

PETCO ANIMAL SUPPLIES PTY LTD



MODERN SLAVERY STATEMENT 2024-2025

Petco Animal Supplies Pty Ltd,
626 Pittwater Rd Brookvale,
NSW 2100

1 MODERN SLAVERY STATEMENT — PETO PTY LTD

Petco Animal Supplies Pty Ltd submits this joint Modern Slavery Statement on behalf of itself and each related entity listed below.

- NewCo Petco Pty Ltd
- Petco Vetco Pty Ltd
- Petco Vetco NSW Pty Ltd

2 ABOUT THIS STATEMENT

This Modern Slavery Statement is submitted by Petco Animal Supplies Pty Ltd (ACN: 087 944 161), trading as 'PetO', for the reporting period of 1 July 2024 to 30 June 2025. This statement is prepared in accordance with the requirements of the *Modern Slavery Act 2018* (Cth). It outlines the foundational steps taken by PetO to identify, assess, and address the risks of modern slavery within its operations and supply chains. The document also details the key findings from our due diligence efforts and sets out a clear, proactive agenda for the next reporting period.

The management of Petco Animal Supplies Pty Ltd is deeply committed to ethical business conduct and the protection of human rights. This statement serves as a public declaration of that commitment, providing transparency to our customers, partners, and the broader community on our journey to ensure our business and its extended network are free from all forms of exploitation, including forced, bonded, or child labour.

This statement was prepared with input from key internal stakeholders across all related entities, including teams from Procurement, Legal, Operations, and Human Resources. It will be presented to the principal governing body for formal approval and signature, a critical step in our governance process.

3 REPORTING ENTITY DETAILS

- Full legal name of reporting entity: **Petco Animal Supplies Pty Ltd**
- ACN: **087 944 161**
- Principal place of business / registered office: **626 Pittwater Rd Brookvale, NSW 2100**
- Reporting period: **1 July 2024 – 30 June 2025**
- Date of statement approval and name of approving body: **19th September 2025**
- Name & signature of the responsible member: **David Rowe - Director**

4 ABOUT PETCO ANIMAL SUPPLIES

Petco Animal Supplies Pty Ltd, trading as PetO, is an Australian family-owned and operated business founded in 2006 by brothers Nick Greenhalgh and David Rowe. Starting as a single store in Sydney's Northern Beaches, the company's mission is to be the leading "cat and dog specialists" by providing expert advice and a wide selection of products and services. The company's ethical commitment extends to animal welfare, as demonstrated by our decision not to sell live animals, instead promoting a "think adoption first" approach through partnerships with animal rescue organisations. In addition to retail, PetO offers professional grooming, DIY dog wash facilities, and veterinary care in some locations through PetO Vets.

The company's national footprint and operational complexity were transformed by a landmark acquisition in 2024. This strategic expansion involved the purchase of 41 retail stores and 25 vet clinics, which significantly grew the business from its previous base of 17 stores in New South Wales to more than 80 sites nationwide. This acquisition not only positioned PetO as the third-largest omnichannel pet retailer in Australia but also caused the company to cross the \$100 million revenue threshold for mandatory modern slavery reporting.

Our Operations

PetO directly employs more than 682 employees across retail stores, grooming salons, veterinary clinics, and corporate functions -30% are full time, 15% are part time and 55% are casual. Core operational activities include store management, customer service, veterinary service delivery, product merchandising, logistics coordination, and corporate governance functions.

Certain operational activities, such as logistics transportation, waste management, shopfitting, some maintenance services, and manufacturing, are performed by third-party contractors. These outsourced operations may carry higher inherent risks of modern slavery due to the potential involvement of low-skilled, migrant, or casually employed labour.

Understanding these operational structures has enabled PetO to assess modern slavery risks not only in our procurement supply chains but also within the workforce and labour conditions associated with outsourced service providers.

PetO's operations and supply chains have been formally segmented into three primary categories in order to better understand potential Modern Slavery risks.

- **Retail Operations & Services:** This category includes the network of physical pet stores, the online retail platform, and the in-store pet services such as grooming and DIY dog washing. The supply chain for this segment is focused on finished goods, accessories, pet food, and essential supplies. These goods are sourced from a diverse network of domestic suppliers and international manufacturers.

