



# code of ethics & **business** **conduct**



AN ASSOCIATE GUIDE TO THE PETSMA<sup>®</sup>  
CODE OF ETHICS AND BUSINESS CONDUCT



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Dear Fellow Associate,

I am pleased to share with you the PetSmart Code of Ethics and Business Conduct. It contains the policies that guide our actions, day to day. It reaffirms our commitment to the highest level of ethical and legal conduct, which has served the Company well through our history.

This guide is designed as a resource. It gives you basic information about some of the more important legal and policy standards that apply to you. It provides direction and limits. It explains how to prevent or recognize and report potential violations. Adherence to these guidelines is a requirement of continued employment for each of us.

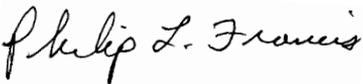
Unethical or illegal conduct, even by one of us, ultimately can jeopardize the integrity of PetSmart. Associates who violate these policies, whether for personal gain, perceived benefit to the Company or for any other reason, will discredit all of us. As an informed Associate, you can help prevent this by recognizing and reporting potential violations.

This guide cannot address all possible situations. You should use this reference and your own good judgment when making choices and decisions. If you are in doubt or need assistance, see the Compliance Program Administration and Information on page 25 of this guide or contact the CareSmart Line at 1-800-738-4693.

After you have studied the contents of the guide, please complete the Code of Ethics and Business Conduct Associate Certification Form in the manner described at the end of this guide. You will periodically be asked to complete this Form to reaffirm your continued understanding of and compliance with this Code.

Our achievements as a Company and as individuals require hard work and constant dedication to high standards. As we strive to grow and improve our business, upholding these standards is one of our most important priorities.

Sincerely,

A handwritten signature in black ink that reads "Philip L. Francis". The signature is written in a cursive, flowing style.

Philip L. Francis  
Chairman of the Board  
Chief Executive Officer

*April 2008*

# PetSmart Code of Ethics

PetSmart believes it is imperative to: act with honesty and integrity and engage in ethical conduct; avoid conflicts of interest and disclose transactions or relationships that could give rise to such a conflict; conduct our business in accordance with all applicable laws, rules and regulations; adhere to standards of safety and care for the protection of our Associates, customers and their pets, the public and the environment; provide information in all reports and documents that is complete, fair, accurate, timely and understandable; and promote these policies through education, supervision and regular reviews.

# General Directions, Reporting and Certification

## General Directions

All Associates must read, understand and use the PetSmart Code of Ethics and Business Conduct (the "Code") and related policies. Every Associate has the responsibility to recognize and avoid or prevent situations that may cause possible violations of the Code. If, after reviewing the information in this guide or PetSmart's business policies, you have questions about its content or about how it relates to your job, you should consult with your manager. If your manager cannot answer your questions, then your manager should direct the question to his or her supervisor or the Legal Department.

## Reporting

An essential element of this Code is the responsibility and obligation you have as an Associate to appropriately raise issues of concern to appropriate individuals in the Company. Issues of concern may include a violation of this Code or any other Company policy, pet safety concerns, harassment, discrimination, or issues surrounding our financial records.

The Company has an open door policy, which encourages Associates to raise issues to an appropriate supervisor who will address the issue.

Additionally, an Associate can anonymously report an issue of concern through the CareSmart Line, which is a call center operated by a third-party. Our Legal Department and Chief Compliance Officer can be contacted directly to discuss any issue of concern. Any issue reported will be taken seriously and addressed appropriately. Supervisors/Managers in receipt of an issue of concern must take appropriate action to address such issue. When applicable, the issue should be elevated to other appropriate individuals to address.

In summary, it is imperative to report violations of Company policy to an appropriate individual. Failure to do so, or failure to take appropriate action when in receipt of an issue of concern, is a violation of the Code.

Finally, every Associate has access to the PetSmart Audit Department at Store Support Group, and the Vice President

of Internal Audit periodically reports to the Audit Committee of the Board of Directors on issues covered by the Code.

Management will work with Associates to resolve reported matters where appropriate. However, neglect of job responsibilities or violations of the law will never be condoned. These policies must be followed and any Associate's failure to comply with them may result in disciplinary action, up to and including dismissal.

