCOUNTABLE FOR:**

- ✓ Promoting safety on and off the job.
- ✓ Executing PetSmart's accident prevention programs, processes, systems, and techniques. We aim for more than just what's required by law—we aim for the highest safety practices available.
- ✓ Controlling and minimizing risk where it isn't possible to completely eliminate hazards.
- ✓ Correcting all deficiencies promptly and completely.
- ✓ Recognizing, reporting, and escalating safety issues to the appropriate resources immediately.

## WORKPLACE VIOLENCE

Our commitment to safe workplaces means that we do not tolerate any form of violence. This includes both threats and acts of violence, as well as intimidation and attempts to instill fear in others. Associates are not allowed to bring weapons inside our stores or other facilities. Please refer to the **Workplace Violence and Prevention Policy**, consult your manager, leader, or e-mail [WorkplaceViolence@petsmart.com](mailto:WorkplaceViolence@petsmart.com) for more information.

If you know of or suspect that a violent act has happened or has been threatened, report your concerns immediately to your manager, leader or another resource as directed in our **Workplace Violence and Prevention Policy**. If you believe someone is in immediate danger, contact 9-1-1.



## DRUGS AND ALCOHOL

To keep ourselves, our customers and our pets safe, we need to be alert while we're at work. We must never come to work under the influence of drugs, alcohol, or any controlled substance that could impair our ability to make sound judgments and perform our duties. Even appropriately prescribed medication can present a problem if it impairs your ability to work safely. Our Company prohibits the possession, use, sale, purchase, or distribution of alcohol, illegal drugs or controlled substances on Company premises, during working hours, or when conducting Company business. Possession and use of alcohol is prohibited except at authorized company functions or in moderation as permitted by your manager or leader at appropriate social functions and certain business meetings—but even at these functions and meetings, you may not drink to the point where others could reasonably consider you intoxicated.

## Gifts and Entertainment

*We maintain our integrity by making sure that our gifts could never be perceived as bribes or given in anticipation of receiving preferential business treatment in return.*

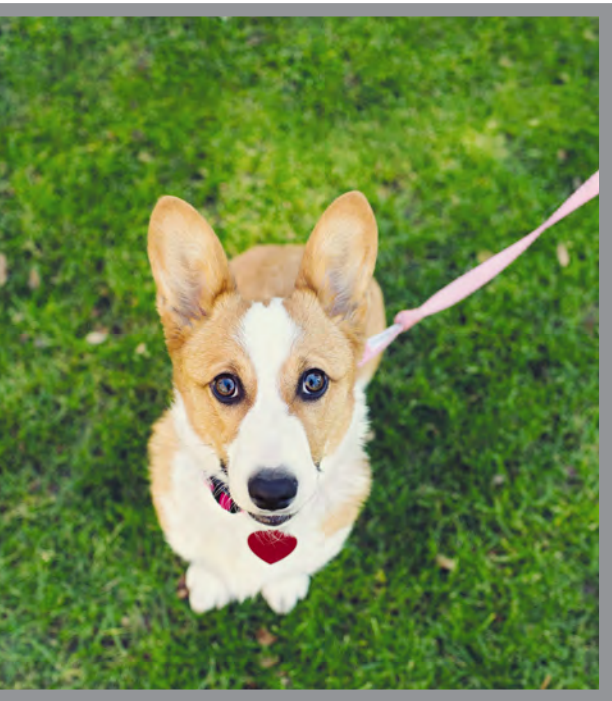
At PetSmart, we value long-lasting relationships with our suppliers, vendors, and other partner companies. During our normal course of business, we may have good reason to offer or receive gifts and entertainment as a means of maintaining those relationships. However, we must be careful that any exchange of gifts or entertainment is professional, appropriate, and does not create the appearance of impropriety.



A **gift** can be anything of value—for instance, tangible goods, meals, vacations, tickets, endorsements, or charitable donations.

**Entertainment** is an experience given for leisure or amusement, such as a meal or an event. Both parties must be present (for example, when a vendor takes an associate to a ball game). Admission to an event when the giver is not present (for example, if the vendor gives you tickets to the ball game, but does not attend) would be a gift rather than entertainment.

The rules below describe what is permitted when we are interacting with any organization or individual that is doing or seeking to do business with PetSmart or is a competitor of PetSmart. Associates must also refer to **PetSmart's Anti-Bribery and Anti-Corruption Policy** and **Gifts and Entertainment Policy**.



## WHAT CAN WE OFFER?

When we offer gifts or business entertainment to our business partners, we must ensure that:

- ✓ Gifts are valued at an amount appropriate according to local custom and in any event no more than US\$100 unless specifically approved in advance by your manager (up to US\$100) and/or the Ethics & Integrity Department (above US\$100)
- ✓ Entertainment is reasonable and modest in value
- ✓ They are professional and tasteful
- ✓ They are unsolicited, meaning that the recipient did not ask for or suggest it
- ✓ Business is discussed during the entertainment
- ✓ Entertainment takes place in a setting that is appropriate for a business discussion
- ✓ In compliance with applicable agreements, laws, and regulations

Keep in mind that offering gifts, meals, or entertainment to government officials is more strictly regulated. For more information, please refer to the “Anti-Corruption” section of this Code.

