

GRUPO  
**Petz**

# Sustainability Report 2023





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01

# Introduction





# About the Report

GRI 2-1 | 2-3 | 2-12 | 2-14

We are very pleased to present Petz Group's 2023 Sustainability Report.

For the second year in a row, we have prepared this report, which presents to our stakeholders the Company's main events and advances, referring to the period from January 1<sup>st</sup> to December 31<sup>st</sup>, 2023, in addition to relevant events that occurred until June 2024.

Throughout this document, we provide information related to ESG (environmental, social, and governance) issues, directly linked to the Company's value generation, in addition to the main figures and results for the year in question.

## Attention!

This Report encompasses the data and information from all business fronts of the Company. When we use Petz Group or Company, we refer to the entire group of the Company's businesses. The term Petz, on the other hand, refers only to Petz Standalone, as well as the other companies that, when mentioned individually, will be identified by their own names.



The 2023 Sustainability Report was approved by the Board of Directors, Executive Board and Sustainability Committee of the Petz Group and published on 30/07/2024.



**QUESTIONS OR  
SUGGESTIONS:**

[esg@petz.com.br](mailto:esg@petz.com.br)



## READING TOOLS

This publication was drawn up based on the international sustainability reporting guidelines: Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB), as well as our actions and efforts related to the United Nations' (UN) Sustainable Development Goals (SDGs).

The entire structure was organized and based on the Company's materiality. (Learn more on page 08).



### GLOBAL REPORTING INITIATIVE (GRI)

The GRI is a global standard that assist us in reporting sustainability indicators. Throughout this report, the subjects are identified using tickers "GRI XXX-X".

Access the full GRI index on page 121.



### SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

In this report, we will be answering the SASB indicators for retail and e-commerce. The information is indicated with the ticker "SASB XX-XX-XXX".

Access the full SASB index on pages 126 and 127.



### SUSTAINABLE DEVELOPMENT GOALS (SDG)

Throughout this document we bring advances regarding the seven priority SDGs for Petz Group, defined based on the Company's materiality study. The related icons can be found at the opening of the respective chapters and on the index, on page 128.



# Letter From the President

GRI 2-22

The year 2023 represented a period of both challenges and accomplishments for the Petz Group.

Amidst an ever-evolving landscape, we undertook a significant strategic move to refresh our brand identity. Petz's brand refresh was a highlight of the year, triggering a series of actions to differentiate our Company.

In order to ensure continued relevance and competitiveness in our industry, we have focused on developing a more modern brand identity while preserving our core values and maintaining a keen eye on customer experience. This period of renewal has also marked the consolidation of our product and service ecosystem, a reflection of the successful integration of companies acquired over the past few years.

The construction of the ecosystem has solidified our relationships with pets and their owners, while also enabling us to establish competitive advantages





through the delivery of increasingly comprehensive experiences.

A key strategy implemented in 2023 was the expansion of the private label portfolio, which already accounts for 8.5% of the gross product revenue in December of the same year. This is a major focus of the Company, which will be maintained for the coming years, with continued investment in exclusive products.

To advance on the private label front, we have invested significantly in the integration of companies within the group, especially Zee.Dog and Petix, as the teams' creative expertise has driven the development of private label products. Additionally, both have seen significant integration gains: while the former has undergone an operational asset-light transition, the latter has gained efficiency in its processes.

On the technology front, we have also made significant investments in innovation with the launch of our new app, providing our customers with an intuitive and personalized shopping experience, in addition to offering service scheduling and access to proprietary content.

The digital channel's share growth reflects the success of these initiatives, demonstrating our commitment to meeting the growing demands of digital consumers. In the year, digital sales revenue reached R\$1.3 billion, representing a 24% growth year-on-year, building on the impressive base of +41% year-on-year growth in 2022.

In terms of governance and transparency, we have taken an important step forward with the publication of our first Sustainability Report, participation in the Carbon Disclosure Project (CDP) questionnaire, and regular reporting to the Sustainability Committee. On the social front, we have promoted corporate volunteering actions and adoption events, continuing our work to promote animal welfare and responsible adoption.

We conducted our Diversity Mapping, which highlighted the robust presence of various minority groups within the Company. Throughout our history, we have built a diverse team, primarily in terms of gender and race.

Despite the challenges faced, we closed the year with positive growth of 12% compared to the previous period, demonstrating the effectiveness of our operational and financial strategies. For 2024, we will continue to focus on differentiating our brands, offering attractive experiences to consumers, and maintaining cost discipline, always guided by our values and mission to delight our customers.

We are committed to maintaining our growth at high levels, in line with industry growth expectations and attentive to market trends.

On behalf of Petz Group, I would like to express our gratitude to all our employees, customers, partners, investors, and other stakeholders for their unwavering support.

Enjoy your reading!

**Sergio Zimmerman**  
CEO



# Materiality

GRI 2-29 | 3-1 | 3-2

Petz Group's actions related to ESG fronts are guided by the materiality study conducted by the Company, with the support of a specialized consultancy in 2021, and reviewed in 2023.

The study was guided by the principles of value protection and creation, encompassing all business fronts in a four-stage process:





# Enhancing the relationship between pets and their families

is the cross-cutting theme that guides all Petz Group's actions.



Based on this comprehensive study, and in accordance with the pillars that guide our actions, we prioritize the themes that make up our materiality:





PILLAR	MATERIAL THEMES	ASSOCIATED SDG	DEVELOPMENT IN 2023
RESPONSIBLE BUSINESS	Ethics and transparency		Continuous monitoring of legislation and compliance with good governance practices, being part of B3 indices that recognize corporate governance, such as the IGC.
	Information security		Evolution of the Information Security Committee and the Data Privacy Committee with the implementation of tools and improvement of the maturity level.
	Supply chain management		Progress in monitoring suppliers, with a focus on private labels and the application of the social self-assessment questionnaire.
ANIMAL HEALTH, WELFARE AND ADOPTION	Social investment		Continuous improvement of the animal welfare and adoption program, Adote Petz.
CREATING VALUE FOR SOCIETY	Employee health and development	  	Culture and development for all employees, with expansion of performance evaluation and career management. Advancement in employee health and well-being, such as the implementation of measures to reduce accidents.
	Diversity and inclusion	 	Carrying out the Diversity Mapping and promoting gender equality in all the Company's areas. Women on Board (WOB) certification and inclusion in B3's IDIVERSA.
OPERATIONAL ECO-EFFICIENCY	Climate change		Completion of the 2nd Greenhouse Gas Inventory and increase in the score on the Carbon Disclosure Program (CDP) questionnaire, in 2023. Inclusion in B3's ICO2 portfolio and conducting a mapping of climate risks and GHG mitigation opportunities.
	Circularity	 	Promoting the pillars of circularity: reuse and recycling and inclusion of new initiatives for this purpose. Over 3,07 thousand ton of recycled waste in 2023.
	Sustainable products	 	Developing collections with sustainable raw materials, with part of the proceeds going to donations, and using less plastic packaging when transporting our products.
	Operational eco-efficiency	 	Continuous improvements in waste management in five areas: sorting, selective collection, partnerships, monitoring, and training. Energy management with significant advancements in reducing consumption.

02

# About Petz Group

5 GENDER EQUALITY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION





# 2023 Highlights



Petz *Brand Refresh*



**R\$3.8 bn** in gross revenue



**Launch** of the new app



**Launch** of new products



**30** new stores, totaling 246

# Our Story





With over two decades of history in the pet market, the Petz Group has established itself as a leader in the segment through the construction of a comprehensive and constantly-evolving ecosystem.