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- **Veterinary Services:** This is a newly significant operational segment following the acquisition of 25 clinics. The supply chain here involves the procurement of highly specialised goods, including clinical consumables, pharmaceuticals, and veterinary equipment.
- **Corporate & Logistics:** This foundational segment provides the support and infrastructure for the entire business. Its supply chain encompasses the procurement of professional services, IT hardware, office consumables, and the critical network of logistics and transport contractors responsible for moving products from factories to distribution centres and ultimately to customers.

PetO's supplier network comprises 119 Tier-1 suppliers identified in its procurement records. While all of these Tier-1 suppliers are domiciled in Australia, a significant number of them, particularly in the retail and food categories, operate as distributors or importers. This creates a layer of upstream modern slavery risk, as their supply chains extend to international manufacturers in regions with elevated risk profiles. This creates a challenge to assess and collect data on the suppliers to our suppliers, however PetO is committed to combating modern slavery beyond the immediate geographic location of Tier-1 suppliers to the ultimate source of production.

5 RISK IDENTIFICATION AND METHODOLOGY

5.1 METHODOLOGY:

The methodology for identifying and assessing modern slavery risks across PetO's operations and supply chains was designed to be both comprehensive and transparent. A primary component of this process involved the assessment of suppliers ESG (Environmental, Social, and Governance) performance of 103 out of 119 Tier-1 suppliers. 14 suppliers did not have any online presence and are micro-businesses who's main business operations are derived from supplying to PetO.

The outcomes of this assessment were complemented by targeted public-source research, which included a review of company websites, the Australian Modern Slavery Statements Register, and public reports. Risk categorisation was a combination of numeric scores and keyword analysis, with a focus on terms indicating potential issues such as forced labour, migrant labour, recruitment fees, or a general lack of foundational policies.

Consultation with Controlled Entities

PetO engaged in a structured consultation process with the entities covered by this joint statement, including Petco Newco Pty Ltd, Petco Vetco Pty Ltd, and Petco Vetco NSW Pty Ltd.

Regular meetings are held with operational managers and leadership teams across these entities discussing information regarding its operations, supplier relationships, and existing governance frameworks to ensure understanding of supply chain risks, reporting obligations and alignment with PetO's overarching methodology. This collaborative process ensures a unified approach to identifying risks, sharing data, and implementing remediation actions across all owned and controlled entities.

PetO's risk assessment used a multi-layered approach:

1. **Inherent risk scoring** for product categories (e.g., toys, accessories, textiles) and service categories (e.g., logistics, cleaning).
2. **Country-of-origin risk weighting**, using external indices including the Global Slavery Index and U.S. Department of Labor List of Goods Produced by Child Labor or Forced Labor.
3. **Supplier governance assessment**, evaluating whether suppliers had formal policies, grievance mechanisms, audit history, or traceability systems.
4. **Discrepancy mapping**, comparing public statements against internal survey responses to identify potential misaligned disclosures.

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5.2 INHERENT RISK PROFILE

Based on this assessment, PetO acknowledges that its operations, particularly its retail and veterinary segments, carry inherent modern slavery risks. These risks are not unique to PetO but are recognised as common across the industry. They are predominantly linked to the following factors, a framework that aligns with best practices in risk identification:

- **Product and Service Categories:** The sourcing of finished goods such as pet food, accessories, and pet products often involves complex manufacturing processes that can be vulnerable to exploitation.
- **Business Models:** While Tier-1 suppliers are domestic, their upstream supply chains often extend to international manufacturing in regions that may present a higher risk.
- **Vulnerable Populations:** The potential for a migrant or otherwise vulnerable workforce at lower tiers of the supply chain is a key concern.

5.3 KEY RISK AREAS IDENTIFIED:

In addition to supply chain risks, PetO recognises operational risks associated with the use of contracted labour in cleaning, security, logistics, trades, merchandising support, and veterinary locum staffing. These sectors are recognised nationally as higher-risk environments due to factors such as:

- prevalence of temporary visa workers
- potential subcontracting chains
- limited visibility over working conditions

During the reporting period, PetO commenced a review of these service categories to identify labour providers, confirm employment conditions, and assess the presence of risk indicators such as excessive overtime, inconsistent payment records, and use of unlicensed subcontractors.