## WHAT CAN WE ACCEPT?

When our business partners offer gifts to us, we may only accept gifts that are:

- ✓ Valued at no more than US\$100
- ✓ Unsolicited
- ✓ Infrequent
- ✓ Customary and tasteful
- ✓ Not cash or cash equivalents (such as gift cards or vouchers)
- ✓ For a business purpose
- ✓ In compliance with applicable agreements, laws, and regulations

The only entertainment we can receive without advance approval are infrequent, reasonably priced business meals. Any other entertainment must be approved by your SVP, paid for by PetSmart, and reported to the Ethics & Integrity Department. The key is that entertainment should not influence us (or create the appearance of influencing us) to act in a way that isn't in PetSmart's best interests.

Can I Accept That?	
Four US \$120 tickets to a baseball game—and you can take your family because it isn't a business meeting	No. The tickets are more than our US\$100 limit for gifts, and could create the appearance of biasing you toward this business partner.
A t-shirt and a few ballpoint pens with the supplier's logo on them	Yes, because it fits all of our guidelines (that is, below US\$100).
A gift card to a local restaurant	No, because a gift card is considered equivalent to cash, and we are not allowed to accept cash gifts.
A large gift basket of fruit and cheeses	Yes, but if the value is over US\$100, you must put it in a common area to share with your co-workers.
At a vendor appreciation day, a vendor offers small gifts and samples to all PetSmart associates at Phoenix Home Office	Yes, because the gifts are of a nominal value and are available to all PetSmart associates in attendance, not just the associates with whom the vendor does business.

Q: Sarah is invited by a supplier to attend the U.S. Open. Sarah loves tennis and would really like to go, but when she requests permission, her manager says that there really isn't a business reason for her to go—so it isn't appropriate for PetSmart to pay for Sarah's ticket. What should Sarah do?

- ✓ A. Go anyway and expense her ticket, but record the expense as "training."
- ✓ B. Try to persuade her manager to let her go.
- ✓ C. Pay out of pocket for the ticket.
- ✓ D. Look for a more appropriate opportunity to discuss business with this supplier.

A: C. or D. If Sarah chooses to, it's okay for her to pay out of pocket for the ticket, as long as she pays fair market value for it (which, keep in mind, may be more than face value). Whether or not she decides to do that, it's certainly worthwhile to think of better opportunities to meet with the supplier.

## Conflicts of Interest

*Transparent and professional relationships bring our team together.*

A conflict of interest is a situation where certain personal interests (or those of our close family members) could or actually do interfere with our ability to serve the best interests of PetSmart. In these situations, the danger is that the conflict could encourage you to show favoritism toward a person or organization at our Company's expense. As associates, we have a duty to work on our Company's behalf, and conflicts of interest, or even the appearance of a conflict of interest, can put that commitment into question.

It's best to avoid conflicts of interest, but if you believe that you do have a conflict of interest situation, disclose it to your manager or leader immediately. Your manager or leader can help you resolve the conflict. Remember, it's your responsibility to act appropriately until the situation has been addressed. Associates must also refer to our **Conflict of Interest Policy**.

Receiving excessive gifts or entertainment, as described in the previous section, can be one type of conflict of interest. In that case, an overly generous offer could bias you in favor of the giver. Below are several other common types of conflicts.

**Family & Friends** — When two PetSmart associates have a personal or family relationship—especially if they also have a reporting relationship—it may seem that the subordinate receives preferential treatment or favoritism. At PetSmart, our policy is to simply prevent this from happening: you should not be placed in a position where you have direct decision-making authority over a family member, or vice versa. Similarly, managers or leaders should not date or pursue romantic relationships with direct reports, and all of us should follow the guidance in the **Fraternization Policy** and **Nepotism Policy**. Remember, the important thing is to avoid even the appearance of bias. If such a situation arises, disclose the facts to your manager or leader promptly.



**Financial Interests** — If you (or a family member) have a substantial financial interest in an organization that competes with our Company or works with PetSmart as a business partner (for example, a supplier, vendor, or contractor), you may feel pressured to favor the outside organization over PetSmart in your business decisions. This pressure to favor the other organization means that an actual or potential conflict likely exists. The financial interest can be direct or indirect such as owning stock or being a partner or creditor. A substantial interest would be one representing more than 1% of the enterprise's common stock or which comprise a significant part of your assets. Potential conflicts must be disclosed and approved by the Ethics & Integrity Department.

**Outside Employment** — If you have an independent business venture or another job outside your work at PetSmart, there are some ways in which that can create a conflict. First, any outside work should not interfere with your duties at PetSmart. Further, working for a PetSmart competitor, supplier, vendor, or other business partner can easily present a conflict by dividing your loyalties.

**Inappropriate Supplier or Vendor Relationships** — Divided loyalties can also become a problem if you, your family member, or a close friend has personal or financial ties to a PetSmart supplier, potential supplier, vendor, or other business partner. The same may be true if you, your family, or close friend, sells or leases any kind of property, facilities, equipment, or services to our Company, or accepts commissions, a share in profits, or compensation in any form from any such organization or individual. If you become involved in these sorts of interactions, you should not be involved in discussions or negotiations that may impact the supplier/vendor relationship. Instead, notify your manager or leader immediately and remove yourself from any involvement.

Sometimes a third party will ask us for an endorsement, or for permission to use our brand in some form. For example, the third party might request:

- ✓ Use of PetSmart's name or visual identity
- ✓ Supporting quotations about a particular product to use in promotional materials
- ✓ A PetSmart representative to appear for a speaking engagement



While an endorsement might appear wise at the time it is issued, future actions of the endorsed organization may damage its reputation—which could damage our reputation by association.

