Doing the right thing for pets, people & our planet

Fiscal Year 2023 Sustainability Impact Report

June 1, 2022 - December 31, 2023

petcurean

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Introduction

Translating ambition into action

Welcome to Petcurean's third annual Sustainability Impact Report, a reflection of our ongoing journey to translate ambition into action. At Petcurean, sustainability isn't just a vision; it's a daily commitment woven into the fabric of our culture, upheld by our passionate employees, and extended to our communities and governance practices. We believe that sustainability is a shared effort—built on humility, transparency, and a collective commitment to make a positive difference. This report is an invitation to explore the strides we've taken, acknowledging both successes and areas where we strive to improve.

Our dedicated employees, the heartbeat of Petcurean, play a pivotal role in shaping our sustainability narrative through their passion and innovative spirit. From developing nutritious pet food to community engagement, their commitment reflects a genuine desire to create a positive impact for pets and communities alike. This report sheds light on the meaningful contributions of our team, highlighting their role in shaping a more sustainable future for pets and our planet.

Our commitment to community extends beyond words to actions that strengthen the social fabric. Through local initiatives, support for regional causes, and fostering inclusivity in our workplace, we recognize the interconnectedness between our success and the well-being of the communities we touch. Our impact extends beyond our products. Petcurean's journey in sustainability is a testament to our belief in nurturing not just pet health but creating a ripple effect to the health of the communities we serve and the broader planet.

In governance, we navigate with a sense of responsibility, ensuring our ambitions align with the highest ethical standards. Through robust policies, transparent communication and proactive measures, we ensure that our sustainability goals align with the highest standards of integrity and responsibility.

As you navigate this report, we acknowledge that sustainability is a journey, and we're not perfect. While we're proud of our accomplishments, we're equally committed to acknowledging areas where we can grow. Recognizing that there's always more to be done, we pledge to continue translating ambition into action, doing as much as we can, everywhere we can, in our pursuit of a sustainable future for pets, people, and our planet. Join us in celebrating progress, embracing transparency, and nurturing our steadfast commitment to sustainability, as we help all dogs and cats live happier, healthier, longer lives.

**Due to a change in timing of our fiscal year, this report covers June 1, 2022 - December 31, 2023. Future reports will align with the calendar year.*

Achievement highlights

We launched our recyclable kibble bags

We signed the PSC Packaging Pledge and the majority of our bags will be recyclable by 2025.

Go! Solutions Skin + Coat Care Lamb Recipe with Grains was the first recipe to be released in the new recyclable bag, in October 2023.

We launched an insect protein recipe

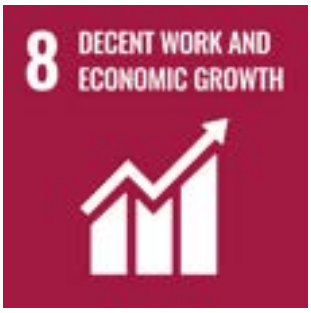
Go! Solutions Limited Ingredient Grain Free Insect Recipe is an eco-friendly option using 80% less land and water resources than traditional proteins in pet food.

We calculated our Scope 3 greenhouse gas emissions

You can't manage what you haven't measured, so we undertook the mammoth task of calculating our indirect GHG emissions across our value chain.

United Nations sustainable development goals

At Petcurean we believe in supporting the United Nations Sustainable Development Goals (SDGs) as this reflects a shared responsibility to address global challenges and work towards a more equitable, sustainable, and compassionate world. This reflects our commitment to fostering a healthier world for pets and their parents, while also prioritizing the well-being of our dedicated employees and the communities where we live and work. While we strive to support all of the SDGs we are particularly focused on SDG 3, SDG 8, SDG 12, and SDG 13.



SDG 3, centered on Good Health and Well-Being, underscores our dedication to crafting premuim nutrition that enhances pets' vitality, ensuring their health is optimized. Simultaneously, we are committed to fostering the well-being of our team, recognizing the distinct importance of employee health.

Embracing SDG 8, which promotes Decent Work and Economic Growth, we strive to create opportunities and sustainable practices within our company, contributing to the overall welfare of our employees and the communities in which we operate.

Addressing SDG 12, Responsible Consumption and Production, guides our pursuit of eco-friendly sourcing and manufacturing methods, reducing our environmental pawprint.

Furthermore, aligning with SDG 13, Climate Action, we recognize the urgency of mitigating our ecological impact and actively work towards a greener, more resilient future for pets, our planet, and our valued employees.

At Petcurean, we don't just see ourselves as pet food providers; we consider our role as stewards of a holistic, interconnected ecosystem. Through our products and practices, we strive to drive positive change, ensuring the well-being of pets and contributing to a healthier, harmonious world.

Protecting our planet

Optimizing our business practices to contribute to a more sustainable future, because pets and people thrive, when our planet is healthy and thriving

We've made the switch to recyclable packaging

We are actively addressing the significant challenges posed by climate change, with a particular focus on reducing our environmental impact through innovative packaging solutions.

Last year, we commissioned a third-party life cycle assessment to compare the sustainability of our non-recyclable bags with recyclable alternatives. The science-based results overwhelmingly favoured recyclable bags.