## Certification

Every salaried and certain other designated Associates must review, sign and forward the Code of Ethics and Business Conduct Associate Certification Form following the procedure described at the end of the Code.

If you are at SSG, Associates will be required to reaffirm their understanding

of the Code of Ethics and Business Conduct by re-reading and completing the Associate Certification Form periodically (either online or using a Certification Form). Any comments or concerns should be reported on the Certification Form or through the CareSmart Line.

The Code of Ethics and Business Conduct in this guide applies to PetSmart and its subsidiaries. All references to "PetSmart" and "the Company" include PetSmart, Inc., its subsidiary companies, all affiliates controlled by PetSmart or, if appropriate, any one or more of them. All references to "close relatives" would also include anyone with whom an Associate has a close relationship.

# Quick Reference Policy Summaries

The following descriptions provide a brief summary of each business policy. For complete information, refer to the policy statements beginning on page 10.

## Antitrust Compliance Policy

It is the policy of PetSmart to comply with the antitrust laws of the United States and with the laws regulating competitive practices in all locations where the Company does business. This policy identifies and discusses how Associates can avoid illegal and unethical interactions with customers, suppliers and competitors in situations involving unlawful agreements, discriminatory and predatory pricing, reciprocity, etc.

## Asset Protection Policy

It is the policy of PetSmart to have controls that will aid in the detection and prevention of fraud against the Company. This policy is designed to address intentional false representations and the concealment of material facts for the purpose of inducing another to act upon it to his, her or the Company's detriment or injury.

## Pet Care and Safety Policy

It is the policy of PetSmart to maintain high standards for the humane care and treatment of pets. We seek to accomplish this by ensuring all pet care procedures are followed, by reporting and addressing infractions and by encouraging our customers to report to us any problems they see.

## Respect in the Workplace Policy

It is the policy of PetSmart to provide equal employment opportunity for all Associates based solely on the qualifications of each individual. This policy describes and prohibits any form of discrimination, harassment or retaliation based on race, color, religion, age, sex, pregnancy, sexual orientation, national origin, veteran status, disability or other protected status. The policy emphasizes that no such discrimination or harassment will be tolerated at PetSmart and we will not retaliate against Associates who report harassment or discrimination.

## Policy on Conflicting Interests

It is the policy of PetSmart to prevent situations in which an Associate's interests are in conflict with those of the Company. This policy explains the responsibility of Associates and their family members to avoid any action that may interfere with the Associate's primary duty to serve the Company at all times. Examples of areas covered include illegal payments or gifts; interactions with vendors, suppliers, customers and competitors; and securities trades and confidential information.

## Policy to Conduct Business Legally and Ethically and to Maintain Accurate and Meaningful Financial Records

It is the policy of PetSmart to conduct its business both ethically and legally and to present its financial information in a manner that will not mislead or misinform those who receive and use it. This policy explains improper use of corporate funds to gain favorable treatment by regulatory authorities and describes the requirements for maintaining and reporting financial information.

## Occupational Health and Safety Policy

It is the policy of PetSmart to establish and maintain a safe and healthy work environment. This policy covers the responsibility of management and Associates to minimize the hazards inherent in the workplace by using appropriate processes, practices and methods, and by providing timely education and training.

## Environmental Policy

It is the policy of PetSmart to comply with the environmental, health and safety laws in the conduct of its business and to exemplify the best contemporary industry practices with respect to environmental matters. The policy reviews the Company's commitment to continuous improvement of our environmental protection practices and to manage environmental performance through cooperation and active participation.

## Computer Usage Policy

It is the policy of PetSmart to utilize common sense and good judgment while using email, internet, local area networks, network drives, software and hardware, and to ensure Company information is not inappropriately accessed or shared on chat rooms or blogs. The policy reviews each Associate's obligations when using these services.

## Public Contributions and Public Service Policy

It is the policy of PetSmart to encourage Associates to be actively involved in the civic affairs of the communities in which they live. This policy discusses restrictions on political contributions and provides guidance for individuals who speak on behalf of the Company.

# Business Policy Statements

## Antitrust Compliance Policy

PetSmart complies with the antitrust laws of the United States (“U.S.”), and the local laws regulating competitive practices.