We must also be careful to endorse vendors and collaborate in marketing initiatives only as permitted by the company's **Endorsement and Speaking Engagements Policy** and the “Charitable Activities” section of this Code.

**Corporate Opportunities** — With the goal of putting PetSmart's business interests before our own, we must be careful never to pursue a personal business opportunity that was discovered through a Company asset or position unless PetSmart is aware of it and the Ethics & Integrity Department has given consent. This includes using PetSmart property, working time (time when PetSmart expects an associate to be engaged in productive activities for PetSmart, which does not include breaks, meal periods or time before and after work), or information to advance the business interest of anyone other than PetSmart, including friends or family.



**Q:** Matt works part-time at PetSmart and wants to get a second part-time job to make some extra money during the summer. What does he need to know before accepting a second job?

**A:** To make sure the second job doesn't become a conflict of interest, Matt needs to keep these two things in mind:

- He needs to make sure the work hours for a second job won't conflict with his work schedule at PetSmart.
- He should avoid working for both PetSmart and a company that competes or does business with PetSmart.



**Q:** Kim works at the Phoenix Home Office, where she coordinates with some of the suppliers who provide our products. Kim's brother-in-law, Travis, has just joined the sales department of a small organic pet food company. PetSmart doesn't currently sell this brand of pet food, but Travis starts to pressure Kim to help him make a deal with PetSmart. What should Kim tell him?

- A. "Okay, I'll set up a meeting—but I'm only doing it as a favor to my sister."
- B. "No—for the last time, we're very happy with the products we already have in stock."
- C. "Look, let me talk to my manager about it. If she says it's okay, I can set up a meeting for you to talk to one of my colleagues, but I won't be able to handle the deal myself."
- D. "Sure, that's a great idea—I'm sure we'll work together really well."

**A:** C. Although Travis's company can certainly compete to be a PetSmart supplier, Kim's involvement would create a conflict of interest between the well-being of her family and her duties at PetSmart. The best way to handle this is for Kim to let her manager know about the situation and keep her distance from any negotiations with Travis's company.



**Q:** Mike has been tasked with finding a new transportation provider for PetSmart. He meets with several possible companies, and finally decides on two favorites—but he needs only one. As a way of deciding, Mike tells each company that he'll choose them if they agree to make a donation to PetSmart Charities. Is this okay?

**A:** No. Mike must make his decisions based solely on the company's ability to provide what PetSmart needs at a reasonable price. Asking the companies to make a donation in order to win our business could even be seen as a bribe. (See the "Anti-Corruption" section of this Code for more information.)



### **Company Property**

*We use good judgment when we handle Company property, and protect PetSmart assets out of respect for our associates, customers, and communities.*

We are assisting our fellow associates when we take care in how we use things that belong to PetSmart. We are each responsible for using PetSmart property, facilities, and physical resources for their intended business purposes and in ways that further our Company's business goals. We may never take—or try to take—any property from our Company (including cash, documents containing proprietary information (as defined below), equipment, store merchandise or other associates' personal property) without permission or a legitimate business reason. We each have a responsibility to report any theft, attempted theft, property damage or similarly inappropriate activities immediately.

Loans can also bias—or appear to bias—our judgment in favor of the giver. Therefore, we should not loan PetSmart funds to associates except in special circumstances and subject to established guidelines, such as through the PetSmart Associate Assistance Foundation.

We are also responsible for proper and appropriate use of all PetSmart company technology, including computers, tablets, phones, and Internet access. The technology and hardware that our Company provides to us, or gives us access to use, is PetSmart property. Since these assets are intended for business use, all information and communications, sent, received, or stored in the system belong to our Company. We should not expect our use of Company computers or other technologies to be private. The computer system belongs to the Company and will be assigned to associates based on assessed needs.

When using our computers, phones or tablets we should always conduct ourselves professionally and courteously. In addition to following all discrimination and harassment policies, we may not use the computer system or other technologies to solicit for religious or political causes, commercial enterprises, outside organizations, or other activities that are unrelated to our responsibilities at PetSmart. Nothing in this Code is intended to infringe upon associates' rights under applicable law [for example, where applicable, associates' use of company emails on non-working time (time when PetSmart does not expect an associate to be engaged in productive activities for PetSmart, including breaks, meal periods or time before and after work) or (for United States employees) to engage in protected concerted activities related to terms and conditions of employment].

For more information about Company property, see the [Known Theft Policy](#), the [Theft and Fraud Policy](#), the [Data Privacy Protection and Reporting Policy](#), the [Computer](#)



**Q:** Derrick works in a PetSmart distribution center. One evening as he is closing up the delivery area he notices an unmarked pick-up truck with several large product boxes in it. He doesn't know who the truck belongs to, and he doesn't want to cause trouble, but he wonders if someone is stealing. What should Derrick do?

- A. Nothing—it's none of his business.
- B. Go look in the boxes and see what's in them.
- C. Nothing—it's someone else's job to check on that kind of thing.
- D. Report it—PetSmart takes theft very seriously.

**A:** D. Derrick should definitely report the incident to his manager, another PetSmart leader, or CareSmart. As long as Derrick makes his report in good faith, even if it turns out that he was mistaken, PetSmart will protect him from retaliation.