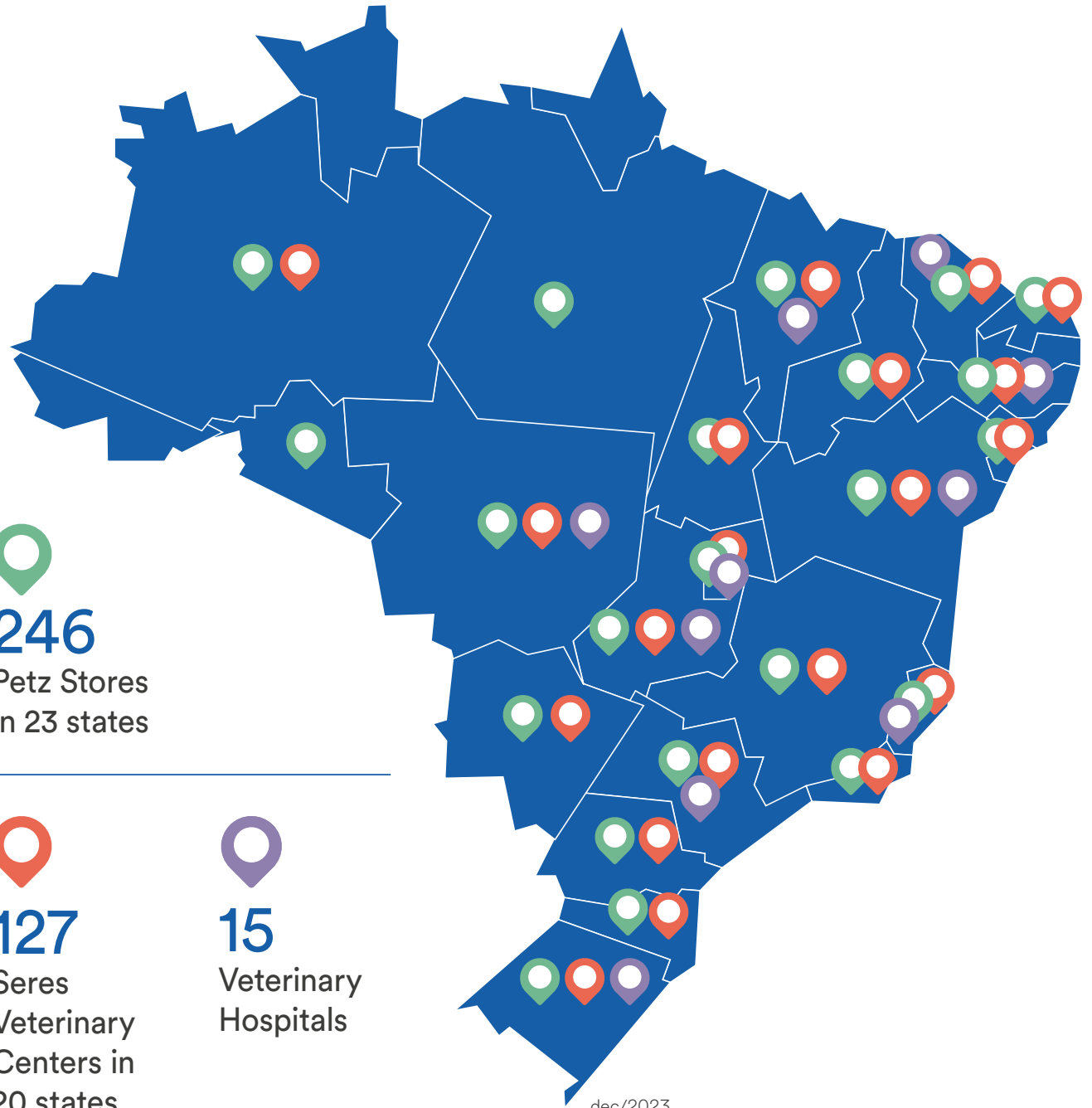
Throughout our journey, we have approached the sector with a strategic and entrepreneurial mindset, developing a series of innovative solutions and differentiated services in the market. These include the world's first pet shop with 24-hour service, the first animal bath and grooming center, and an unprecedented loyalty plan in the Brazilian pet retail sector.


Furthermore, we invested in the acquisition of four important players in the sector, aligned with our strategic vision.


Currently, our customers can enjoy the entire structure of the Petz Group in stores, clinics, hospitals and bath and grooming centers across various regions of Brazil, serving a wide variety of animals of various species throughout the country.


**Guided by animal welfare as principle, our mission is to enhance the relationship between pets and their families. Therefore, we are committed to providing convenience, variety and quality for our customers daily needs.**

 **LEARN MORE**  
about Petz Group's history: [Our Story](#).



  
**246**  
Petz Stores  
in 23 states

  
**127**  
Seres  
Veterinary  
Centers in  
20 states

  
**15**  
Veterinary  
Hospitals

dec/2023



## Our Mission

Create value in the interaction among pet lovers, enhancing the relationship between pets and their families



## Our Vision

To be recognized worldwide as the best ecosystem in the pet sector by 2025



## Our Values

- We are passionate about pets;
- We respect one another;
- We recognize efforts and reward results;
- We enchant our customers;
- We are pleased to serve





# Petz Group Ecosystem

GRI 2-1 | 2-2 | 2-6 | SASB CG-MR-000.A



The year 2023 marked a turning point for the ecosystem. With the launch of the brand refresh, private label products, and the advancement of integrations, we ended this cycle with an even more robust environment.

Despite the challenges faced by the retail sector, we ended the year stronger, with 30 new physical stores, spread across the five regions of the country, totaling 246 units.

Furthermore, we are constantly improving the shopping experience and offering differentiated service on our omnichannel platform, which continually evolves, bringing together physical and digital channels in an increasingly connected way.

As a novelty, we now make our services available in the digital environment, allowing you to schedule baths, grooming, and veterinary care services through our app. Additionally, we are introducing Clubz, our new Petz rewards club.

These advancements allow us to fully track the customer journey, making the ecosystem connection tangible and enabling an increasingly simple and precise offer of products and services, with better navigability.

Throughout the year, we integrated the acquired companies, reducing operational complexity and costs through an asset-light structure. As a result, we achieved positive impacts on margins and increase the speed of decision-making, leading to efficiency gains.

## Customer at the center

**Customer focus** is at the heart of our actions. Therefore, in 2023, we worked on consolidating the Company's competitive advantages, prioritizing sustainable growth.

At Petz physical stores, for instance, we have been working to understand the positioning of each establishment, connecting customer profiles with product assortment, thus providing greater assertiveness to the mix of each store. Thus, we meet the specific local demands of each physical point.

The key fundamentals of the national pet market remain strong, pointing to the continued growth of the pet population in the coming years and the growing trend of pet humanization, combined with an increasing demand for content and information from pet owners, driving the sector's expansion.

These factors demonstrate the sector's resilience and underpin the strategic decisions to place the customer in the heart of our operations, continuously working on new experiences, offering a varied range new products and services for pets and their owners, both in physical and digital formats.



### KEY FUNDAMENTALS OF THE BRAZILIAN PET MARKET

#### Increase of pet population

It will continue to grow, due to:

- Human population aging and the "empty nest" effect
- Couples deciding to have children later/not to have children
- Increased life expectancy of pets
- Trend of more than one pet per household

#### Pet humanization

The act of having a pet as a member of the family will continue to grow:

- Emotional relationship, not based solely on product attributes
- Young people today have seen their pet as a member of the family since they were born: this generation grew up accustomed to sharing intimate spaces with their pet

#### Level of information of pet owners

People are looking for more information about their pets and quality information is scarce:

- Blog/text is no longer the most desired (and democratic) source: need to strengthen content channel, preferably through video
- Access to information increases spending levels

#### Available income of the population

Current macroeconomic moment is of contraction:

- Customer loyalty: importance of being well positioned when the situation improves





## Petz Brand Refresh

GRI 2-29

With a focus on consistently delivering the best possible customer experience, Petz Group has conducted a series of research and studies to develop a new brand identity. This new identity is designed to reflect the Company's strategic transformation amidst a society increasingly concerned about animal welfare.

Petz's brand refresh, carried out in 2023, marked a significant step in the Company's evolution, aimed at maintaining its relevance and competitiveness in the market. It also marked the consolidation of the Petz Group Ecosystem, with the integration of all four acquired companies.

In order to substantiate decision-making throughout the refresh process, we carried out a groundbreaking survey of over 750 individuals, in which we mapped the characteristics and preferences of the new generation of pet owners.

Based on this data, **we confirmed the empirically observed trends: the relationship between pets and their owners is undergoing a transformation, becoming more intimate, deeper, and reaching an unprecedented level of complexity.**

We refer to the "P Generation" as the new generation of pet owners, defined not by age but by their connection with their pets, seeing them as a fundamental part of their lives.

This finding was fundamental in making Petz an increasingly less transactional and more **relational** brand, in addition to bringing significant improvements to channel integration and experiences.

**88%**

consider their  
pets as a  
family member

**65%** do not hesitate to spend  
money on their pets

**72%** express interest in the  
animal cause

**R\$300** is the average monthly  
expenditure of respondents on pet  
baths, consultations and services

**2** pets per  
home is the  
average of  
respondents

**75%** claim to talk, pay  
tribute (e.g., tattoos), and  
throw birthday parties for  
their pets

**68%** state that the  
pet exerts a significant  
influence on family  
decisions, including leisure  
activities, vacation plans,  
hotel selections, and  
restaurant choices







### Visual identity and brand message

- Adapting brand to the digital customer journey, which represents approximately 40% of revenue;
- Slogan review: **“Petz, tudo que seu pet precisa”** (Petz, everything your pet needs).