The purpose of the antitrust laws is to preserve our competitive free enterprise system. These laws are based on the belief that the public interest is best served by vigorous competition and will suffer from agreement or collusion between competitors.

The antitrust laws are complex and in many respects difficult to interpret and apply. Associates in responsible positions, however, should clearly understand these basic principles and should seek advice when uncertain. Associates should consult the PetSmart Legal Department with any questions or concerns pertaining to the policy.

### Impermissible Agreements

The Sherman Act and the Clayton Act are the principal United States antitrust laws. The following actions constitute clear violations of one or both of these statutes:

### Impermissible Agreements with Competitors:

1. To agree with one or more of our competitors to fix prices or service charges at existing levels, higher levels or lower levels.
2. To agree with one or more of our competitors on what to bid or pay for any product or service, i.e., any form of bid rigging.
3. To agree with one or more of our competitors to fix other items and conditions of sale, such as credit terms, quantity discounts, freight, packaging, etc.
4. To agree with one or more of our competitors on the allocation of customers or markets, whether geographically or otherwise.

### Impermissible Agreements with Suppliers and Customers:

5. To obtain the agreement of any supplier (i.e., any individual or organization who sells products to the Company) to fix resale prices, or other terms and conditions of resale.

Depending on the circumstances, the following actions may be in violation of the antitrust laws. Associates should seek the advice of the PetSmart Legal Department before taking any of the following actions:

6. To agree with competitors or suppliers not to deal with any other person, whether that person is a supplier, competitor or customer, for example, a group boycott.
7. To force any customer to buy an article as a condition of buying another article (such as a tie-in sale); to obtain the agreement of the customer that it will buy all of its product from the Company; or to refuse to sell an article to any customer unless it buys another article or all of its products from the Company.
8. To purchase goods or services from a supplier on the condition that it will purchase other goods or services from the Company, which is known as a reciprocal agreement.

## Evidence of Agreements with Competitors or Suppliers

You should know that even if you clearly understand and follow these antitrust guidelines, actions you take in good faith, with no intent to violate the law, may nevertheless be violations. For example, uniform prices alone are not sufficient evidence to establish an antitrust violation. On occasion, however, a judge or jury has inferred an illegal agreement or understanding with little additional evidence.

### These are the safest rules for everyday business situations:

1. Don't discuss prices, costs or suppliers with a competitor. A competitor can be any person or Company that competes with any part of our business. Don't complain to suppliers about another competitor's resale prices. If you are contacted by a competitor complaining about the Company's prices or another competitor's prices, do not engage in discussions. Instead, call the Legal Department immediately or the toll free CareSmart number at [1-800-738-4693](tel:1-800-738-4693).

2. Don't discuss retail prices with suppliers, and do not discuss another competitor's resale prices with a supplier.
3. Don't make statements to one competitor complaining of price cutting or inquire of a competitor about whether it had quoted a given price, even if the purpose of the inquiry is to minimize the risk of price discrimination. (See Discriminatory Pricing below.)
4. Don't have discussions (whether face-to-face, over the telephone, via email or in a chat room) with a competitor concerning general market conditions, present or future prices, quantity discounts or other terms of sale, or any supplier or group of suppliers.
5. Don't exchange current or future price schedules with a competitor.
6. Don't attend formal or informal meetings of competitors (whether held in a restaurant, hotel, club or elsewhere). This applies especially to a trade association "rump" session at which any business matters are discussed, unless either legal counsel is present or the discussions are limited to specific approved topics.

7. Don't discuss costs with a competitor.
8. Don't discuss with a customer its purchase of other products if the discussion is perceived to be a threat, no matter how subtle, of discontinuing sales to that customer if it does not purchase other products.

In all of these cases, there is the risk that, even though there may be no illegal agreement or understanding, a judge or jury might decide there has been a violation. You should avoid any action that may violate the antitrust laws, but also any action that may give the appearance of doing so.

## Pricing Integrity

### Discriminatory Pricing

The Robinson-Patman Act prohibits:

1. Price discrimination or differences in price between purchasers of products of like grade and quality that may harm either competitors or customers who pay the higher prices. There are two basic exceptions. One relates to "meeting competition" situations, where a lower price is granted in good faith to meet, but not beat, a competitor's lawful lower price. In addition, quantity discounts are permissible where most, if not all, customers

can buy enough to take advantage of the maximum discount. The other exception, which is rarely available, is when we can offer a lower price when we realize cost savings in dealing with a particular customer.