## Usage Policy, and the Electronic Devices Procedure. Confidential and Proprietary Information

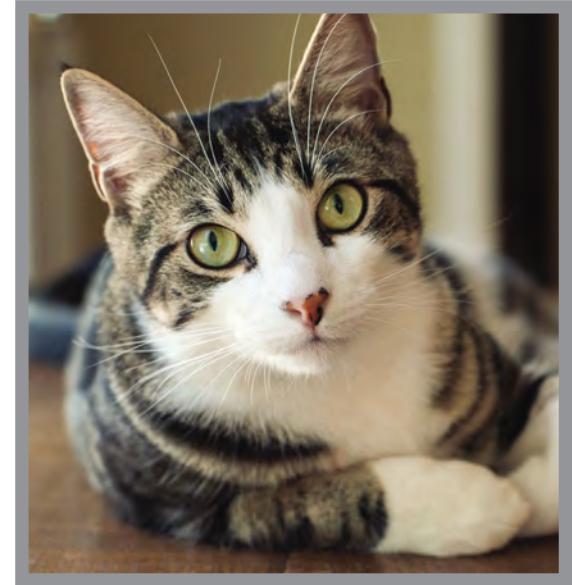
*Information can be valuable, so we have to be careful about how we use it and how we share it.*

### COMPANY INFORMATION

Many business details about how PetSmart operates and what we plan to do in the future need to be confidential in order for our Company to be competitive and successful. That's why safeguarding confidential and proprietary information is everyone's responsibility.

Confidential information can include:

- ✓ Data entrusted to us by a customer or third-party
- ✓ Marketing drawings, pictures, plans, or proposals
- ✓ Sales goals or plans
- ✓ Financial information, including information about store sales and performance, financial projections or performance data
- ✓ Information about a pending or proposed merger, significant sale or purchase of assets, new product lines or important operational initiatives, or changes in executive management



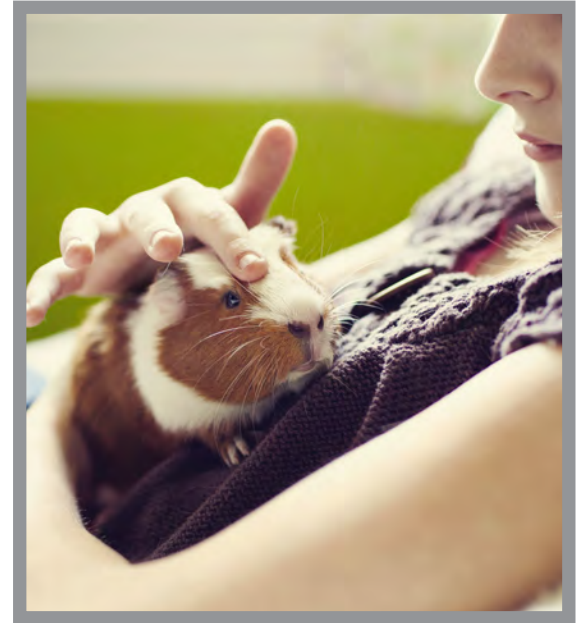
- ✓ All other proprietary information created by PetSmart We may never share, either in writing, verbally or through social media or other electronic communications, this kind of information with unauthorized people, even after our employment with PetSmart ends. Likewise, when suppliers, vendors, and other third parties share confidential information with us, we handle their information with the same care and respect that we do for our own.

We must also diligently protect all confidential information from theft or loss by making sure that we follow all security measures and company policies related to our computer systems, portable electronic devices, laptops, and other storage devices. We also have a duty to protect our Company's intellectual property (**IP**). IP includes trademarks, copyrights, patents, and trade secrets. These are important business tools and valuable

PetSmart property, so we should always use them properly. PetSmart has a robust manual that clarifies how to do this, but here are a few key points that we all need to keep in mind:

- ✓ PetSmart actively seeks to secure and protect its IP rights.
- ✓ Any IP we create as part of our work for PetSmart belongs to our Company, even after our employment ends.
- ✓ Trademarks and service marks are the names and symbols that represent our Company, so we should remember to present them in a positive way while representing the Company.
- ✓ Check with the Legal Department if you are unsure about any use of our slogans, symbols, logos, or other marks.
- ✓ We also respect the IP of others and remind you to respect IP laws.

For more information about IP, consult the [Intellectual Property Policy](#)



and [Guidelines](#) and the [Communications Policy](#).

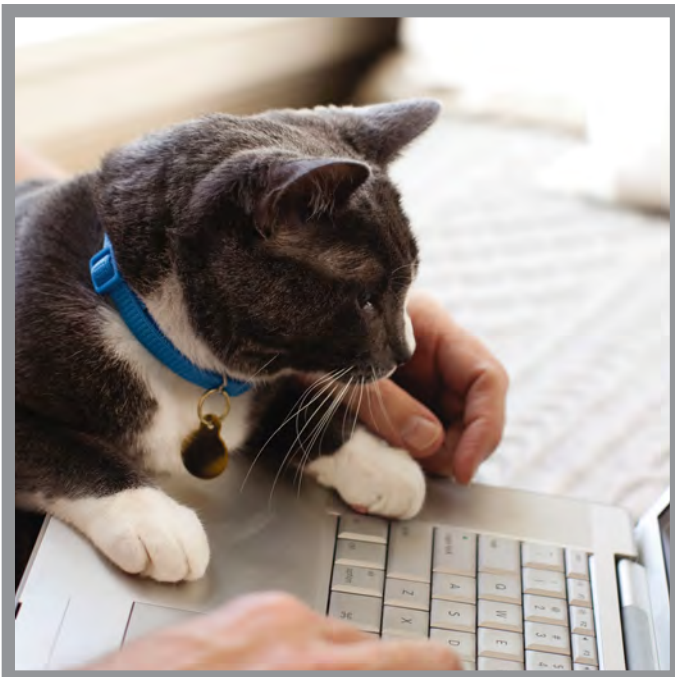
#### **ASSOCIATE INFORMATION**

Certain positions may grant you access to personal information (also referred to as personally identifiable information or “PII” in the US) about your colleagues. This includes financial information (such as bank account or credit card numbers), marital status, health information, and government identification numbers (such as passport, driver’s license or Social Security numbers). Because this information is considered confidential, only those who are authorized and who have a legitimate business purpose may access our personal information. If you work with, or inadvertently discover, associate information, you have a duty to protect the privacy of this information, both during your employment and after you leave our Company.