In July 2022, we publicly demonstrated our commitment to sustainability by signing the Pet Sustainability Coalition Packaging Pledge. This commitment solidifies our goal to transition the majority of our bags to recyclable materials by 2025.

After conducting thorough testing and due diligence on the new bags, our inaugural recipe, Go! Solutions Skin + Coat Care Lamb Recipe with Grains, rolled off the production line in the new recyclable bags in October 2023. To promote recycling, we enlisted the third-party group How2Recycle to verify the recyclability of our bags. All our recyclable bags will proudly feature the How2Recycle logo along with clear recycling instructions.

As it wouldn't be sustainable to discard all of the non-recyclable bags we have on hand, we're transitioning recipes to the new recyclable bags as they come up for re-order.

First place

Last place

Celebratory cake

To celebrate this milestone in Petcurean's history, our Sustainability Committee organized a sustainability-themed Amazing Scavenger Race for our Head Office and remote teams. The first- and last-placed teams were equally surprised by their achievements :) .

As part of our ongoing commitment to sustainability, we proactively conducted an additional packaging life cycle assessment in October 2023. This assessment compared different packaging structures, empowering us to make informed, science-based decisions for future packaging choices, always with sustainability in mind.

Going green with insect protein

To meet the needs of pet parents seeking sustainable options, and those searching for recipes for pets with sensitivities, and for novel protein sources, we've introduced Go! Solutions Sensitivities Limited Ingredient Grain-Free Insect Recipe for dogs and cats. This innovative recipe features black soldier fly larvae—a novel protein source that not only is hypoallergenic and highly digestible but also contributes to sustainability.

By using 80% less land and water resources than traditional proteins in pet food, this protein choice helps lower the carbon footprint and minimizes our impact on the environment.

Carbon pawprint

Measuring, so we can manage our greenhouse gas emissions.

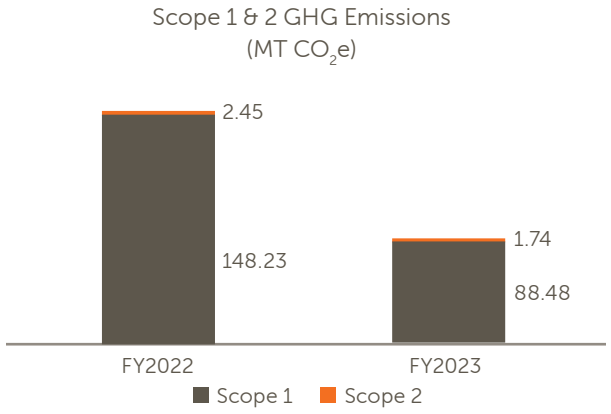
Scope 1 & Scope 2 emissions

With the transition of our fiscal year to align with the calendar year, we recalculated our Fiscal Year (FY) 2022 Scope 1 & Scope 2 GHG emissions, establishing a new baseline following the guidelines of the internationally recognized GHG Protocol.

We then measured our Scope 1 & Scope 2 emissions for the current fiscal year, FY23. Our total Scope 1 & Scope 2 emissions for FY23 are 90.22 MT CO_2e.

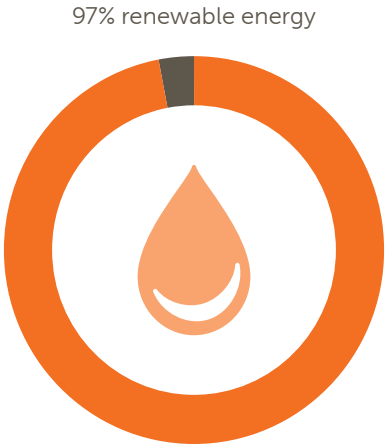
Thanks to conservation efforts and the gradual transition of our fleet vehicles to hybrids, we successfully reduced our combined Scope 1 & Scope 2 emissions by 40% in FY23 compared to FY22!

We had previously announced a goal to reduce our combined Scope 1 & Scope 2 emissions by 20% by 2030. We have now achieved this 6 years earlier than planned, and exceeded our reduction goal.



Scope 1 emissions come from our HVAC usage, plus gas and A/C from our leased fleet vehicles

Scope 2 emissions come from our purchased electricity



We're also happy to share that 97% of our electricity comes from renewable energy (hydro-electricity).

Scope 3 emissions

Recognizing that the majority of a company's GHG emissions stems from Scope 3 indirect emissions (those not directly produced by a company itself), our team eagerly took on the challenge of calculating and understanding these emissions.

Leveraging third-party software and adhering to the standards outlined in the GHG Protocol, we meticulously calculated the emissions from the key sources crucial to our business: ingredients (and their transportation), packaging (and its transportation), pet food manufacturing, transportation of pet food to our distribution partners, employee business travel, employee commuting and teleworking, and waste at our Head Office. This comprehensive assessment was conducted for FY22 to establish a baseline and again for FY23.