- labour hire
- cleaning
- security
- store construction
- maintenance
- transportation
- vet clinic staffing

6 SUPPLIER RISK SEGMENTATION AND ANALYSIS

The supplier assessment process resulted in the following risk segmentation for the 103 Tier-1 suppliers: 20 high-risk, 41 medium-risk, and 42 low-risk suppliers & 16 unknown. While these numbers provide a high-level overview, a more granular analysis of the supplier data reveals a critical trend.

We are encouraged by this outcome, but we remain vigilant. Our due diligence processes did flag several suppliers as high-risk due to factors such as poor transparency and governance gaps (for example, lacking clear labour policies or whistleblower channels). While no actual cases of forced labour or similar abuses were verified, these high-risk indicators are treated seriously. The suppliers in question have been prioritised for deeper engagement and scrutiny in the next period.

The analysis of the ESG scores and individual policy scores for each supplier demonstrates a clear correlation: as a supplier's overall ESG score declines, the number of missing or incomplete foundational policies, such as a formal modern slavery statement or a whistleblower policy, systematically increases. This pattern is not an isolated deficiency; it points to a broader, systemic lack of ethical governance. A company that lacks a whistleblower policy, for example, is not only missing a compliance document but also lacks a safe, confidential channel for workers to report concerns about modern slavery or other forms of misconduct. This absence of a safe reporting mechanism makes it inherently more challenging to detect and address modern slavery risks within their operations, regardless of their self-reported risk assessment. The risk is thus a function of both the supplier's immediate practices and the quality of its underlying governance framework. This is exemplified by suppliers with very low ESG scores, which often show a complete absence of such policies, representing a significant void in their ethical infrastructure.

External Factors Influencing Risk

Global supply chain disruptions, labour shortages, and inflationary pressures have increased vulnerabilities for workers in international manufacturing and domestic service sectors. PetO recognises that these conditions may elevate modern slavery risks and has incorporated these considerations into our supplier risk assessments and engagement priorities as we do not currently engage overseas manufacturers directly.

7 ACTIONS TAKEN DURING THE REPORTING PERIOD

During the reporting period, PetO implemented several key actions to assess and address the risks of modern slavery. These efforts represent a strategic shift towards a more structured and data-driven approach to ethical supply chain management.

A foundational step was the use of ESG AI (www.esgartificialintelligence.com), a comprehensive supplier ESG assessment to analyse all 103 out of 119 Tier-1 suppliers. This assessment was not merely a checklist; it was a tool designed to collect granular data on suppliers' policies and governance, allowing PetO to create the first data-driven risk profile of its supply chain. The insights from this assessment, particularly the identification of the 'policy gap' trend among lower-scoring suppliers, will inform future due diligence efforts.

To formalise expectations, PetO updated its Supplier Code of Conduct to explicitly prohibit forced, bonded, or child labour. The updated code also includes a new provision requiring suppliers to cooperate with PetO's verification activities, establishing a contractual basis for future audits and due diligence.

Targeted desktop reviews and research were conducted for the high-risk. This process was crucial for validating supplier claims and identifying discrepancies between assessment processes and public evidence, as seen with multiple suppliers. The goal of this research was to initiate a substantive dialogue with suppliers, providing a foundation for future remediation efforts.

Our Remediation Framework

In the event that a modern slavery incident is identified, PetO will apply a structured and victim-centred remediation process, including:

- immediate measures to ensure the safety and wellbeing of affected individuals
- engagement with the supplier's leadership to halt harmful practices
- requirement for the supplier to implement a corrective action plan with defined timelines
- collaboration with specialised third-party organisations to provide support services for impacted workers
- reassessment of the supplier's suitability for ongoing commercial engagement

8 MEASURING THE EFFECTIVENESS OF OUR ACTIONS

The measurement of effectiveness is a central pillar of PetO's modern slavery strategy. For this reporting period, the primary key performance indicator (KPI) was the percentage of Tier-1 suppliers with a completed assessment. PetO successfully assessed 86.5% of its Tier-1 suppliers, a significant achievement.