For more information, refer to the [Associate Privacy Policy and Procedure](#) and the [Data Privacy Protection and](#)

### Are These Associates Handling Company Information Correctly?

<p>Justin just booked an overnight stay at a PetSmart PetsHotel for a local celebrity's pet. Justin is so excited he tells his girlfriend at dinner that night.</p>	<p>No. Justin should never share Pet Parents' information with anyone outside of work who is not authorized by the Pet Parent. This includes who the Pet Parents are, whether they receive any of our pet services, what type of services or products they purchase, or the dates of services.</p>
<p>Steven, a store leader, is helping a customer when he mentions that he is in a good mood because he just heard that the store beat its projected profit for the quarter by 17%.</p>	<p>No. Steven shouldn't share financial information about the store with customers or the general public.</p>
<p>Anna, a Phoenix Home Office associate, sees the marketing plans and materials for an upcoming initiative. She's very excited, and can't wait to show her friends the clever new posters—but she waits until she knows they are on display in her local store before she says anything.</p>	<p>Yes. What Anna's doing is fine because she waited for the information to become public.</p>



#### Reporting Policy.

#### **Social Media**

*In a world where online communications are easily made public, stop and think before you post.*

Most of us are familiar with and participate in various forms of social media, including PetSmart hosted sites. Social media can also refer to electronic communications involving posting information or content of any sort on a networking site like Facebook® and LinkedIn®, to a blog, microblog, journal or diary, personal website, social networking or affinity Web site, Web bulletin board, or chat room. In any form, social media can have a significant impact on our reputations,

positive or negative.

Good sense should act as our guide. For instance:

- ✓ If you identify yourself as a PetSmart associate on a social media network, be careful not to attribute your personal opinions and beliefs to the Company. Unless you are authorized to speak on behalf of PetSmart, never make statements or announcements as a Company representative.
- ✓ Avoid discussing Company proprietary information. It is never okay to communicate proprietary Company or third-party information through social media.

Above all, when using social media, remember that the rules and guidelines in our Code and supporting policies apply to our online behavior just as they do when we are not online. For more information, refer to our [Social Media Policy](#).



## **Accurate Books and Records**

*Our books and records are the foundation for how we manage our business.*

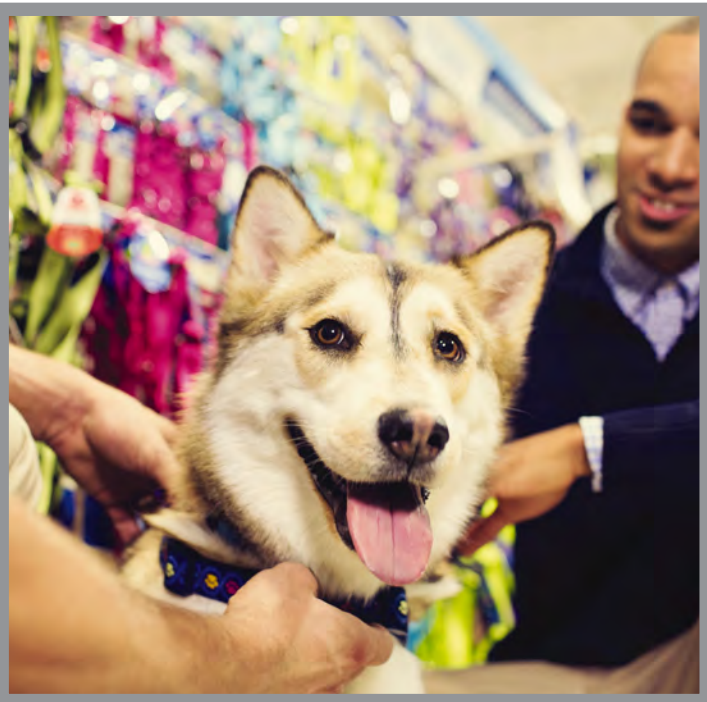
We all assist in ensuring the quality and integrity of our financial records and disclosures. Whatever information you record for our Company, from hours worked to product inventory, scorecards, travel expenses, or cash in a drawer, it is your duty to make sure that this information is accurate and complete. The information we record helps our Company plan for the future and informs the financial data we report regulators. Therefore, it is imperative that our books and records—whether paper or electronic—are always complete, honest, and fairly reflect our business assets, expenses, and revenue.

In particular, we must never make any false or artificial entries in our books and records. Where appropriate, be sure to review your financial statements and reports with PetSmart's financial advisors and auditors, and always follow all laws and internal control policies when stating and filing reports. If you contribute in any way in preparing or verifying these reports, be sure to do your part to ensure that the Company's financial disclosures are complete. They should contain all of the information about PetSmart that our potential investors need to make reasonable decisions about the state of our business. For additional information, refer to the

### Communications Policy.

In addition to recording honest, accurate financial records, we must also manage and retain all these records according to the **Record Retention and Storage Procedure** and **Data Privacy Protection and Reporting Policy**. Our records include all documents, e-mail, spreadsheets, notebooks, and other recorded data, both written and electronic. Such records are vital to fulfilling our business needs and meeting regulatory requirements. Never destroy them prematurely.