2. Commission or brokerage payments to a customer, agent or representative of a customer.
3. Discriminatory services, facilities or payments to help a purchaser obtain services or facilities. The services or facilities referred to are those used by the purchaser in the resale of the product.
4. Inducing or receiving discriminatory prices. This relates to a purchaser's conduct rather than a seller's conduct.

The Robinson-Patman Act is difficult to understand and apply. If you have questions, contact the Legal Department for advice.

### Predatory Pricing

The antitrust laws of the U.S. prohibit below-cost pricing if it is part of an effort to gain or maintain a dominant market position. In addition, the laws of some states make sales below cost unlawful even where the Company doesn't have market power. There may be some circumstances where below-cost

pricing can be justified. Advice of the Legal Department should always be sought prior to any product or service being offered or purchased at below cost.

### Reciprocity

Reciprocity (i.e., reciprocal buying) is an unsound business practice that frequently distorts purchasing decisions. It is the policy of PetSmart to purchase and sell products and services based on superior quality, suitability, efficiency, service and price. No attempt should be made to position purchases or potential purchases to promote sales to any suppliers.

## Asset Protection Policy

The corporate asset protection policy is established to facilitate the development of controls that will aid in the detection and prevention of fraud against PetSmart. It is the intent of PetSmart to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls and the conduct of investigations.

This policy applies to any irregularity, or suspected irregularity, involving Associates as well as shareholders, consultants, vendors, contractors, and/or other parties with a business

relationship with the Company including, but not limited to, such things as any impropriety in handling or reporting money or financial transactions.

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to the Company. The Company has a responsibility to detect and prevent fraud, misappropriations and other irregularities. Fraud is defined as the intentional, false representation, or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Associates should be familiar with the types of improprieties that might occur within his or her area of responsibility and be alert for any indication of irregularity. Any irregularity that is detected or suspected must be reported immediately to the CareSmart Line.

Complaint protocols have been established under the CareSmart Line for the investigation of all suspected fraudulent acts as defined in the policy. The investigator will have access to all PetSmart records and personnel. If the investigation substantiates that fraudulent activities have occurred, the lead investigator will issue reports to appropriate recipients and, if required, to the Board of Directors through the

Audit Committee in accordance with the complaint protocol process. Investigation results will remain confidential, unless otherwise required by law, and will only be discussed with appropriate parties.

## Pet Care and Safety

Caring for pets is fundamental to who we are, and each of us is responsible to meet and maintain our high standards for humane pet care and treatment. PetSmart believes it is unacceptable for even one pet, in even one PetSmart store, to receive the wrong kind of care or inadequate care.

Store Management is responsible for communicating all pet care policies and procedures to all Associates who handle or care for our pets and ensuring they are followed. Store Management is also responsible for reporting humane pet care violations to their District Managers immediately upon learning of any infraction.

We feel so strongly about caring for pets in our stores that in each pet habitat area there must be displayed a sign with a toll-free telephone number for customers to use to report any issues or concerns about how we care for our pets.

Our policy strictly prohibits inhumane treatment of any pet in our care and requires Associates to follow the Company's written procedures for handling pets.

Any ill or injured pets must be removed from the sales floor immediately and not returned until they are completely healthy.

Associates are required to seek veterinary care for pets with anything beyond a minor injury or illness, or when the Associate is uncertain about the pet's condition.

PetSmart Associates are required to report any instance of perceived inhumane pet treatment to their Pet Care Manager, Store Manager, District Services Manager or District Manager. All concerns will be investigated immediately. Inhumane treatment of our pets, or failure to report it when seen, is not tolerated and is grounds for immediate termination.

## Respect in the Workplace

It is the policy of PetSmart to provide equal employment opportunity for all Associates based solely on the qualifications of each individual. This policy describes and prohibits any form of discrimination, harassment or retaliation based on race, color, religion, age, sex, pregnancy, sexual orientation, national origin, veteran status, disability or other protected status. The policy emphasizes that any such discrimination or harassment will not be tolerated at PetSmart and there will be no retaliation against Associates who report harassment or discrimination.

