

California Transparency in Supply Chains Act of 2010

PetSmart is strongly committed to respecting and protecting human rights wherever we operate. Suppliers and vendors play a key role in helping us manage our global supply chain in a socially responsible manner. We require our suppliers and vendors to comply with all applicable laws relating to working hours, fair wages, and minimum employment age. PetSmart does not tolerate any kind of child or forced labor or human trafficking.

The California Transparency in Supply Chains Act of 2010 requires certain companies to publicly disclose their efforts to eradicate human trafficking and slavery from their global supply chains. PetSmart does the following to eradicate human trafficking and slavery from our global supply chain manufacturers.

Verification PetSmart uses an enterprise risk management (ERM) process to identify and assess major risks to the company. Human rights violations in PetSmart's supply chain is an identified risk on the ERM process which is reviewed and updated on an annual basis.

Audits At PetSmart, we require our key international proprietary brand vendors to undergo an independent third party social accountability audit, which includes a review of human trafficking and slavery issues. These vendors generally receive notification of a pending audit one to two months prior to the audit. PetSmart determines the frequency of these independent third party audits based on an analysis of the risk of the products supplied by these vendors. Generally, these independent audits are conducted every one to three years. PetSmart verifies the documentation from these third party audits, and if a vendor fails to comply with any of the above requirements, PetSmart promptly reviews the failure with the vendor to determine a solution, if possible. PetSmart ceases to do business with vendors that cannot maintain these requirements.

PetSmart does not conduct audits of our national brand product vendors. National brand product vendors have a direct relationship with their suppliers and are themselves directly responsible for compliance with all applicable laws involving human trafficking and slavery in their supply chains. If PetSmart learns of a failure with one of our national brand vendors, PetSmart promptly reviews the failure with the vendor to determine a solution, if possible. PetSmart ceases to do business with vendors that cannot maintain these requirements.

Certification PetSmart requires international vendors to comply with all applicable laws and regulations in the jurisdictions in which they operate. With each shipment of products to PetSmart, all international vendors must provide a signed certification that the products they provide to us, and the materials incorporated into these products, comply with the laws and regulations regarding slavery and human trafficking of the country or countries in which they do business. Vendors must also certify that any vendor or subcontractor used in the manufacturing or distribution of the products they provide comply with these standards.

PetSmart provides our Quality Assurance Handbook to proprietary brand vendors. The Handbook outlines PetSmart's criteria, minimum quality standards, and expectations for its proprietary brand vendors. Each vendor is required to certify in writing its understanding of, and adherence to, the terms contained in the Handbook. The Handbook requires that our proprietary brand vendors, including contractors or subcontractors, comply at a minimum with the prevailing labor laws of the country or countries and state(s) in which they operate. When regulations are nonexistent or conflict with the fundamental values of PetSmart, the Handbook requires proprietary label vendors to meet the accepted practices established by other manufacturing countries, as determined by PetSmart.

PetSmart also provides a Master Vendor Agreement to the majority of our vendors, both domestic and international. The Agreement requires that our vendors comply with all U.S. and foreign laws governing the products the vendor supplies to PetSmart, including laws related to the manufacture of the products. PetSmart's purchase orders contain terms and conditions requiring that our vendors' products comply with all applicable federal, state, provincial, and local laws, including those governing manufacture. If a vendor fails to comply with any of the above requirements, PetSmart promptly reviews the failure with the vendor to determine a solution, if possible. PetSmart ceases to do business with vendors that cannot maintain these requirements.

Internal Accountability PetSmart is strongly committed to respecting and protecting human rights wherever we operate. All employees are provided with PetSmart's Code of Ethics and Integrity, and all employees are required to certify that they have reviewed and understand the Code. The Code requires PetSmart and its employees to follow all applicable laws relating to working hours, paying fair wages, and minimum employment age, and states that

PetSmart does not tolerate any kind of child or forced labor or human trafficking. The Code also states that we hold our suppliers and vendors to the same high standards that we follow. The Code requires that if any employee suspects that human rights violations or inhumane/unethical pet handling practices are occurring in our supply chain, he or she has a responsibility to discuss those concerns with management. An essential element of the Code is each employee's responsibility to report any situation that causes concern. We provide a number of avenues for our employees to report such concerns, including an anonymous hotline administered by an independent third party, and we strictly prohibit retaliation against anyone who in good faith reports a possible violation of the Code.

Training PetSmart provides periodic training on human trafficking and forced labor issues to all applicable employees in our merchandising department, including buyers, product managers, and quality assurance managers, along with other **employees working with our supply chain.**