If certain documents or records are needed for an investigation, audit, or potential lawsuit, they may be placed under a legal hold. A **legal hold** states the length of time for which we should maintain business records connected with these activities. Normal retention schedules do not apply to records under a legal hold, which we must retain for the duration of the hold. We must not alter, damage, or destroy those materials until we receive a notice from the Legal Department stating that the hold has been lifted.



Preventing and detecting fraud is also integral to protecting our company and maintaining the trust of our associates, customers, and communities. **Fraud** involves intentionally concealing or misrepresenting facts in order to deceive or mislead. Common acts of fraud include, among others:

- ✓ Misuse of customer satisfaction surveys
- ✓ Discount abuse
- ✓ Coupon fraud
- ✓ Manipulation of pet loss numbers/codes
- ✓ Unauthorized promotions
- ✓ Misuse of discount reason codes
- ✓ Falsification of company documents
- ✓ Forgery
- ✓ Back-signing forms and checklists

If you suspect an act of fraud, alert Internal Audit or the Ethics & Integrity Department immediately for further review. For additional information, refer

to the [Theft and Fraud Policy](#).

### **Cooperating With Investigations and Audits**

*We fully comply with requests for information from auditors and regulators.*

It is important for our Company to answer inquiries from auditors and regulators appropriately and follow their instructions. However, to make sure you're taking the correct steps, if an external auditor or regulator requests information or documentation from you on behalf of the Company, first make sure the Legal Department is involved. We must be truthful and forthright in the way we represent PetSmart, but it is important that we understand the nature of the request and involve those within our Company who are best suited to handle it. For additional information refer to our [Government Formal Demand Policy](#).





# FOR OUR CUSTOMERS

## **Quality Products and Services**

We have built our good name by providing safe, high quality pet care.

PetSmart's reputation hinges on our ability to provide high quality products and services. First and foremost, we do this by collaborating with our fellow associates to perform our jobs safely and effectively. It also means that we always follow all quality control standards and contract specifications—and ask when we aren't sure how to do that. As associates, our customers trust us to help them care for their pets. We take all of our responsibilities very seriously.

In striving to keep our promises, we choose our suppliers and vendors carefully. We will only work with suppliers and vendors who share our philosophy on pursuing sound ethical practices and also share our passion for providing high quality pet care and products.

For more information, refer to our [General State Regulations Procedure](#).



## **Treating Our Customers Fairly**

We provide accurate information about our products and services so our customers can make informed decisions.

We compete vigorously to build our business and connect Pet Parents with the resources they need, but never by sacrificing honesty and fairness. This is especially critical in all of our sales, marketing, and advertising activities. The statements we make about our Company and our products and services must always be factual, complete, and truthful. Be sure to include all information and disclosures necessary to make your statements accurate. We also treat our competitors courteously, and avoid making disparaging remarks about them or creating unfair comparisons between a competitor's offerings and our own.

## Anti-Corruption

*We recognize that bribery is never okay.*

We believe in ethically winning and retaining all our business through the quality of our products and service, never through bribery. We abide by all laws, treaties, and regulations that forbid bribery or corruption in all of its forms, including but not limited to the U.S. Foreign Corrupt Practices Act (FCPA).

When we talk about bribery and corruption, it's important to understand the terms (see also PetSmart's Anti-Bribery and Anti-Corruption Policy):

- ✓ **Bribes** can be any item of value—not only money, but also any kind of gift, favor, charitable or political contribution, or entertainment—that could be viewed as an attempt to influence an official's actions or decisions, obtain or retain business, or otherwise acquire an improper advantage for our Company.
- ✓ A **kickback** is returning or accepting a sum already paid (or due to be paid) as a reward for making or fostering business arrangements.
- ✓ **Government officials** can be federal, state, foreign, provincial, or local government employees, political candidates, and employees of public international organizations or government-owned businesses.
- ✓ A **facilitating payment** is usually small and usually made in cash to expedite standard government services such as processing permits, providing police protection, or expediting utility services. We must not pay facilitating payments, even if they are customary in a particular country.



The key to anti-corruption is that we never offer or accept anything of value to or from government officials or our clients or business partners that would influence someone's ability to make objective business decisions. This can take the form of deciding to do business—or continue to do business—with us, gaining a business advantage, or any other form of improper influence. We take pride in making sure our business practices are clean, so we never hire or authorize a third party to do something we legally may not, or knowingly allow a third party to engage in unethical behavior on PetSmart's behalf.

The FCPA also requires us to maintain books and records that accurately and fairly reflect the nature and purposes of our expenditures. We are also required to keep a system of internal controls allowing us to provide accurate financial statements, and accurately account for our profits, losses, assets, and liabilities. Only those with the appropriate authority may execute transactions.

Penalties for violating anti-corruption laws are severe, making it all the more important that we comply with these laws in all of our dealings. No matter how small or insignificant an action may seem, each of us has a duty to report any known or suspected violations immediately. Rest assured that you will not be retaliated against for a report made in good faith.