### Brand positioning

- Brand attribute exploration, with a focus on pets, owners and society;
- Strengthen the emotional connection between pets and their owners.

## Brand refresh objective

Establish competitive advantages to retain and engage customers, thereby boosting share of wallet and purchase frequency.



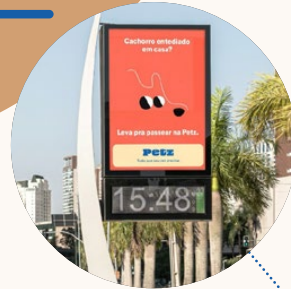
### Private labels/Exclusive products

- Continuation of the existing private label strategy.



### Customer experience

- New app: products and services unified in the new app;
- New experience in physical stores with in-store campaigns and events.



### Marketing strategy

- Increase communication, encompassing the entire ecosystem;
- Institutional campaign on television and out-of-home media (billboards) for the first time in our history;
- Use of new advertising channels, exploring influencers and social media.

This update encompasses all of the Petz Group's products and services, in order to support its sustainable growth over time, integrating all brands in the ecosystem.

In this way, we strengthen our synergies, creating competitive advantages and generating loyalty, mainly through the Petz Group's exclusive private labels.

This modernization also involves greater digitalization, without leaving aside physical spaces, for which we plan new and exclusive experiences.

The construction of the Group's new image permeates all points of contact, focusing on the customer experience, with the Clubz and Cashpetz systems integrated and operating in an omnichannel manner.

**“Generation P” is shaping new habits of coexistence and consumption with pets, boosting a rapidly expanding market.**







## PETZ PRIVATE LABELS

One of our major highlights in 2023 was the launch of exclusive new products across different categories and price points, already occupying the position of the Company's second largest supplier.

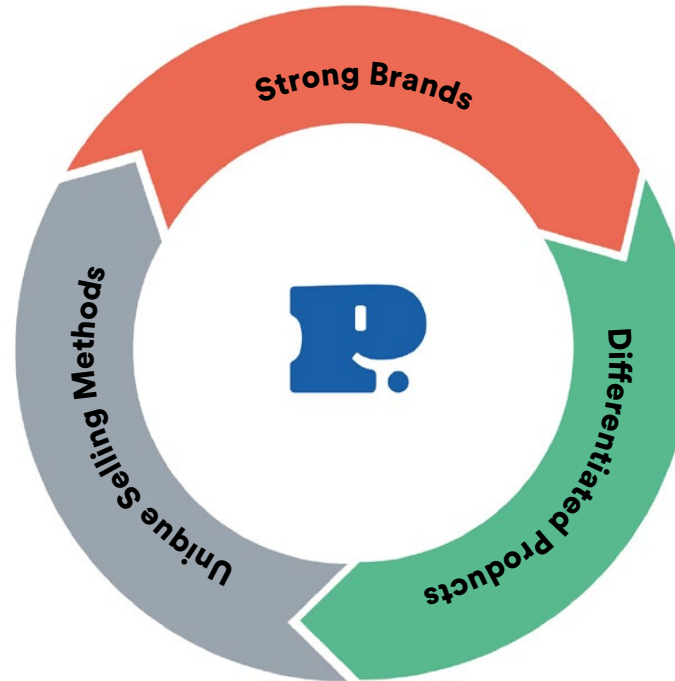
This expansion of the private label portfolio serves as a tool for customer loyalty and recurrence, further reinforcing our position as pioneers and leaders in the industry.

To further strengthen this strategy, we developed a brand architecture with varied value propositions to address our products to an increasingly broad number of pet owners.

This not only impacts profitability but also fosters loyalty and engagement among pet owners, representing a significant competitive advantage with a focus on differentiating ourselves from the competition, as well as increasing the barrier to entry for new players.

In 2023, we have observed an increase in the private label share in recent months, resulting from training frontline employees on these new products, campaigns, and the positioning of items within stores and digital channels.

We continue with a robust growth strategy for this front, a well-structured development pipeline, and the planning of new products for the coming years, such as dry food, which is expected to occur in the second half of 2024.



**8.5%** of product gross revenue in Dec/23 came from private label products







## Customer satisfaction and loyalty



Brands that connect with pet owners



Quality products



Correct price point



# Exclusive Private Labels

● ACCESSORIES

● FOOD

● DOGPADS

● CAT LITTER



BETTER



**Petz**

The brand named after Petz's Group is exclusive and offers pet owners products ranging from various accessories and snacks to cat litter, pads, and grooming products to comprehensively meet customer needs.



BEST

**NUTRI FRESH**

Focused on wet food for dogs and cats, NutriFresh also offers cookies and snacks for a healthy daily diet with natural ingredients for puppies, adults, and senior animals.



BETTER

**SELECTIONS**  
for pets

Selections for Pets is an exclusive Petz brand with a wide variety of food products to serve the large national market for dogs and cats.



GOOD



**SPIKE!**

With a wide assortment of accessories, Spike! offers products that meet the daily needs of pet owners and pets with affordable prices and distinctive design, exclusively in Petz stores.



BEST

**CANSEI DE SER GATO**

The fun accessories that serve both cats and humans are the hallmark of CSDG, which has also launched a cat litter. The brand's products can be found in its own store or in Petz stores.



GOOD

**FRESH**

Petz's exclusive brand offers dog pads for dogs, as well as hygiene and cleaning products such as shampoos, creams, and perfumes for pets.

# Private labels (with B2B sales)

● ACCESSORIES

● FOOD

● DOG PADS



BEST



zee.dog

A lifestyle brand that offers personality accessories for pets and their owners. The product range includes items such as beds, leashes, collars, bowls, toys, and harnesses, as well as dog pads.



BEST



zee.dog  
**Kitchen**

Zee.Dog's natural dog food vertical, offering balanced and complete meals. ZDK provides a full line of food for puppies, adults, senior dogs, and specially formulated meals for those in need of special diets.



BETTER



**Super Secão**

Best-seller in the national market for dog pads, offering a range of products that meet various needs. The products are made with innovative eco-friendly technology, using some raw materials recycled from discarded human consumption products.

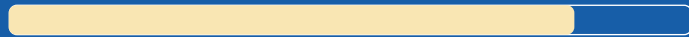


## Share by category Petz Private Label (dez/23)

(%gross revenue from Petz Standalone products)

Dog Pads

**79%**



(FRESH, SUPER SECÃO, PETZ, ZEE.DOG)

Collars, leashes and harnesses

**55%**



(SPIKE, PETZ, ZEE.DOG)

Snacks and wet food

**20%**



(SELECTIONS, ZDK, NUTRIFRESH)

Cat litter

**9%**

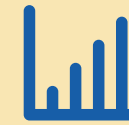


(PETZ, CDSG)



**25.1%**

Share of private label in categories present as of Dec/2023



**8.5%**

Share of private label in total product revenue



## SERES VETERINARY CENTER

### Animal welfare is a priority in all of our processes.

Since 2018, Seres Veterinary Center has provided pets and their owners with a range of veterinary services, with a trained and multidisciplinary team, featuring the latest technology on the market today.

Always located right next to Petz stores, boasting an infrastructure capable of taking care of everything from preventive medicine to overly complex care, we are proud to meet medical demands while welcoming and recognizing the uniqueness of each patient, in addition to offering convenience with the availability of products in pharmacies located within our stores.

We have specific offices for felines with artificial pheromones and separate hospitalization environments for dogs, cats and an exclusive area for patients suspected of having infectious diseases. In addition, we have a central wing for emergency care, a 360° vision for swift care and easy interaction among the care teams.

To provide complete care for patients and their owners, we have our own clinical analysis laboratory and telemedicine services with flexible opening hours and point-of-care equipment for emergency tests to be carried out by the veterinarians on duty.

Moreover, our surgery centers have been designed with separate entrances and exits, in order to improve the movement flow and avoid cross-contamination. This means that the well-being of pets is the starting point for all our processes.

In April 2024, we advanced in offering specialized services with the implementation of the first ICU, a pilot project at Petz Ricardo Jafet (SP).