No manager or supervisor may threaten or suggest, either explicitly or implicitly, that an Associate's submission to or rejection of sexual advances or requests for sexual favors will either enhance or adversely affect the Associate's employment. This includes Associate evaluation, compensation, advancement, assigned duties, or any other terms or conditions of employment.

PetSmart policy and the law prohibit any Associate from making derogatory or degrading gestures or actions, or using demeaning words concerning an Associate's race, color, religion, age, sex, pregnancy, sexual orientation, national

origin, veteran status, disability or other protected status. Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature are also prohibited.

## Conflicting Interests

It is the policy of PetSmart to prevent situations in which an Associate's interests are in conflict with those of the Company. This policy explains the responsibility of Associates and their family members to avoid any action that may interfere with the Associate's primary duty to serve the Company at all times. Examples of areas covered include illegal payments or gifts; interactions with vendors, suppliers, customers and competitors; securities trades; and confidential information.

Each PetSmart Associate has a duty to be free at all times from any influence that conflicts or appears to conflict with the interests of the Company, or that might deprive the Company of the undivided loyalty of the Associate in business dealings. To this end, an Associate should not become involved in any situation that may interfere with his or her primary duty to serve the Company at all times to the best of his or her ability. Associates who should be especially mindful of this duty include all who may:

- have authority to purchase or sell goods or services on behalf of the Company;
- recommend or influence decisions with respect to purchases or sales; or
- have knowledge of or access to the Company's confidential information, processes or activities.

It is impossible to present an exhaustive list of actions that might give rise to a conflict of interest. The following guidelines should help indicate some, but not all, areas where conflicts of interest are most likely to arise:

### 1. Bribes, Kickbacks and Other Payments

An Associate will not offer, accept or pay any bribe, kickback or illegal gratuity or payment, directly or indirectly, to or from any person, organization or governmental representative.

### 2. Financial Interests in Suppliers, Customers or Competitors

A conflict of interest may exist where an Associate or a close relative of an Associate has a financial interest in, or is engaged, directly or indirectly, in the management of an organization that deals with the Company as a vendor, supplier or contractor of the Company,

or is a competitor of the Company. The term “financial interest” means any interest, direct or indirect, in the financial success or failure of an enterprise, regardless of the nature of that interest or the manner of its acquisition. It includes, for example, owning stock, being a partner, being a creditor, or any other arrangement in which an Associate or close relative of an Associate has an interest in or claim on the assets or income of an enterprise.

A conflict of interest is unlikely, however, if the financial interest is insubstantial and consists solely of stocks or bonds listed on a national security exchange or customarily bought and sold in an over-the-counter market. A financial interest may be considered “substantial” if it represents more than one percent of the common stock of the enterprise in which the investment is made, or if it is a significant part of an Associate’s or close relative’s assets.

### 3. Transactions or Competition with the Company

A conflict of interest may exist where an Associate or close relative of an Associate buys, sells or leases any kind of property, facilities, equipment or services from or to, or in competition with, the Company. A conflict may also exist where any close relative of

an Associate renders services to the Company other than as an Associate or where an Associate seeks to direct Company purchases or other transactions to or through a close relative.

### 4. Transactions with Persons Doing or Seeking to do Business with the Company or in Competition with the Company

A conflict of interest may exist where an Associate or a close relative of an Associate buys, sells or leases any kind of property, facilities or equipment from or to any organization or individual who is doing or seeking to do business with the Company or is a competitor of the Company, or where he or she accepts commissions, a share in profits, or compensation in any form from any such organization or individual.

### 5. Providing Services to Other Organizations or Individuals

A conflict of interest may exist where an Associate provides services to another organization or individual that does business with or is seeking to do business with PetSmart or is a competitor of PetSmart, or if the outside employment interferes with the Associate’s performance of duties for the Company.

## 6. Gifts or Loans

An Associate should not accept gifts or favors of significant value (cost more than \$50) or borrow money (other than from an established banking or financial institution), directly or indirectly, from any organization or individual that is doing or is seeking to do business with the Company or is a competitor of the Company. Any gift of significant value (cost more than \$50) must be returned promptly to the donor with an appropriate explanation.