Keep in mind that excessive gifts and entertainment may also be seen as bribes. For more information, refer to the “Gifts & Entertainment” section in this Code. Additionally, charitable and political contributions may also be seen as bribes. For more information, refer to the “Charitable and Political Activities” section of this Code. Finally, for more information regarding the Company’s policy regarding bribes and corruption, refer to our Anti-Bribery and Anti-Corruption policy and Gifts and Entertainment policy.



**Q:** Laura is re-negotiating a deal with a Chinese supplier company that is under new management. Laura’s new contact, Tim, says that the company can give PetSmart a better price, but he will need Laura to send each payment in two parts—one to the company’s accounting department and the other directly to him. Tim claims this process is part of the company’s new internal controls procedure. Laura thinks this seems suspicious, but it’s an amazingly good deal. What should she do?

- A. Check with her manager to decide how to handle the situation.
- B. Accept the offer and follow the instructions.
- C. Accept the offer, but send the full payment to the company’s accounting department with a note to send half on to Tim.
- D. Threaten to turn Tim in to the authorities.

**A:** A. Laura should consult her manager on how to handle this situation. It seems likely that Tim intends to pocket part of the payment for himself, meaning that Laura would be, in effect, bribing Tim in exchange for the better price. PetSmart will re-evaluate our relationship with this company, and will likely choose to terminate the relationship based on this behavior. We pride ourselves on avoiding bribery and corrupt payments in all situations.

## Competing Fairly

*The integrity of the marketplace is good for business because it benefits our customers.*

We never enter into any agreement with a competitor that would restrain trade. It does not matter whether these agreements are written and formally documented, or merely come up as a topic of casual conversation during a trade association meeting. Even the appearance of an agreement can be seen as a violation of competition laws. For instance, if a competitor attempts to discuss inappropriate topics with you at a trade show or meeting, you are responsible for stopping the conversation immediately and making clear to anyone who might be listening that you will not participate. Further, we should avoid engaging in conduct that tends to exclude or otherwise harms competitors without a legitimate business justification and without prior approval of the legal department. This includes taking any actions to restrict a competitor's access to customers or to products or services.



Antitrust or competition laws benefit our customers by allowing them access to quality products and services at fair prices. These laws bar competitors from making agreements that could keep prices high, or restrict trade in other ways. For this reason, there are certain topics that we must never discuss with our competitors, including:

- ✓ Fixing prices
- ✓ Dividing or allocating markets, customers, or territories
- ✓ Improperly tying or bundling services
- ✓ Boycotting certain individuals, companies, suppliers, vendors, or customers

Competition laws don't just direct the ways in which we may interact with our competitors. These laws also set the standard for how we collect information about them. It's true that knowing what our competition is doing can help us develop new business strategies and improve our business platform. However, we must only gather competitive information lawfully and ethically. We should not speak about our competitors in a dishonest light. We win business on the strength of what our brand has to offer, not at the expense of others.

DO...	DO NOT...
<p>Stop a conversation immediately and walk away if a PetSmart competitor attempts to discuss any of these topics (listed at right) with you.</p>	<p>Never engage in any form of communication with a competitor that attempts to:</p> <ul style="list-style-type: none"> <li>Fix, stabilize, or control prices, credit terms, discounts, or rebates</li> <li>Allocate contracts, markets, customers, or territories</li> <li>Boycott certain customers, suppliers, or vendors</li> <li>Refrain from or limit the manufacture or sale of any product or service</li> <li>Use market strategies to monopolize or abuse a dominant position in any market</li> </ul>
<p>Be particularly cautious when attending trade events, seminars, or industry conferences.</p>	
<p>Generally, avoid conversations about competitively sensitive information with representatives of our competitors.</p>	<p>Never ask business partners or new associates who have worked with or for PetSmart competitors for confidential information about a competitor.</p>



**Q:** Which of the following situations show unfair competition?

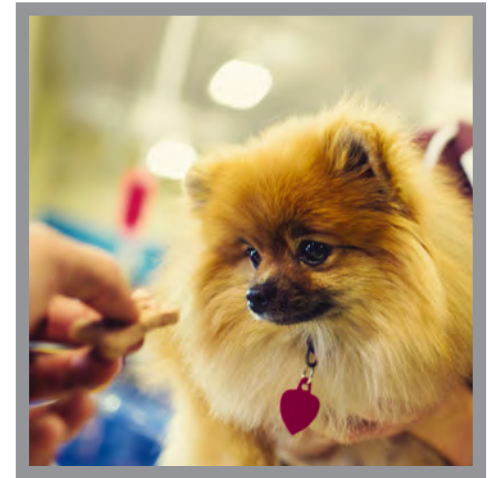
- A. At a pet expo, Emily suggests to a competitor that they should compare notes on how they price similar products.
- B. Carlos, who manages a PetSmart store, has lunch with a friend who has his own dog training business.
- C. Nikki talks to a competitor at a trade show and they agree that business might be better if only his company offered one of the top two brands of cat litter and only PetSmart offered the other.

**A:** A. and C. Emily should not attempt to fix prices with a competitor because this will lead to unfair pricing for our customers. For the same reason, Nikki should not divide suppliers between PetSmart and a competing store. However, it's okay for Carlos to meet his friend for lunch as long as they don't discuss confidential business.

## Money Laundering

*We don't let others use us for unethical schemes.*

Money laundering is the means by which individuals or entities attempt to conceal illicit funds or use these funds in transactions that will make them appear legitimate. PetSmart does not condone, facilitate, or support money laundering. While few of us will ever personally be in the position to violate money laundering laws, we all need to watch out for irregularities in the way payments are made. For instance, if you encounter large cash payments or unusual transactions, report anything that doesn't seem right to Internal Audit or the Ethics & Integrity Department.