Also in the veterinary area, we highlight the high cross-selling with essential products associated with Seres activities, especially in the pharmacy, which showed a growth of +12% year-over-year in the first quarter of 2024.

### LEARN MORE

Learn more about Seres Veterinary Center at: [seres.vet](https://seres.vet)



## Patient Safety Center

In 2023, we broke new grounds by implementing a patient care routine already required in human medicine: the Patient Safety Center (PSC).

Housed within the quality department of Petz Group, this instrument aims to receive notifications and complaints, and submit them for analysis to assess whether the reported adverse event occurred due to the failure or lack of a pre-established process.

The PSC is not a punitive channel, but rather a channel for continuous process improvement.





In 2023, we embarked on a journey to enhance service excellence through the implementation of innovative quality processes. These initiatives included the hiring of scale management firms and the recruitment of skilled technical and administrative personnel.

In addition, 558 technical visits were conducted with the aim of verifying adherence of the network's offices, clinics and hospitals to the established quality standards. This phase also included processes involving surgical record audits, medical chart audits, and hospitalization checklists.

In further pursuit of standardizing and optimizing our internal processes, we have implemented the Pharmacy and Therapeutics Committee (PTC), conducted a comprehensive cleanup and remodeling of our registration supply matrices, and centralized processes within the newly established administrative governance area.

## Training and qualifications

Within the Unipetz platform (Company's corporate university) we provide a mandatory training track for new employees.

In addition, in-person training was carried out through visits to Seres clinics and hospitals, as well as collective training sessions.

## Seres Highlights from 2023

**242** new veterinary doctors recruited and trained

**+86** thousand pets served

**+12** thousand hospitalizations

**+101** thousand laboratory tests

**+39** thousand pets immunized

## Bath & Grooming

As part of the Care and Welfare Department, the Bath and Grooming (B&G) operations aim to be a benchmark in pet care, working in a personalized way to offer the safest possible care for each pet, applying the necessary care and products in each case, on an individual basis.

We have redesigned Governance and have dedicated Consultants for unit analysis and performance, providing business insights for store and groomer management, and the Multipliers, focused on onboarding, training, and technique, bringing the best for pets' well-being.

The consultants' responsibilities include technical support for teams across the country, monitoring commissions and team productivity, searching for new professionals, analyzing and diagnosing occurrences, training, process implementation, and inaugurations.

In cases of incidents in our services, the responsible consultants promptly support the customer, investigate, identify, and analyze the incident, define an action plan, and develop training prioritizing urgent needs.

Following the launch of the new app (learn more on page 41) and the promotion of greater integration between services within the ecosystem, we resumed seasonal campaigns with the Marketing and Growth teams to boost the service offering in the B&G sector.

In order to provide services with high quality standards, we have developed security protocols that ensure reliability for pets and their owners, and our employees.

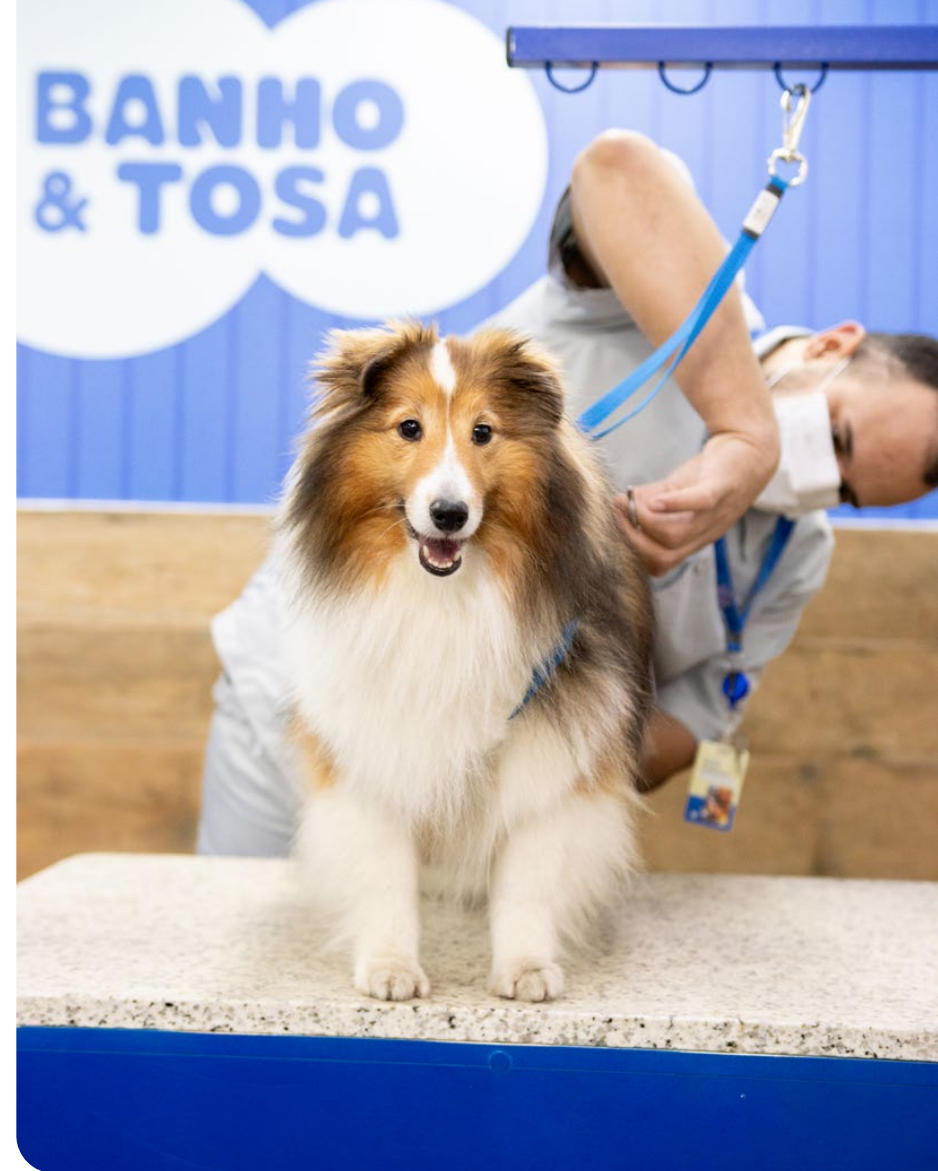
In this document we list a series of actions that must be followed in our processes, such as the use of protective materials for groomers, including masks, goggles, gloves, and boots. Additionally, we customize the care for each pet according to their needs, offering specialized treatments for puppies, elderly pets, animals with pre-existing conditions, aggressive animals, and large breeds.

## Bath & Grooming Training Program

Aimed at internal employees, this program offers the opportunity to develop a new career within the Petz Group.

The selection process for B&G positions is conducted through a screening process. Successful candidates undergo a comprehensive training program that equips them with the necessary skills and knowledge to work in the B&G area. Upon completion, employees are added to a talent pool and may be called upon to work in this new profession.

The training process lasts 40h and, in 2023, 77 new bath professionals graduated.



**+ 839 thousand**  
procedures carried out in  
2023



## Biodegradable Towels

In 2023, the B&G area began using biodegradable towels composed of natural fibers and viscose in its processes, bringing more safety, practicality, savings and sustainability to its activities.

The new towels occupy less storage space, have high absorption capacity, and represent savings of approximately one million towels per year, with gains in water and chemical waste disposal. With a biodegradability certificate, the towels decompose within 90 days.

In addition, we highlight other benefits of this new practice, including: elimination of towel rental and replacement costs, immediate disposal prevents the proliferation of fungi and bacteria, and the use of always clean and new towels provides hygiene and safety for both pets and employees.





## ZEE.DOG

Zee.Dog emerged in 2011 and has become the most disruptive pet platform on the market today. The Company's focus is to match pet accessories to the lifestyle of pet owners, bringing personality, design and quality to its products.

Visually appealing, Zee.Dog's products are a reference in branding, technology and present engaging storytelling. As a result, Zee.Dog has built up a loyal customer base both nationally and internationally.

Part of the Company's purpose of building a comprehensive ecosystem made up of the best product brands in the pet sector, Zee.Dog was acquired and integrated by Petz in 2021, keeping its founders at the head of the Company. As such, we added strategic synergies,

bringing experience and excellence to a team. With an innovation mindset, Zee.Dog now represents a pillar of product and channel solutions for the Petz Group.

This association widens the Company's horizons, bringing new growth avenues through Zee.Dog's expertise in brand and lifestyle management, exclusive product development, sourcing and technology, as well as the distribution network for small pet shops in Brazil and the international pet market.