The policy also applies to close relatives of Associates. Should any supplier contact you and suggest or offer any payment, gift or anything of value (cost more than \$50) to you or any Associate, discontinue the conversation and contact the Legal Department at SSG immediately.

If the gift is offered in conjunction with a business-related function, activity or holiday, you should do one of two things. You should either decline, as set forth above, or you may seek and obtain the approval of the gift or activity from the Senior Vice President of your functional area or the Chief Operating Officer or Chief Executive Officer, as appropriate.

## 7. Entertainment

An Associate should not accept any entertainment from any organization or individual that is doing or seeking to do business with the Company or is a competitor of the Company if the acceptance of the entertainment may in any way influence the Associate not to act solely in the best interests of the Company.

## 8. Corporate Opportunities

An Associate should not appropriate to him or herself or divert to others, directly or indirectly, any business opportunity that may be of interest to the Company without first obtaining written authorization from the Chairman of the Board or his or her designee after full disclosure of the material facts. The fact that a particular business opportunity is closely related to an existing line of business of PetSmart, or represents a desirable avenue of expansion of PetSmart's activities, is a strong indication the Company would be interested in the opportunity.

An Associate should not, directly or indirectly, acquire, influence or assist others in acquiring any real estate in areas in which the Company may or does have interests or development

activities. There are two exceptions to this restriction. An Associate may receive real property interests acquired through inheritance, or through the purchase of stocks listed on a national security exchange or over the counter.

An Associate should not, directly or indirectly, acquire, influence or assist others in acquiring stock or a participating interest in any enterprise PetSmart is or may be taking steps to acquire. This also applies to real property interests owned, controlled or in the vicinity of property owned or controlled by PetSmart.

## 9. Speculation

An Associate should not deal in or speculate in commodities, products, materials, equipment or property purchased or sold by the Company

## 10. Confidential Information

An Associate should not use or disclose confidential Company information for his or her personal profit or for the advantage of anyone else. Each Associate will be required to sign and abide by a Confidentiality Agreement on accepting employment with PetSmart.

Unless it is a legal requirement, or is specifically authorized by a senior

officer of the Company, an Associate should not disclose or release to anyone, or in any forum, any decisions, plans, competitive bids or any other information concerning PetSmart, that includes, but is not limited to, advertising or marketing drawings, pictures, plans or proposals, sales goals or plans, information regarding employees and any Company financial information. Associates should secure PetSmart information when it is in his or her possession to ensure no accidental disclosure or theft of such information.

## 11. Trading Securities on Inside Information

If, at any time, an Associate has material inside information about the Company (or any other Company, particularly another Company with which PetSmart does business), he or she must refrain from trading the Company's securities until the information has been disseminated to the general public and absorbed by the marketplace. This prohibition includes indirect as well as direct transactions, puts, calls or any other interest in the securities. Material information means information that a reasonable investor might consider important in deciding whether to hold, buy or sell the securities involved. Insider trading carries potential criminal and civil penalties.

In particular cases, it may be difficult to determine whether information is material. Any questions regarding the possession of material information should be asked prior to any purchase or sale and should be brought to the attention of the General Counsel of PetSmart at Store Support Group in Phoenix. Under no circumstances may an Associate give material inside information to any other person, either specifically or in the form of a general “tip.” The potential for tipping or an unintentional disclosure of material inside information, given the nature of electronic chat rooms, internet discussion boards, blogs or any similar media for the distribution of opinions and information, is significant in those environments. As a result, all Associates, including all directors and officers, except those specifically authorized to do so by the PetSmart Disclosure and Ethics Committee, are prohibited from using such media to communicate about PetSmart or any companies with which we do business, other than for legally protected activities.

## Policy to Conduct Business Legally and Ethically and to Maintain Accurate and Meaningful Financial Records

It is the policy of PetSmart to conduct its business both ethically and legally and to present its financial information, internally and externally, in a manner that will not mislead or misinform those who receive and use it. This policy explains improper use of corporate funds to gain favorable treatment by regulatory authorities and describes the requirements for maintaining and reporting financial information.