## International Trade

*We follow the rules when conducting business inside or outside the United States.*

### IMPORTS AND EXPORTS

Some of the products we sell and the supplies we use in our facilities are **imported**—which is to say that we purchase them from a foreign source and bring them into the U.S. Less often, we may also handle **exports**, which can include any product, service, technology, or piece of information that is provided to someone in another country.

There are a variety of laws and regulations that apply to import and export activity, which may require us to pay duties and taxes, acquire a license, or submit certain documentation. These laws can be complicated, but it's very important that we follow them properly, and if you have any questions or concerns, contact the Legal Department. For more information refer to our [Customs Import and Compliance Policy](#).

### BOYCOTTS AND SANCTIONS

A **boycott** occurs when one person, group, or country refuses to do business with other people or countries. The language directing such acts are usually found in contracts, invoices, e-mails, or shipping documentation. The U.S. government approves certain boycotts, but not all. If you receive or suspect you have received a boycott request from a customer, supplier, vendor, agent, business partner, consultant, licensee, representative of a foreign country, or a PetSmart manager or leader, don't just ignore it. Instead, immediately report it to the Legal Department.

In addition, we do not do business with individuals or organizations that are under sanctions imposed by the United States. Sanctions can restrict or prohibit our dealings with certain countries—or individuals located in those countries. These sanctions may prohibit dealings such as the transfers of assets, monetary payments, provision of services, exports of sensitive technology, or travel to the affected countries.



# FOR OUR COMMUNITIES

## **Enriching Peoples' Lives Through the Power of Pets**

We work to improve lives in our communities—both people's and pets'.

Caring for pets in our communities is our passion. It's also fundamental to who we are as a business. Our quality standards are high, and we believe that all pets receiving assistance in any PetSmart store should receive the best care possible. In fact, we feel so strongly about caring for pets that we display signs with toll-free telephone numbers where patrons can report any issues or concerns.

We benefit our communities by doing all we can to maintain the highest standards for pet care, but also fostering programs that seek to improve lives in our communities. Our company values and respects the importance of pet companions. To this end, our enduring goal is to enhance the relationships our communities have with their pets because we love pets and we believe pets make us better people.



In addition to following all written procedures for handling pets, all PetSmart associates are required to seek veterinary care for pets with more than a minor injury or illness, or any time there is uncertainty about a pet's condition. Any instance of perceived inhumane treatment or pet trafficking should be reported immediately to the Customer Engagement Leader, Store Leader, District Leader, or CareSmart.

## Charitable and Political Activities

*We never use Company assets for our personal activities.*

PetSmart encourages us all to be actively involved, both politically and charitably, in the communities where we live. However, unless specifically authorized by the Company, we may not participate in these activities during working time (time when PetSmart expects an associate to be engaged in productive activities for PetSmart, which does not include breaks, meal periods or time before and after work), with PetSmart equipment or resources (or any other company asset), or on PetSmart premises. This does not apply to employees in the U.S. using company email to engage in protected concerted activities related to terms and conditions of employment on non-working time (time when PetSmart does not expect an associate to be engaged in productive activities for PetSmart, including breaks, meal periods or time before and after work), provided such emails do not violate any law or Company policy, including but not limited to policies on harassment, and does not interfere with the Company email system's efficient functioning. If you do contribute to a political or charitable organization, be certain that any contributions you make do not state or imply that the contribution is from PetSmart.

For more information, refer to the "Gifts and Entertainment" section of this Code, the **Solicitation Policy** and the **Endorsements and Speaking Engagements Policy**.

## Media Inquiries

*We communicate with the public fairly and with one consistent voice.*

When communicating on public issues, we must be careful not to create the impression that we are representing PetSmart, unless we are authorized to do so. Generally, if you are contacted by a reporter and asked to speak about a public issue on behalf of the Company, politely refrain from answering and direct him or her to the 24-hour News Media Line at +1 623-587-2177. For more information on the procedures for handling the media, refer to the **Communications Policy**.





## Environmental Responsibility

*We continuously improve and manage environmental performance through awareness and cooperation.*

We strive to exemplify the latest industry best practices on environmental matters. This means we follow the laws that apply to our work, exceeding them whenever possible in making environmentally responsible and sustainable business decisions. This includes only selling products, such as flea and tick collars, made from lawfully made chemicals and supplies. We avoid or minimize our use of regulated materials, and only use such materials appropriately. PetSmart will always cooperate with government officials on environmental matters.



## Human Rights

*We are strongly committed to respecting and protecting human rights wherever we operate.*

PetSmart follows all applicable laws relating to working hours and paying fair wages. We follow all applicable laws for minimum employment age, and do not tolerate any kind of child or forced labor or human trafficking. Suppliers and vendors play a key role in helping us manage our global supply chain in a socially responsible manner. We hold our suppliers and vendors to the same high standards that we follow. If you suspect that human rights violations or inhumane/unethical pet handling practices are occurring in the PetSmart supply chain, you have a responsibility to discuss your concerns with a member of management immediately.

# WAIVERS

Our Code applies equally to all of PetSmart's associates, officers, and directors. In the unlikely event that granting a waiver for any PetSmart director or officer from any provision of the Code is in the best interests of the Company, such a decision may only be made by the Board of Directors or its Audit Committee. Any questions concerning waivers for other PetSmart associates should be directed to the Ethics & Integrity Department.





Code of Ethics & Integrity

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