Our Scope 3 emissions for FY22 are estimated at 56,077.94 MT CO_2e. Our Scope 3 emissions for FY23 are estimated at 50,331.62 MT CO_2e and are broken down as follows:

FY23 Scope 3 emissions

89%	8%	3%	1%	<0.1%	<0.01%
Ingredients, packaging,and manufacturing	Transportation of food to distributors	Transportation of ingredients & bags to manufacturing	Business travel	Employee commuting & telework	Head office waste

Scope 3 emissions (continued)

Our team is now empowered to develop a plan of meaningful actions to reduce our Scope 3 emissions.

Some of the reduction steps we're already taking include measures aimed at reducing transport emissions from shipping such as:

- Adopting paperless practices for our North America and International tradeshow booths. We've embraced digital sales tools accessible via tablets and QR codes at the booth, minimizing the need for traditional shipping of materials.
- Strategically sourcing booth decorations and other tradeshow items locally in the host country, avoiding the environmental impact of shipping from our Head Office in Canada.
- Transitioning to TPH (The Printing House) as a print partner for large POS orders and on-demand, near-market printing. This shift eliminates the need to print near our Head Office, ship to a storage warehouse, and then distribute across North America. With TPH, we print on demand, with orders directed to the nearest print shop to the destination, reducing unnecessary shipping back and forth.

Commitment to carbon neutrality continues

While reducing our emissions will always be our first priority, we acknowledge the importance of offsetting the impact we have yet to mitigate in our Scope 1 & Scope 2 emissions. To address this, we continue to invest in 3rd party verified carbon offsets through B Corp certified companies dedicated pioneering carbon reduction projects.

This year, we purchased carbon offsets to neutralize the 198 metric tonnes of Scope 1 & Scope 2 GHG emissions incurred from June 1, 2022, to December 31, 2023, further demonstrating our commitment to environmental responsibility.

Additional achievements

Waste less, achieve more!

Taking charge of our waste is a direct and impactful way we contribute to a healthier planet.

In 2022, our Facilities team began tracking waste, establishing baseline metrics for composting, recycling, and landfill contributions. Fueled by our Head Office team's enthusiasm for positive change, we kicked off our Watch Your Waste campaign in January 2023, educating and inspiring our team.

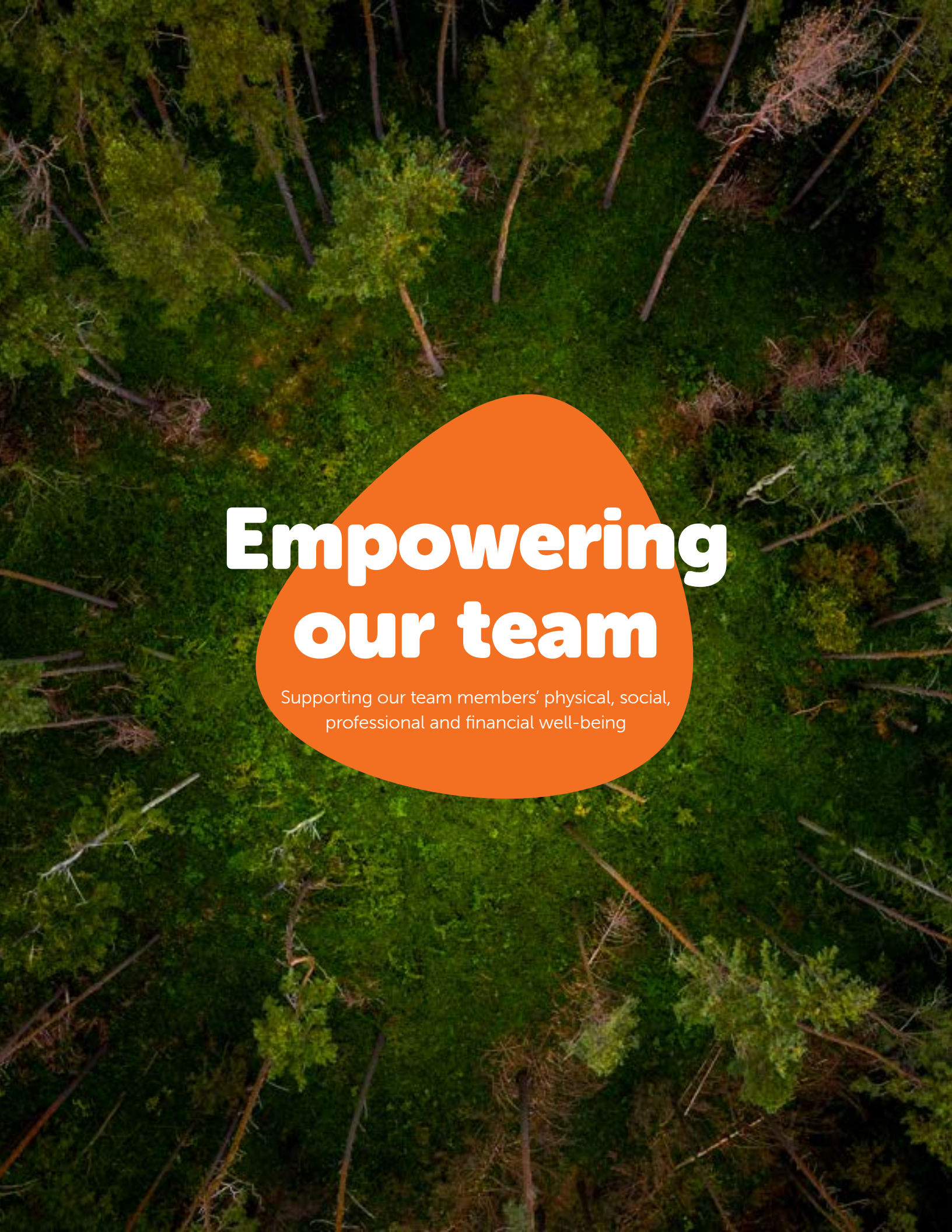
The outcome? By the end of 2023, we successfully slashed our total waste-to-landfill by 83%. Across all three waste categories, only 9% now reaches the landfill, earning us a 'zero waste' designation (achieved when <10% goes to landfill).