However, the completion of an assessment is only the first step. A deeper analysis of the supplier data reveals that a completed assessment does not guarantee the absence of modern slavery risk. Many suppliers with completed assessments still have low overall ESG scores and significant policy gaps. This highlights a critical need to move beyond simple completion metrics to a more sophisticated framework that measures real progress.

Therefore, PetO will be implementing a more robust, forward-looking measurement framework that focuses on the quality and effectiveness of our actions.

How Effectiveness Will Be Measured

PetO will monitor effectiveness through annual reviews overseen by the Procurement, Legal, and Human Resources teams.

Data will be collected through:

- supplier assessment results
- trends in grievance reports
- supplier engagement with the supplier code of conduct during the procurement process
- internal staff training completion rates

Effectiveness metrics will be reviewed annually to ensure they remain aligned with evolving risk profiles and global best practice.

Modern Slavery Incidents Identified

During the reporting period, PetO did not identify any confirmed instances of modern slavery within our operations or Tier-1 supply chain. However, several suppliers were identified as high-risk due to governance gaps or lack of transparency, and these suppliers have been prioritised for follow-up actions and deeper due diligence in the next reporting period.

9 MODERN SLAVERY EFFECTIVENESS METRICS & TARGETS (FY2025-2026)

<i>KPI/Metric</i>	<i>Current Result (FY2024-2025)</i>	<i>Target for FY2025-2026</i>
<i>% of Tier-1 suppliers with completed assessments</i>	86.5% (103/119)	Achieve 90% completion rate for all existing and new Tier-1 suppliers.
<i>% procurement covered by updated supplier code & contractual clauses</i>	-	Achieve 100% coverage of new and renewed Tier-1 supplier contracts.
<i>All employees complete Modern Slavery training program including specific procurement, legal, operations, and human resources obligations</i>	-	100% of employees, existing and new, trained in Modern Slavery identification and risk management.

10 PRIORITIES AND REMEDIATION FOR THE NEXT REPORTING PERIOD

PetO's priorities for the next reporting period are centred on moving from initial assessment to active remediation and continuous improvement. The strategy is designed to address the specific vulnerabilities identified in the supplier analysis and to embed controls across the business.

1. **Enhanced Due Diligence:** To address the discrepancies between self-reported claims and public information, PetO will implement a formal process to validate supplier policies
2. **Mandatory Supplier Code of Conduct:** To ensure all parties are clear on expectations of conduct, all new and renewing suppliers will be issued the Supplier Code of Conduct as a compulsory stage of the procurement process.
3. **Internal Training Program:** We will develop and roll out a modern slavery training program for all relevant internal staff, including procurement, legal, operations, and human resources teams.

This initiative will cover:

1. Identifying modern slavery risks in operations and supply chains.
2. The importance of due diligence and risk assessment.
3. Recognising and responding to red flags.
4. Guidance on using our established reporting and grievance mechanisms.

11 CONSULTATION WITH STAKEHOLDERS

This statement was prepared through a comprehensive and collaborative internal consultation process. Key input was sought and received from teams across the organisation, including Procurement, Legal, Operations, and Human Resources. This cross-functional engagement was vital for accurately assessing risks across all facets of the business, from product sourcing to internal governance. The statement will be formally presented to the Board, or a principal governing body, for their review, approval, and signature, ensuring accountability at the highest level of the organisation.

12 CONSULTATION AND APPROVAL

This Modern Slavery Statement has been approved by the principal governing body of Petco Animal Supplies Pty Ltd.

Signature (responsible member):



Name: David Rowe

Title: Owner

Date of Approval: 24/12/2025

13 APPENDIX A: REPORTING ENTITIES

Entity Name	ABN
Petco Newco Pty Ltd	63 675 432 783
Petco Vetco Pty Ltd	88 675 432 890
Petco Vetco NSW Pty Ltd	43 675 433 002
Petco Animal Supplies Pty Ltd	53 087 944 161