In accordance with this policy, but without limiting its generality, the following rules are to be applied:

- I. The use of Company funds or assets for any unlawful or unethical purpose is prohibited. For example, corporate assets may not be used to influence or obtain favorable treatment from governmental or regulatory authorities if doing so would violate U.S. laws or the laws of any other governing jurisdiction.

2. The establishment of any undisclosed or unrecorded fund or asset is prohibited.
3. The making of any false or misleading entry on the Company's books or records is prohibited.
4. The making of any payment or other disbursement to any third party for any purpose other than as stated on the voucher is prohibited.
5. The written or oral distribution of any false or misleading financial information or report, whether internal or external, is prohibited.
6. Inappropriate use of labor dollars or inaccurate reporting of labor hours used or labor hours needed is prohibited.

All corporate books, records and accounts are to be kept in reasonable detail. They must accurately and fairly reflect corporate transactions and the use of corporate assets in a manner that will assist in the preparation of complete and accurate financial reports. Each Associate of the Company, including those without financial reporting or accounting responsibilities, is required to understand and comply with this policy as it relates to his or her individual job duties.

## Occupational Health and Safety Policy

It is the policy of PetSmart to establish and maintain a safe and healthy work environment. This policy covers the responsibility of management and Associates to minimize the hazards inherent in the workplace by using appropriate processes, practices and methods, and by providing timely education and training.

At PetSmart, the Company believes all injuries and occupational illnesses can be prevented, and safety is a fundamental responsibility of each Associate of the Company. The Company also believes safety and occupational health must be integrated with our effort to sell high quality products at competitive prices and provide excellent customer service. Therefore, for the well-being of all Associates and as a matter of policy:

- I. Management will promote safety on and off the job; implement accident prevention programs, systems and techniques; and provide a work environment in which identified occupational health and safety hazards are controlled when elimination is not feasible.

2. Store or Facility Managers will be responsible and accountable for implementing a superior level of safety performance; instituting work practices which reflect safe and efficient methods for accomplishing the required tasks; correcting all deficiencies promptly; and escalating safety issues to the appropriate parties for correction or modification.
3. All Associates will be expected to perform their jobs in the safest manner prescribed; conduct themselves in a way that enhances their personal safety and that of their fellow workers and customers; report workplace hazards and make suggestions for their correction; and cooperate and contribute toward the overall success of the program.

These worthwhile objectives can only be achieved with the commitment and complete support of every Associate.

## Environmental Policy

It is the policy of PetSmart to comply with the environmental, health and safety laws in the conduct of its business and to exemplify the best contemporary industry practices with respect to environmental matters. The policy reviews the Company's commitment

to continuous improvement of our environmental protection practices and to manage environmental performance through cooperation and active participation.

In all locations where PetSmart does business, there are laws and regulations designed to protect the environment. Some of the products sold or used by PetSmart may be subject to these environmental laws.

PetSmart is committed to operating its business in an environmentally responsible manner. Where possible, use of regulated materials will be minimized or avoided. Where regulated materials are used, PetSmart will use them in accordance with applicable laws. PetSmart will cooperate fully with regulatory or governmental authorities on these matters.

## Computer Usage

All Associates are required to become familiar with and abide by the Computer Usage Policy found on Fetch. Users are also expected to use their common sense and exercise good judgment while using all Computer services, including email, internet, LAN and network drives (e.g., G:\, W:\, X:\), software and hardware and printers.

The policy is designed to protect Company assets and ensure Company information is not inappropriately accessed. Associates should report information security violations immediately to their supervisor.

Some specific activities that are strictly prohibited under the Computer Usage Policy include, but are not limited to:

- Accessing confidential information that is not within the scope of one's work.
- Misusing, disclosing without proper authorization, or altering Company or personnel information.
- Any unauthorized, deliberate action that damages or disrupts computing systems or networks, alters their normal performance, or causes them to malfunction regardless of location or duration.
- Willful or negligent introduction of computer viruses or other destructive programs into Company systems or networks or into external systems and networks.
- Unauthorized decryption or attempt at decryption of any system or user passwords or any other user's encrypted files.
- Gaining unauthorized access to a computing system or network.
- Use, transmission, duplication or voluntary receipt of material that infringes on the copyrights, trademarks, trade secrets or patent rights of any person or organization.
- Unauthorized downloading of any programs or files for use without authorization in advance from the IT Department and the user's manager.
- Any conduct that would constitute or encourage a criminal offense, lead to civil liability, or otherwise violate any regulations, local, state, national or international law including, without limitation, U.S. export control laws and regulations.
- Deliberate pointing or hyper-linking of the Company Web sites to other Internet/www sites whose content may be inconsistent with or in violation with the aims or policies of the Company.