Our commitment remains strong as we persist in monitoring, managing, and measuring our waste, continually striving for further reductions.

Sustainable sourcing: impactful partnerships, positive change

To monitor and mitigate the environmental footprint of our supply chain, Petcurean has taken several impactful measures:

- Collaborated closely with our manufacturing partners to enhance their environmental practices.
- Conducted a comprehensive analysis covering 100% of our key suppliers. This aimed to identify critical areas and risks related to biodiversity loss, waste production, GHG emissions, and water usage.



Empowering our team

Supporting our team members' physical, social, professional and financial well-being

Growth^2 & engagement

What a year it has been! You read correctly, we said Growth^2 ('squared), and you'll see why below.

Growth 1: internal promotions

We continue to have a high learning and growth-oriented team, which speaks to our success as a business. We had 15+% employees who were promoted internally this year - it's amazing to see our internal talent continue to grow and evolve with our business!

Growth 2: growth & development

Our internal promotions wouldn't take place without Petcurean's ongoing focus and investment in employee training and development. This year, we implemented three key initiatives that will continue to foster and groom growth and development conversations:

1. Your Growth. Your Success!

We implemented a strategic change in our annual performance review forms, introducing a revitalized growth and development section. By posing four thoughtful questions, we encourage our employees to reflect on their current and future development interests. This additional step not only provides us with a clear understanding of their development aspirations but also empowers managers to engage in meaningful conversations with their team members about their growth journey.

2. Budgeting & Reporting

We're delighted to announce that Petcurean has introduced comprehensive training and development budgeting guidelines, coupled with robust reporting structures. These initiatives aim to foster a culture that not only encourages, but effectively tracks, training initiatives across the entire organization. The goal of this undertaking is twofold:

- Walk the Talk: Our budgeting guidelines promote equity and transparency company-wide, empowering departments to proactively plan for their teams' training costs.
- Forward-Looking & Progressive: This initiative cultivates an environment of continuous improvement and resilience. Recognizing that learning and development are vital for the success of our business strategy, particularly in today's dynamic business landscape, this ensures our competitiveness and future readiness.

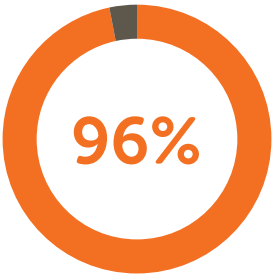
3. Foundational People Leadership Training

We're happy to share that this year marked the launch of our formal Foundational Leadership Training program, introducing people managers to "what it means to be a people leader at Petcurean". Given our frequent internal promotions, this program serves as a valuable springboard for both new people managers and, people managers who have recently joined the company. It's a tailored orientation to define success in people management at Petcurean.

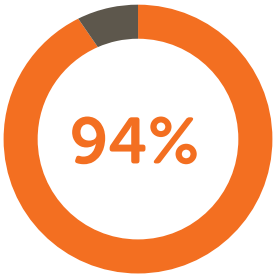
Survey says: peak engagement!

Let's talk about an engaged workforce! In May 2023, we conducted our annual employee engagement survey, and the results spoke volumes about the work environment at Petcurean.

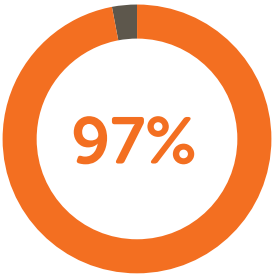
It's one thing to believe you have an engaged workforce; it's another to see the tangible data!