Zee.Dog currently has several business fronts that supply owners with premium accessories, natural food and Zee.Now, an agile delivery app in several cities in Brazil.

## Expansion

The integration of Zee.Now's hubs with Petz stores facilitated the penetration of Zee.Dog products into 15 new cities in 2023 through Petz stores.



## Zee.Dog Social Actions

GRI 2-29

In 2023, Zee.Dog promoted a series of social actions focused on animal adoption and welfare.

The main one, held every year, is the celebration of ZD's anniversary with **Zee.Dog Day**. On this day, 100% of the profits from sales of all the brand's products are donated to social projects.

Every year we look for a project aligned with our mission of connecting dogs and people. In our 11th year of history, we had the privilege of celebrating this day with the NGO MRSC ("Moradores de Rua e Seus Cães", to help dogs living on the streets with their owners). In addition to directing the funds, we took to the streets with customers and volunteers to participate in the project's social actions in Rio de Janeiro (RJ), offering consultations for pets and assisting in the distribution of donations.

This same year, we held our first-ever **Adoption Festival** at our physical space, Zee.Dog Temple, located in São Paulo (SP). This event was organized in partnership with the NGO Amigos de São Francisco and brought together our community to promote the adoption of dogs and cats looking for a home.



# ZEE.DOG 2023 HIGHLIGHTS

Throughout 2023, several operational changes were outlined and implemented to ZD processes.

## Initiatives

## Impacts

### Zee.Dog Kitchen

In 2023, we decommissioned ZDK's factory responsible for producing the brand's natural food. As a result, we migrated this production to an outsourcing company.

This new phase for ZDK is marked by a significant request from pet owners: a change in packaging. Starting in 2024, natural foods will be packaged in aluminum containers, a material that can be recycled without compromising quality, replacing the previous glass packaging. This change will also facilitate the logistics of product transportation.

- Lower unit cost;
- Improvement in fixed costs for personnel, rent, labor, and occupancy.

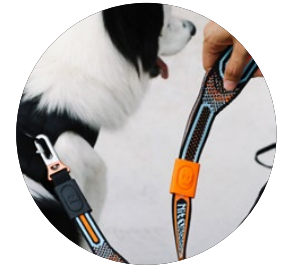


### International vertical

ZD maintains a strong presence in over 40 countries. Since 2023, we have successfully transformed our operations to an asset-light model, mitigating various operational costs, enabling an increase in margins and consequently resulting in positive financial results.

Sales in the US are now conducted through an exclusive local partner, servicing both B2B and B2C customers. In Europe, sales are now fully managed by local distributors.

- Expense optimization;
- Reduced stock risk;
- Improved opex.

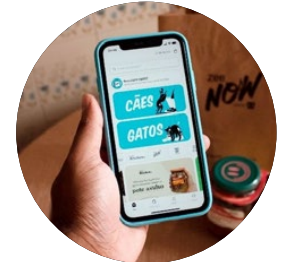


### Zee.Now

We promoted systemic integration with the supply of unified hubs, an integrated management structure and the inclusion of 15 new cities served by Zee.Now from Petz stores.

In early 2024, we announced the closure of 12 of Zee.Now 15 own distribution hubs, which will now be shipped through Petz stores.

- Improved opex;
- Improvement in fixed costs for rent and labor;
- Possibility of increasing the assortment of products and addresses served.



### Store in store in Petz

With the aim of further boosting Zee.Dog's results, in 2023 we designed and began implementing the ZD Store in Store.

We allocated exclusive Zee.Dog brand corners in three selected Petz stores. These spaces are strategically positioned to attract the attention of pet owners, promoting a new experience and creating a connection with customers.

- Increased sales of discretionary products;
- Create a connection between the brand and the pet owner, by offering better customer experience, through specialized service.





# PETIX

GRI 301-1 | 301-2 | 301-3

A leader in the dog pad sector in Brazil, Petix was founded in 2007 and acquired by the Petz Group in 2022. A benchmark in high performance, the Company has a unique value proposition, serving the main players in pet retail in Brazil and the international market with its core brands SuperSecção (Brazil) and WizSmart (USA).

With exclusive, eco-friendly technology, the brand commits to sustainability in its DNA.

**Petix dog pads are mainly made from material taken from children’s and geriatric diapers that have been discarded in the production process of large companies in the human segment. In total, 4.7 thousand tons of diapers were reused.**

Furthermore, Petix adds manufacturing expertise to the Group’s portfolio, with one factory in Brazil, a consolidated B2B distribution network with more than 8,000 partner pet shops, and a presence on the international market.

In 2023, we implemented a strategy for categorizing and pricing dog pads, which yielded positive results for the Group. Currently, over 80% of the products in this category across our sales channels are manufactured Petix.

The inclusion of these three new private labels required the factory to double production, **processing more than 650 tons of diapers per month.**

In 2023, we gained efficiency and scale with the inclusion of a new depulping machine in our factory. Petix receives premium diapers from large industries, which are deconstructed and reprocessed. The solution developed by Petix has been widely accepted by the market for eliminating the disposal problem and upcycling the product, all in a sustainable way.

## Positioning of dog pads produced by Petix:

<p><b>Good*</b></p>  <p>*Petz private label.</p>	<p><b>Better</b></p> 	<p><b>Best</b></p> 
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Diapers in the depulper machine



Petix Factory



## Petz 2023 Highlights

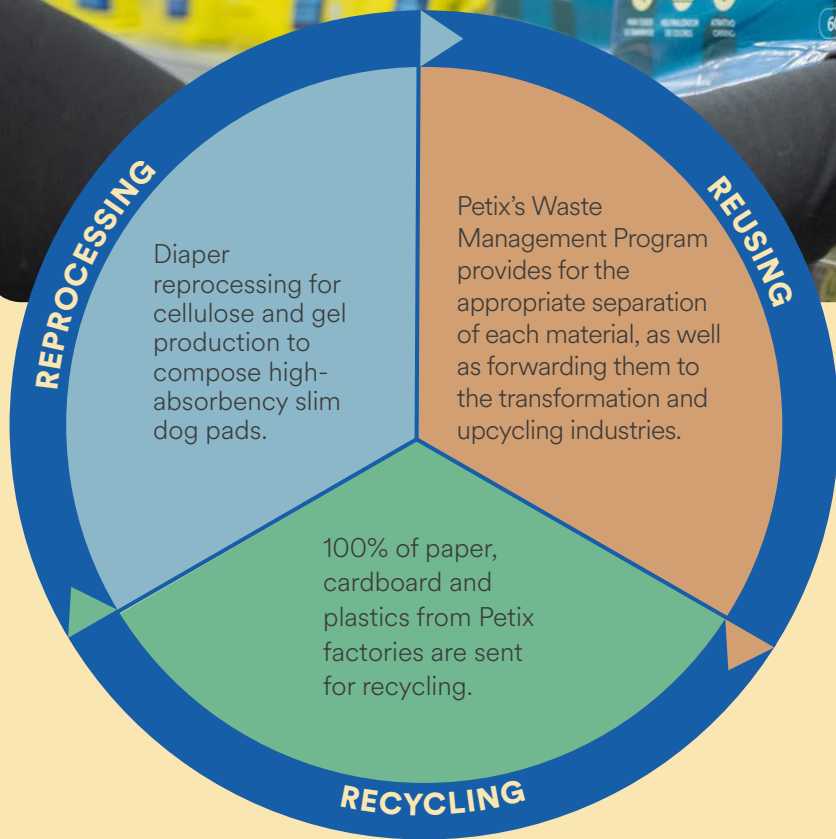
**200** football fields of eucalyptus trees saved annually

**830 tons** of polymer (gel) are no longer purchased every year

Factory with **zero waste** target

**+1.9** thousand tons of reused plastic





### Slim Pads

- Between 10% and 15% of the product is reprocessed
- 100% eucalyptus fluff cellulose (short fiber, from reforestation wood)

### Jumbo Pads

- 45% of the product is reprocessed
- Use of long and short fiber cellulose, without the need to add gel

## Circularity

GRI 3-3

Plastic waste from the manufacturing process of dog pads and diapers is sold to a company that upcycles this material into sacks. This product is repurchased by the brand and used to transport the finished dog pads for sale. This circular process of generation, processing, and new consumption optimizes the use of the material for shipment.