- Transmission of any proprietary, confidential or otherwise sensitive information without the proper authorization from a Company vice president or above.
- Acquisition, storage, dissemination, creation, posting, transmission or voluntary receipt of any unlawful, offensive, libelous, threatening or harassing material including, but not limited to, comments based on race, national origin, sex, sexual orientation, age, disability, religion or political beliefs.
- Forwarding of chain letters.
- Participation in on-line contests, forms of gambling or accepting of promotional gifts.
- Engaging in activities that waste or monopolize computer and/or network reports to the exclusion of others.
- Conduct of a business enterprise, political activity, engaging in any form of intelligence collection from clients or business partners, engaging in fraudulent activities or knowingly disseminating false or otherwise libelous materials.

## Political Contributions and Public Service Policy

PetSmart does not directly or indirectly make contributions or other payments or provide property or services to any candidates for public office or to political parties. Any Associate who makes a political contribution personally should ensure that he or she does not imply that it is a contribution from the Company. PetSmart encourages its Associates to be actively involved in the civic affairs of the communities in which they live. When speaking on public issues, however, Associates should do so only as individual citizens of the community, and must be careful not to create the impression they are acting on behalf of or representing the views of PetSmart. The only exception to this is Associates who have appropriate authorization to speak on behalf of the Company.

# Compliance Program Administration and Information

Each of the policies in this guide and all other supplemental statements made by the Company will be implemented in accordance with the following:

- Each officer of the Company is responsible for Company-wide understanding and adherence to these policies. The officer of the Company with ultimate responsibility to ensure compliance and enforce these policies is the General Counsel. Any Associate who requires clarification regarding a policy described in this book, or desires to report a violation of the Code, should follow the procedures set forth in this policy for reporting or may contact the General Counsel at Store Support Group in Phoenix at [1-800-738-1385](tel:1-800-738-1385). The toll-free number for questions, or to report a potential violation is the CareSmart Line at [1-800-738-4693](tel:1-800-738-4693).
- Periodically, reports will be provided to the Chairman and to the Audit Committee of the Board of Directors regarding Company-wide adherence to the Code of Business Ethics.
- An essential element of this Code is the responsibility and obligation you have as an Associate to appropriately raise issues of concern to appropriate individuals in the Company. Issues of concern may include a violation of this Code or any other Company policy, pet safety concerns, harassment, discrimination or issues surrounding our financial records. The Company has an open door policy, which encourages Associates to raise issues to an appropriate supervisor who will address the issue.

- Additionally, an Associate can anonymously report an issue of concern through the CareSmart Line, which is a call center operated by a third-party entity. Our Legal Department and Chief Compliance Officer can be contacted directly at [1-800-738-1385](tel:1-800-738-1385) to discuss any issue of concern. Any issue reported will be taken seriously and appropriately addressed. Supervisors/Managers in receipt of an issue of concern must take appropriate action to address such issue. When applicable, the issue should be elevated to other appropriate individuals to address.

- In summary, it is imperative to report violations of Company policy to an appropriate individual. Failure to do so or failure to take appropriate action when in receipt of an issue of concern, is a violation of the Code.
- Finally, every Associate has access to the PetSmart Audit Department at Store Support Group, and the Vice President of Internal Audit periodically reports to the Audit Committee of the Board of Directors on issues covered by the Code.

# Code of Ethics & Business Conduct Associate Certification Process

After reviewing this information in print or online, you must complete a Certification Form located on Fetch. If you are reading this online, click this link [Ethics Certification](#) and you will be immediately directed to the form. If you are unable to link to the certification

form at this time, it can also be found on Fetch by searching “Code of Ethics”. Completion of this certification is mandatory. If you need help accessing Fetch or need to complete the certification in a written format, please see your manager.



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