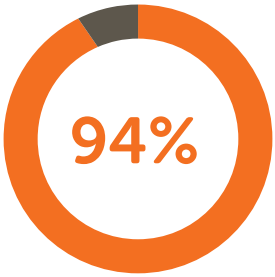
I am proud to be a Petcurean employee



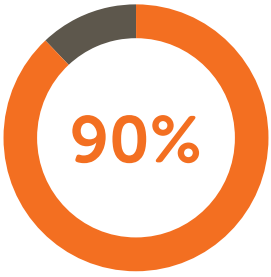
I would refer a friend or a family member to Petcurean as a great place to work



I find that my values and Petcurean's values are similar



My manager demonstrates an interest in my well-being



I look forward to going to work

Cultivating unity, embracing diversity

Petcurean remains dedicated to cultivating an inclusive workplace, actively considering and implementing strategies to foster diversity. As part of this commitment:

1. We've introduced a recruitment practice to ensure our job descriptions and advertisements are inclusive and equitable.
2. Leveraging a 3rd party website, we screen our job communications for any gender-oriented messaging, making adjustments based on screening recommendations.
3. We collect demographic data when employees are willing to provide it.
4. This data guides us in confirming the maintenance of equitable programming throughout our organization.

Cultural potluck

Indian culture celebration

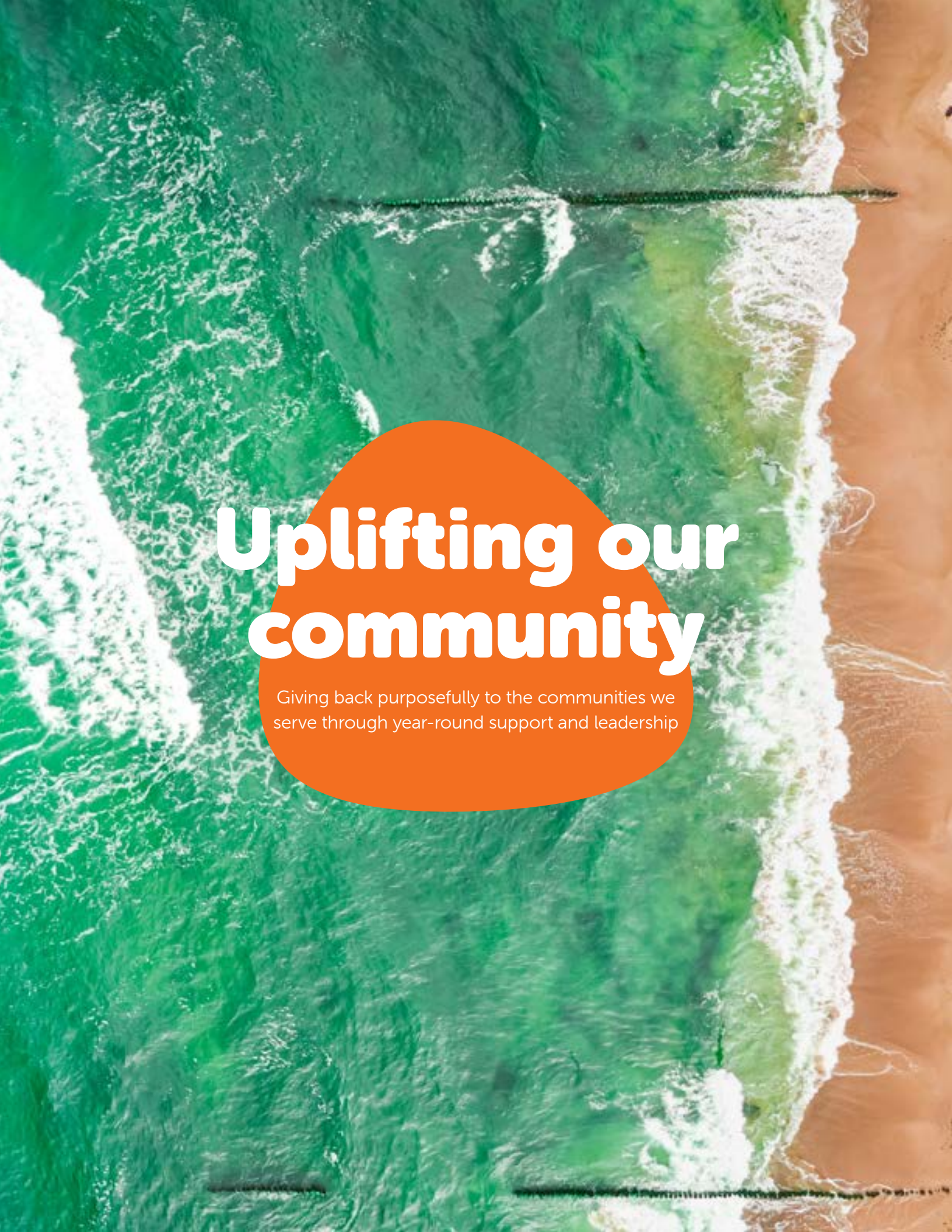
Our team is also deeply committed to embracing and learning about each other's cultural backgrounds. In 2023:

+ Our Social Committee organized a vibrant cultural potluck, featuring representation from over a dozen cultures, including First Nations, Jewish, Mennonite, Dutch, South African, Indian, French, Ukrainian, Taiwanese, Canadian, and more.
+ Our Marketing team dedicated an afternoon to celebrating Indian culture. Led by the South Asian members of the team, we explored the diverse backgrounds of our colleagues, tried out Bollywood dance moves, engaged in a saree tying contest, crafted beautiful rangoli art, and savored delicious food.