**The plastic extracted from diapers at the Petix factory is also passed on to other factories and transformed into insoles, ecological wood and reusable corner pieces. This latter form of reuse is used in Petz DCs and sold to the flooring and tile export market, avoiding the use of single-use cardboard.**

## Recognitions

In 2023, Petix was internationally recognized by two major references in the area of socio-environmental sustainability:

- SGS: Quality Assurance and Quality Control audit.
- Intertek: WCA Audit (Workplace Conditions Assessment). In the first year being recognized by this audit, Petix achieved a 94% score, and won a global award from Intertek, multinational company for assurance, inspection, product testing, and certification.

## Materials used broken down by weight (GRI 301-1)

Materials	Weight (ton)
Polyethylene film (ethylene polymers)	1,085
Non-woven	465
White Tissue (paper)	671
Black Tissue (paper)	90
Sam's Residue (Waste Products)	257
Bilaminated Tape (polypropylene)	67
Hotmelt glue (polymer-based adhesive)	196
Short Fiber Cellulose (cellulosic fibrous materials)	3,493
Long Fiber Cellulose (cellulosic fibrous materials)	1,431
Recycled Cellulose	2,994

## Petix Social Actions

Since 2008, Petix has made donations to NGOs and veterinary clinics. In 2023, more than 135 thousand units of dog pads that had some kind of packaging problem were passed on to these entities, including Adote Petz.

## Carbon Strategy

Petix's manufacturing expertise and high-performance technology ensure a low-carbon product. In 2023, for the first time, the brand was included in Petz Group's Greenhouse Gas (GHG) Inventory, reaffirming the group's commitment to transparency and good reporting practices.



## CANSEI DE SER GATO (CDSG)

Founded in 2013, CDSG is the largest digital platform for exclusive cat content and products in Brazil.

Featuring informative and funny content, CDSG's friendly CEO character, Chico, currently has over 590 thousand followers on Instagram and a successful podcast. Moreover, CDSG has a range of products for pets and their owners, sold exclusively through its e-commerce and Petz channels.

Integrated into the Group in 2021, CDSG also has an experience store in Sao Paulo (SP) to bring the brand closer to its customers since the cat products niche has grown significantly in recent years.

Since its integration, engaging and attracting a qualified audience is one of the synergies that CDSG has added to the Group. Thus, the acquisition of this platform meant the opening up of a new communication channel between the Group's companies and their audience, which is currently growing at twice the rate of the dog market, offering:

- Content production and interaction;
- Exclusive products for cats, a market with great growth potential;
- Qualified audience with the potential to increase the engagement and flow of our digital channels.



### Adote Petz + CDSG

In July 2023, we opened the first cat adoption space at the Petz Augusta (SP) store in partnership with CDSG. In this way, we encourage brand awareness by displaying the products being used by cats for adoption by Adote Petz.

### Exclusive Product

The launch of Cansei de Ser Gato cat litter was a highlight among the private label products released throughout the year. Available since September 2023, this was the brand's first recurring product item and has shown positive results, exceeding expectations.



## CÃO CIDADÃO

A benchmark in training, behavior consulting and pet welfare in Latin America, Cão Cidadão was founded in 1998 and, in 2021, became part of the Petz ecosystem.

Alexandre Rossi, also known as Dr. Pet and as an authority in the segment, is the professional behind the Company and the method present in Brazil and abroad, called “Intelligent Training”, which has already helped more than 120,000 families.

Aiming to offer a diverse range of pet services within our ecosystem, Cão Cidadão has a network of around 75 trainers in over 20 Brazilian cities, offering in-person and online training. It also shares all its dog and cat training and behavior knowledge with owners through Dr. Pet online courses.



**+ 11 thousand** customers in  
2023

Franchisee occupancy rate  
**73%**



Personalized and agile  
customer service



Weekly follow-up meetings  
with the entire network



Individualized monitoring of each  
educator



Consulting and support  
from Alexandre Rossi



# Innovation

The pet market has undergone significant evolution in recent years. The covid-19 pandemic has driven the digitalization process of the sector, accelerating the offering of digital sales, a market to which Petz Group has dedicated attention and investments since 2015.

Driven by the advancement of new generations and the best solutions and customer experiences in the digital environment, the outcomes of this retail front are poised to become increasingly positive, with channel migration emerging as a natural market trend.

At Petz Group, we are committed to delivering an advanced digital retail experience and an omnichannel model, with a unified registration across all platforms,

subscription services, a single product view, and various delivery and pick-up options. In other words, our technology infrastructure is customer-centric.

We are focused on enhancing pet owners experience, improving the efficiency of our operations, and promoting more sustainable practices across the value chain.

We have adopted the practice of shipping digital orders directly from Petz stores, which function as mini distribution centers throughout the country, in order to improve delivery logistics. In 2024, we announced the closure of 12 of Zee.Now's 15 shipping hubs, which will also be handled by the most convenient Petz stores.

This transition will not impact the customer experience, while reducing operational emissions and personnel and distribution center rental costs.

Digital innovation also enables the personalization of service offerings, a key factor in an increasingly competitive market. We maintain a CRM strategy that allows for more assertive communication with owners, offering genuinely relevant products and services to each one.

Therefore, the innovation team's mindset for 2024 is to continuously enhance customer experience, thereby driving efficiency gains across our processes and generating value for the business.



## 2023 Digital highlights

Gross digital revenue

**R\$1.3 bn**

(+24% y/y)

Digital penetration

**37.7%**

**95%** of

Ship from Store sales delivered within 1 business day

**2.7 mm**

of active omnichannel customers

**395**

**thousand** scheduled purchase subscribers

## NEW APP

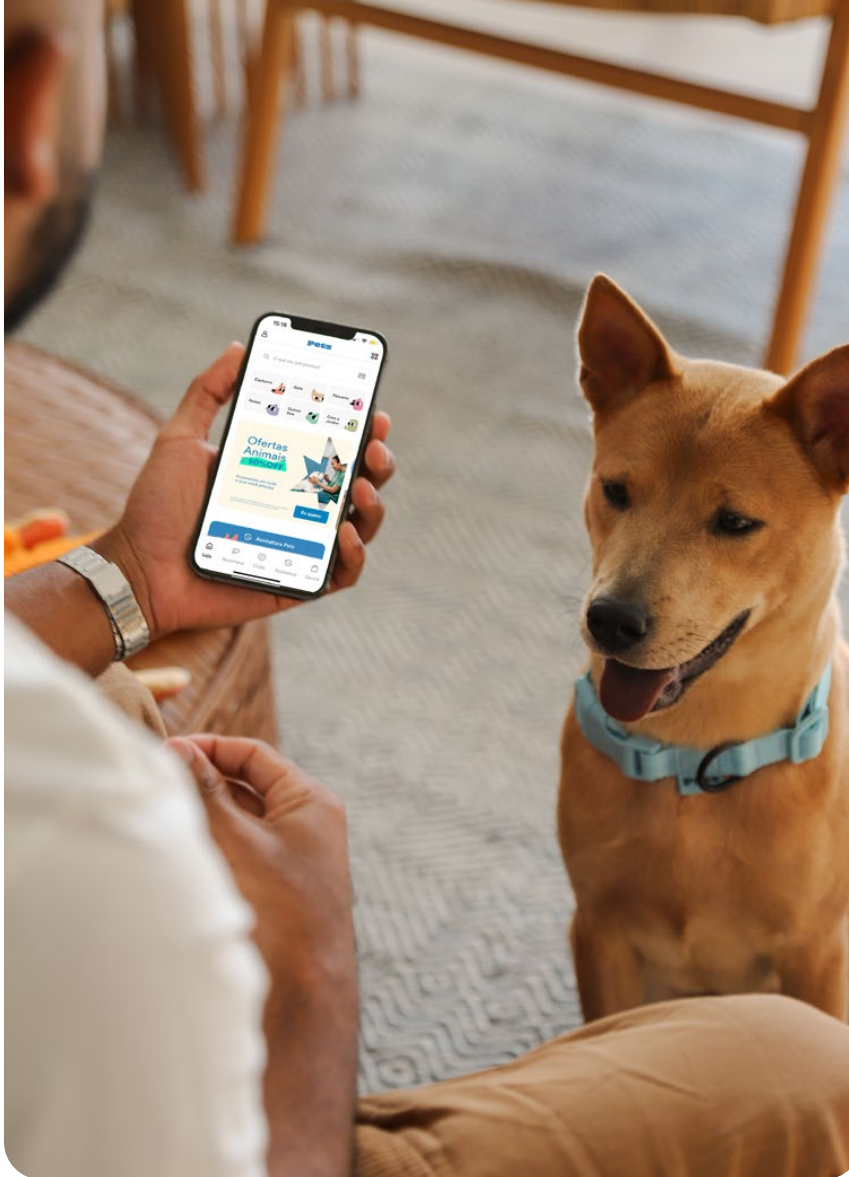
The new app provides a comprehensive experience within Petz Group, offering products and services in a single place, unifying and promoting an increasingly complete customer journey and simplifying the purchasing process.