Safety first, always

At Petcurean, the safety and well-being of our employees are top priorities. The accomplishments of our Health & Safety Committee speak for themselves:

1. Zero workplace accidents for 4 consecutive years.
2. Well-defined safety and health program goals and objectives, complete with specific indicators to measure progress.
3. Easy accessibility to our comprehensive safety procedures for all on-site personnel, including staff and visitors.



Uplifting our community

Giving back purposefully to the communities we serve through year-round support and leadership

Volunteering is in the air!

At Petcurean, our dedication and care for communities goes beyond words—it's ingrained in our Mission statement. Reflecting this dedication, we introduced a new Volunteering Policy last year, granting employees 20 work hours to give back. Requesting and tracking volunteer hours is seamless, integrated into our existing time-off request system—making it as easy as scheduling a vacation.

In this reporting period, 55% of our employees embraced the opportunity, taking paid time off for volunteer service. We're thrilled by this engagement and eagerly anticipate offering even more volunteer opportunities in the coming years.

Our team actively participated in various volunteer activities, including:

- Hope Slough Clean Up – Partnering with the Skwah First Nations Community, we celebrated Earth Day by restoring biodiversity to the Hope Slough. We were honored to have Skwah Elder, Eddie Gardner, share the river's history and ceremonial songs, and our team enjoyed a delicious lunch hosted by the Skwah Community.
- Chilliwack Adopt-A-Senior – Spreading joy during the Holiday season, we 'adopted' 10 seniors living alone in our community. Our Head Office and remote teams dedicated a heartwarming afternoon to selecting and shopping for gifts that they thought would be meaningful and bring smiles to each senior.

Heartfelt donations

Every member of our team has a big orange heart for donations, standing strong when our communities need us most. Whether facing floods or wildfires, here are some of the ways we've supported communities—from Haida Gwaii to Halifax, to Maui and Orlando:

2,453,840 meals donated to 764 rescues, shelters, and food banks

504 trees planted

$522 donated to bee conservation

Our amazing retailer partners also supported our efforts - here are a couple of examples:

- On Petcurean's training platform, when retail staff complete a training module, they can choose to make a donation to plant trees, support bee conservation, or provide food to a rescue. Petcurean then makes that donation on their behalf.
- In Alberta, a retailer partnered with Petcurean for a special promotion. Throughout May, every purchase of a 22lb bag of specific Go! Solutions recipes included a free 1-gallon pollinator plant. Guess what? We gave away 77 pollinator plants!

A few photos of just some of our donations:

Advancing truth and reconciliation

In alignment with Petcurean's Purpose, Mission, Vision, and Values, we are keen to support Truth and Reconciliation in the workplace. Our aim is to educate our team, foster engagement with, and demonstrate support for, our local Indigenous communities over time. This is an ongoing journey for us and we've taken initial steps via:

1. First Nations Cultural Briefing – Ahead of our Hope Slough Clean Up event, Gracie Kelly provided our team with best practices and invaluable insights, preparing them for a visit to the Skwah Community. Gracie, a member of the Soowahlie Band at Cultus Lake, resides in Sto:lo First Nations territory.

2. First Nations Cultural Experiential Learning Session – Our VP HR (Melanie) and our Sustainability Manager (Christine) attended this session at the Shxwha:y Village Cultural Building to gain a deeper understanding of residential school trauma. The evening featured cultural safety education, a traditional meal, songs, protocols, language, history, songs, and more.

3. 80,500 meals of dog and cat food donated to First Nations communities – Our commitment extends beyond worlds to meaningful actions, to support First Nations communities in a tangible way.

Stakeholder engagement: partnerships in action

At Petcurean, we understand the vital role our stakeholders play in shaping our business. Our key stakeholders encompass:

- Our cherished consumers
- Our valued retail and distribution partners
- Our dedicated rescue and community group partners
- Our committed employees
- Our trusted manufacturing partners

To ensure we capture valuable input from these stakeholders, we've implemented:

- A supplier assessment as a follow-up to our Supplier Code of Conduct
- A structured program for continual product improvement, integrating consumer testing and feedback into product design
- Stakeholder engagement surveys, meticulously designed to evaluate Petcurean's environmental and social performance

Sustainability leadership in action

At Petcurean we strive to be a leader in the pet industry and make a positive impact on our communities, stakeholders and our environment. We're proud to share that in the Fall of 2023, we received the following awards:

Global 50 Women in Sustainability

Petcurean's Sustainability and Community Relations Manager, Christine Mallier, is a recipient of the 2023 Global 50 Women In Sustainability Awards™. This annual award showcase honours trailblazing women in sustainability who are not just contributors but active pioneers, forging new paths, driving transformative change, and shaping a brighter, greener future.

John & Kelly Ayres - Philanthropy Award

Petcurean has won the first ever 2023 John & Kelly Ayres - Philanthropy Award, presented by Pets Canada (formerly PIJAC)! This award recognizes manufacturing and distribution companies actively supporting events and initiatives related to animal and pet business advocacy issues within the pet community.

Pet Age Power 50

Petcurean is honoured to be recognized alongside the industry's leading pet product manufacturers, positively affecting the pet care community, making products that play a significant role in enhancing the well-being of the companion animals we serve.