The highlight of this new app version is the ecosystem integration. In addition to the traditional sale of products, we now offer the scheduling of services, such as consultations at the Seres Veterinary Clinic, and bath and grooming, increasing the visibility of these two fronts of the group. By the end of 2023, bath and grooming, and veterinary service appointments made through the app accounted for approximately 60% and 20%, respectively.

## Subscription

In 2023, we redesigned the design and navigability of the subscription area within the app, with improvements in user experience, optimizing the storefront with the aim of increasing the conversion rate of this digital product.

In early 2024, we reached a record level with 408,000 subscribers, a 7% year-over-year growth, and a historically low subscriber churn rate.



### Buyback with quick add

Easier shopping journey and increased conversion.



### Service drawer

Everything for your pet in a single app, focused on system integration.



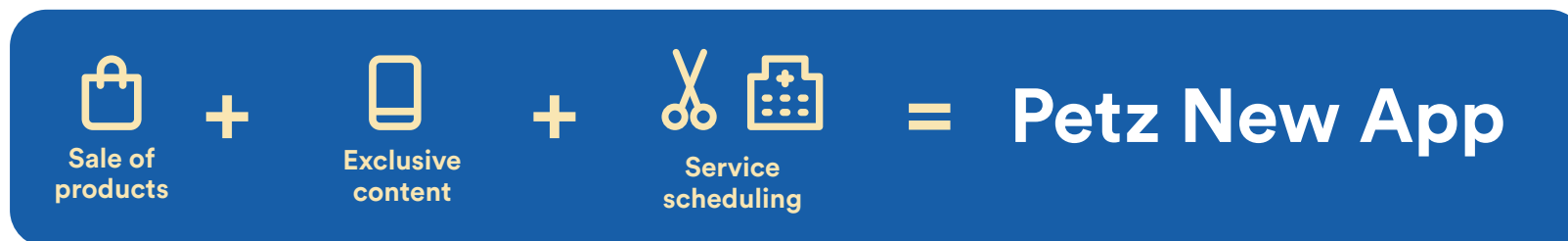
### More storefronts

Greater possibility of contextualized and personalized storefronts.



### Clubz

Evolution of the Petz loyalty program.





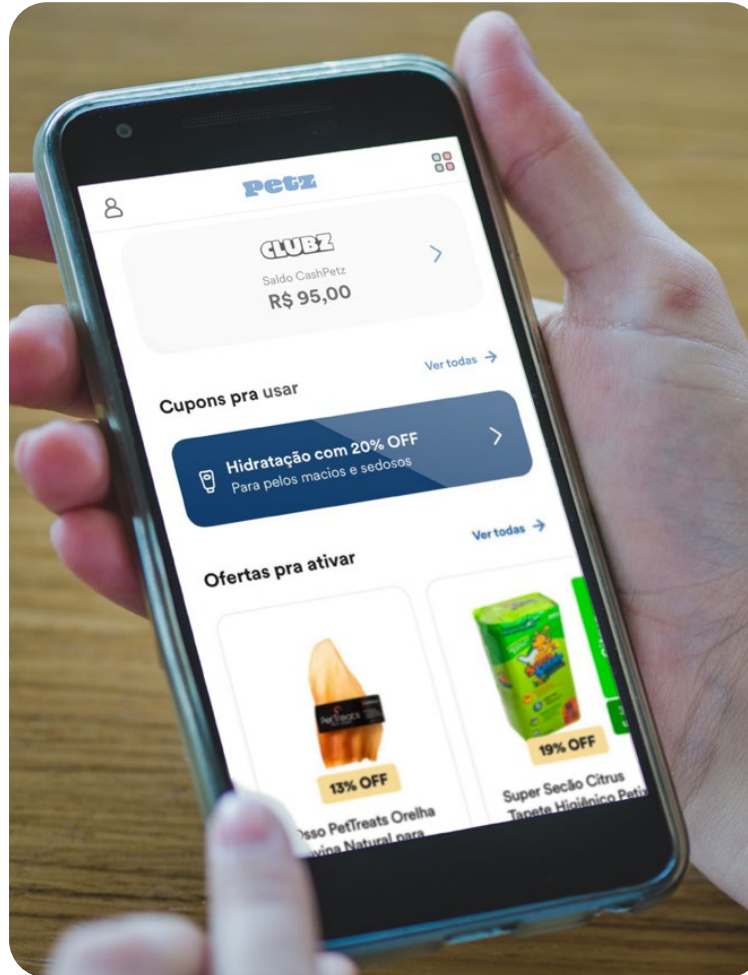
## CLUBZ

With a view to simplifying customer experience, in 2023 we invested in Clubz, the group's loyalty program, which is fully integrated into the new app. The purpose of this digital product is to increase individual share of wallet by strengthening the sense of belonging and the perceived benefit for the customer.

Based on the data collected through the app, we gain valuable insights into each user's preferences, enabling us to deliver personalized offerings, enhance the owner's experience within the ecosystem, and fostering loyalty. In 2023, 17% of app purchasers activated the benefit.

Furthermore, the Cash Petz (cashback) program remains active within the loyalty program, boosting loyalty and recurring purchases.

**R\$105 mm**  
in cashback received, in 2023



## WhatsApp Commerce

In the first half of 2024, Petz launched a new version of its WhatsApp sales model, allowing for a more fluid purchasing experience and fully automated checkout.

## NEW PRODUCTS

### “Parceiro Petz” (Petz Partner)

Brazil tops the ranking of countries where digital influencers effectively impact their audience’s purchases. According to the survey<sup>1</sup>, over 40% of Brazilians have already made a purchase under the influence of public figures.

In line with this trend, we have created the Petz Partner program. In this program, influencers and creators promote products and a discount coupon to their audiences, receiving up to 10% commission on sales.

The program already accounts for 5% of e-commerce sales.



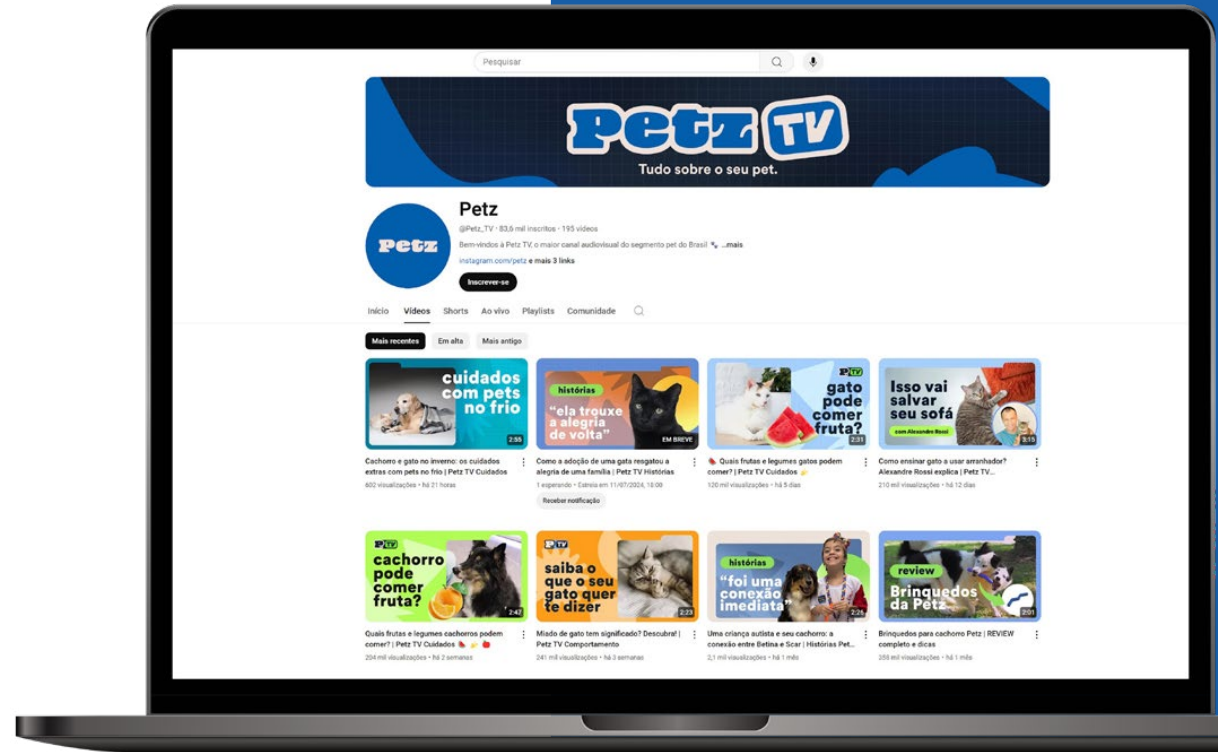
### Petz TV

In 2023, we embarked on a groundbreaking project in the pet industry. Petz TV is the first content channel exclusively focused on producing

visual content for pet owners, featuring tips, information, and exclusive content.