Our team showcased leadership and shared their expertise through numerous contributions to news articles:

1. **Christine Mallier, Sustainability Manager**
   - 12 articles featured in trade and consumer publications
2. **Natalie Asaro, Nutrition Manager**
   - 10 articles featured in trade and consumer publications

Petcurean's social media team is enthusiastic about sharing tips with our consumers on giving back to their communities and reducing their environmental pawprint.

- 8 blog posts
- 21 posts on Facebook and Instagram

Committed to governance

Becoming ever more accountable, transparent and ethical in the way we work

Trust in action

Petcurean has long been a trusted brand. Transparency, ethics, and effective risk management are integral to maintaining trust with our pet parents, partners and employees. As part of our ongoing commitment to robust governance:

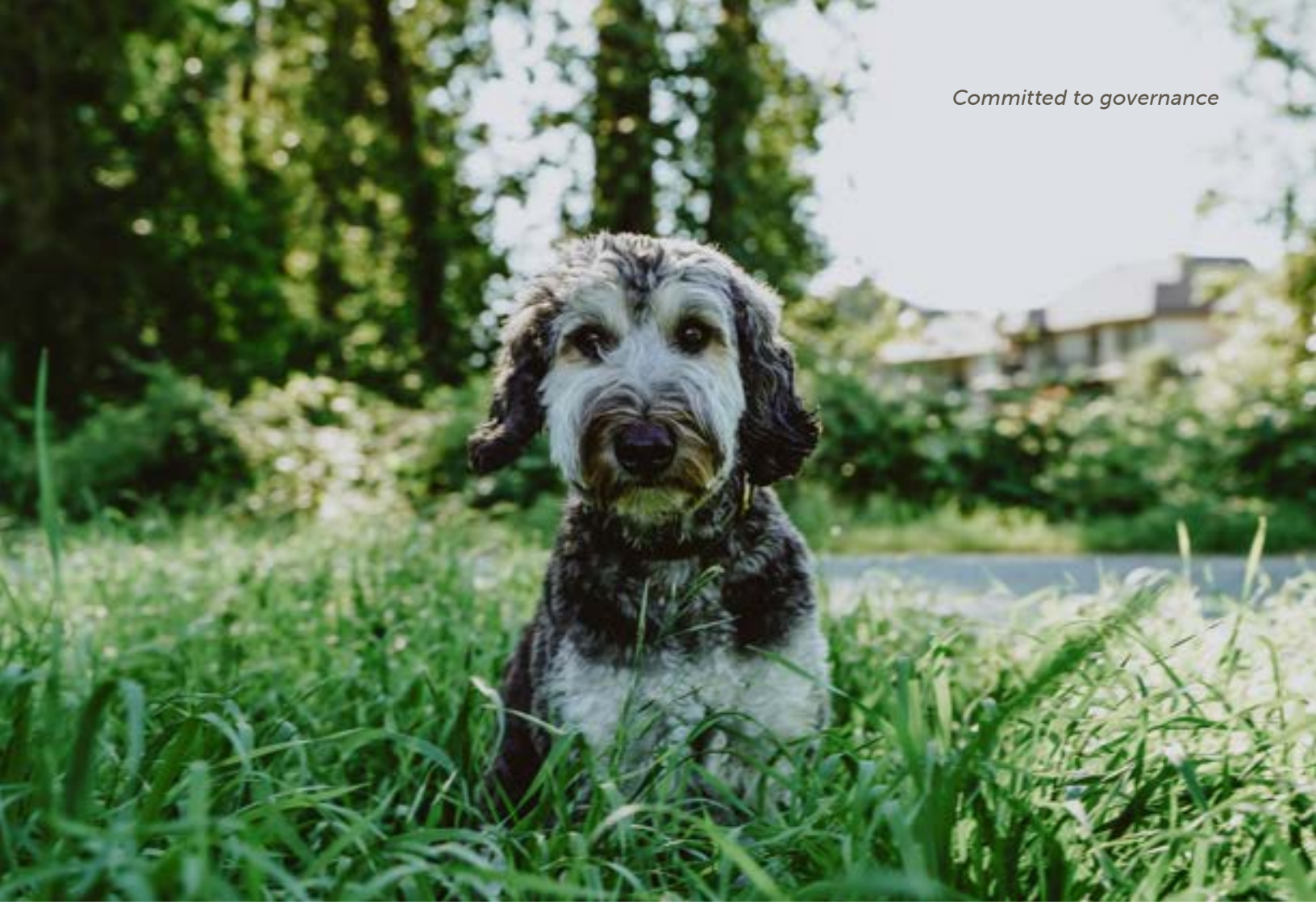
1. We've published our 3rd annual Sustainability Impact Report
2. We've calculated and disclosed our Scope 1, Scope 2 and Scope 3 GHG emissions
3. Our employees participated in four training sessions covering social and environmental issues material to our business
4. Our employees underwent annual security awareness training

We take bribery & corruption seriously

This past year, we updated our employee policy manual to include a revitalized Anti-Bribery and Corruption policy. Designed to raise awareness about what bribery and corruption mean, it outlines acceptable and unacceptable behaviours. We established clear procedures, incorporating preventions systems such as:

1. Anonymous mechanisms for reporting concerns and grievances.
2. Clearly assigned responsibilities and dedicated resources for monitoring.
3. Oversight at the Individual or department level.
4. Continuous monitoring mechanisms.

We take pride in this accomplishment and look forward to annually upholding our commitment to governance through employee training.



Pet Sustainability Coalition collaboration

Petcurean is proud member of the Pet Sustainability Coalition (PSC). We are actively engaged with the PSC and our Sustainability Manager is a contributing member of the:

- PSC North America Cohort
- PSC EU Cohort
- PSC Packaging Pledge Peer Working Group

2023-2024 Top Performer Award

In recognition of outstanding sustainability leadership, Petcurean has been selected as a 2023-2024 Top Performer by the PSC! This award signifies that among PSC's Accredited companies who have published sustainability impact reports, Petcurean stands out as one of the top scorers within the Baseline module of the United Nations SDG Action Manager.

Top notch customer care

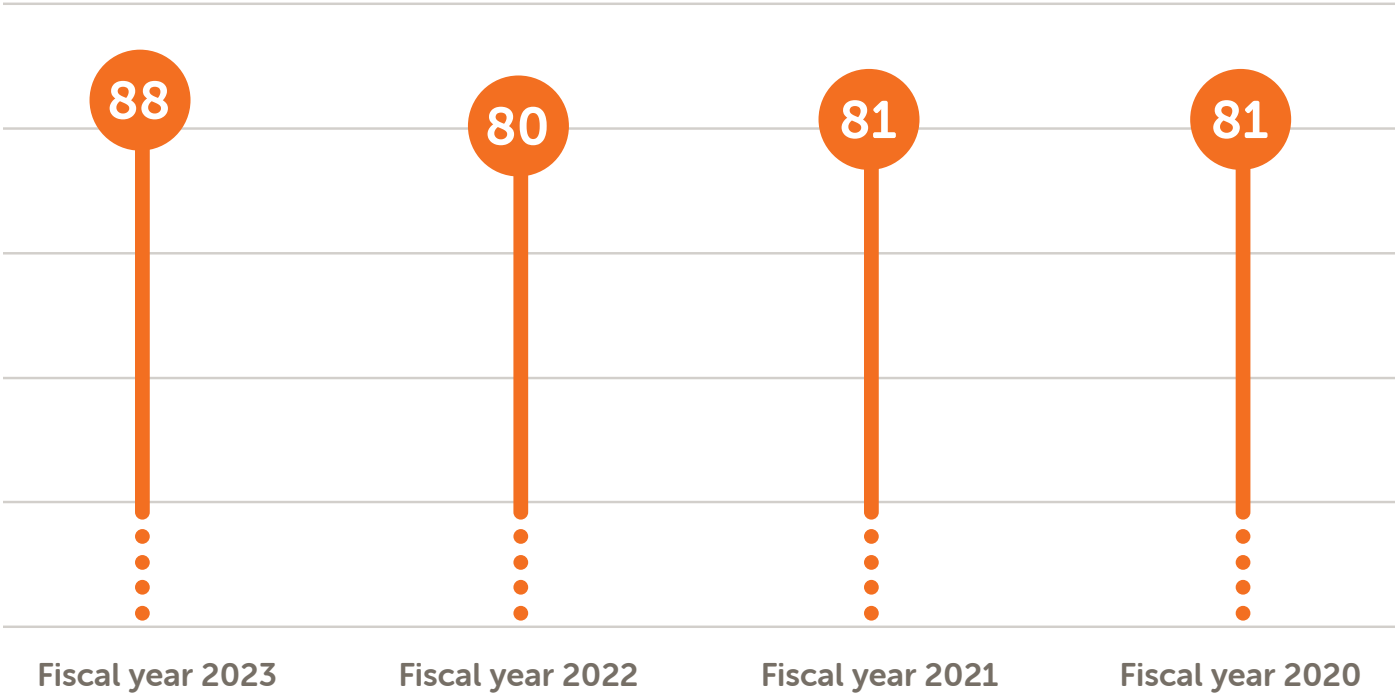
Our customers, pets, and parents alike, are all a part of our Petcurean Pack!

Here at Petcurean, we strive for best-in-class customer care in every aspect! If you're not happy with our products, we'll go the extra mile to help you find a solution, even if it means recommending another pet food company that may better suit your (and your pet's) needs.

To ensure we maintain best-in-class customer care, we use Customer Satisfaction scoring to track how satisfied our customers are. Customer Satisfaction (CSAT) is a measure of how well a company's products and services align with their customer's expectations. A score of 50 or above is considered excellent.

Our Customer Care Team has consistently achieved a world class average score of 80 or higher for the past four years!

Annual customer satisfaction score



We are very proud of our achievements in fiscal year 2023

As we close this chapter, we remain committed to translating ambition into action, shaping a more sustainable future for pets, people, and our planet in the year ahead.