Expanding our communication channel with our customers, we have structured a team entirely dedicated to content creation, working alongside experts, veterinarians, and Petz staff.

The materials available on YouTube cover topics such as nutrition, training, behavior, curiosities, and product reviews, with the goal of becoming a reliable source of information for pet owners.



<sup>1</sup><https://www.statista.com/chart/24933/share-of-respondents-saying-they-purchased-something-because-of-influencers/>



# NPS

GRI 2-29

Since 2021, we have been continuously monitoring the Net Promoter Score (NPS) indicator to track customer satisfaction with the Company’s purchasing and service experiences. Throughout this period, we have observed a consistent evolution of the NPS across all monitored channels and segments.

We are proud of the year-over-year evolution evidenced by the survey that presents **the consolidated NPS of Petz Group. The numbers remained in the excellence zone, going from 80.3 in 2022 to 84.6 in 2023.**

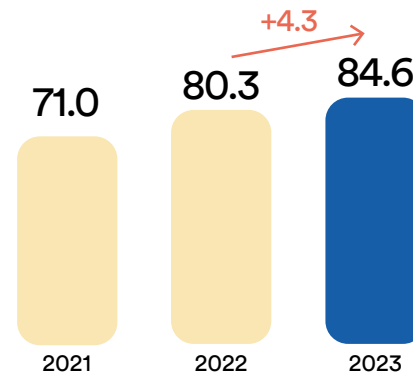
In addition to the consolidated NPS, we achieved growth in all specific surveys, reflecting the assertiveness of our customer relationship strategy. Therefore, we continue to work to generate even more interaction with pet lovers.

To achieve these results, we employ periodic processes and routines involving multidisciplinary teams and the Company’s senior leadership. In this manner, we have the opportunity to carefully observe and understand our customers – always with a focus on providing them with the best possible experience.

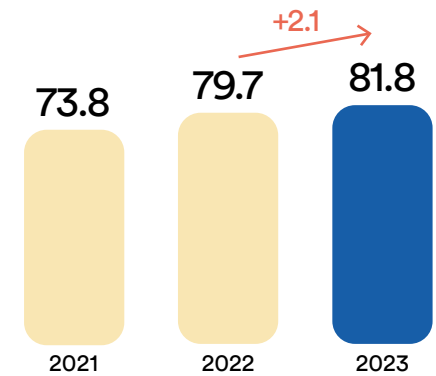
With the aim of strengthening this commitment to experience and satisfaction, we have established a dedicated research center focused on conducting personalized studies on major themes in the pet universe. Within this research hub, we prepare materials about the behavior of pet owners in relation to our products and services, as well as the evolving trends that shape their preferences.

The area contributes to decision-making based on human demands and data intelligence, keeping the Company at the forefront of new behaviors. Research topics include ESG and consumption, multispecies families, and habits inside and outside the home.

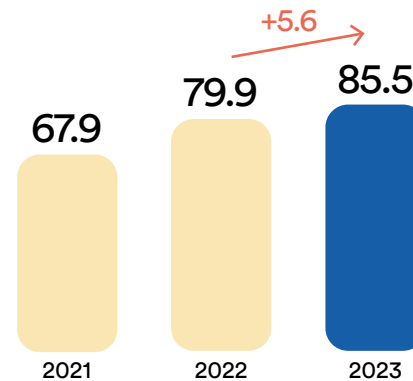
## Consolidated Petz NPS



## NPS Store

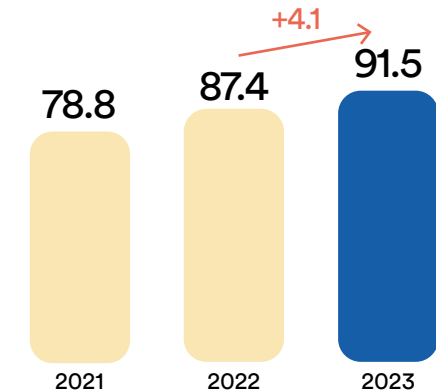


## NPS Digital



## NPS Services

(bath and grooming + veterinary)





## Improved customer experience

GRI 2-29

In early 2024, the Customer Experience Committee was established with the objective of fostering forums focused on E-commerce, Stores, and Services. The committee's goal is to amplify the voice of customers in the Company's strategic decision-making processes.

These spaces are monitored by multidisciplinary teams, who map the needs of our consumers, so that we can act in an agile and assertive manner.

## Sustainability and consumer behavior

GRI 2-29

In order to assess the significance of sustainability in consumers' purchasing decisions, we conducted a survey of 423 respondents with the aim of mapping this behavior.

Customers from across the country completed a questionnaire, enabling our teams to assess their maturity, habits, and perception of the ESG topic.

In this way, we identified the drivers of consumer behavior and the opportunity gaps in our business.

The research included questions about the topics that concern people most regarding the world, the biggest challenges in pet care, and what people consider most important when buying products for their pets.

Climate issues and stray animals were the two main concerns among the pet owners interviewed. Additionally, we identified that the quality of life and longevity of pets is one of the most relevant topics in customers' daily challenges, with them valuing products they consider healthy, mentioning nutritional composition as a key motivator in their purchasing decisions.



# Financial Performance

GRI 201-1

## RESULTS

GRI 201-1

In 2023, the sector witnessed moderate growth compared to previous years, mirroring a decline in consumer purchasing power. Competition also intensified, leading to significant variations in performance across categories.

Discretionary products, such as accessories and snacks, experienced a significant increase in supply, with no growth compared to the previous year. However, recurring and essential categories such as pharmacy, hygiene, cleaning, and dry food maintained their healthy growth rates.

Internally, we have been focusing on internal adjustments, expense reduction, inventory management, and loss prevention, as well as new initiatives to achieve our budget goal in a solid, sustainable, and profitable manner. We have been closely looking at the Company's expense packages and have achieved significant results, such as the savings of R\$60 million compared to the budget forecast, in areas like travel, supplies, fleet optimization, etc.

Although the year represented several challenges for the group, we maintained leadership in the pet industry, due to our differentiated value proposition, as well as the flexibility, commitment and adaptability of our team.

In the long term, we remain optimistic, focusing on customer experience and industry growth, driven by the trend of pet humanization, population growth, and consequently, the increase in product consumption and demand for quality content that provides relevant and safe information to pet owners.

Petz Standalone (thousand)	2022	Gross Revenue R\$3,084,986	Adjusted EBITDA R\$271,609	Adjusted EBITDA Margin 8.8%
	2023	Gross Revenue R\$3,463,972 (+12.3%)	Adjusted EBITDA R\$264,876 (+2.5%)	Adjusted EBITDA Margin 7.6% (-1.2 p.p)

Petz Group (thousand)	2022	Gross Revenue R\$3,366,845	Adjusted EBITDA R\$259,466	Adjusted EBITDA Margin 7.7 %	Adjusted Net Income R\$109,450
	2023	Gross Revenue R\$3,786,594 (+12.5%)	Adjusted EBITDA R\$267,094 (+2.9%)	Adjusted EBITDA Margin 7.1% (-0.7 p.p.)	Adjusted Net Income R\$77,895 (-28.8%)

## Direct economic value generated and distributed (thousand)

**Consolidated generated value**

**R\$3,792,274**

Amount distributed with staff

R\$452,907

Amount distributed with Taxes, Fees and Contributions

R\$377,321

Amount distributed with Third Party Capital Remuneration

R\$198,616

Amount distributed with Equity Remuneration

R\$16,349

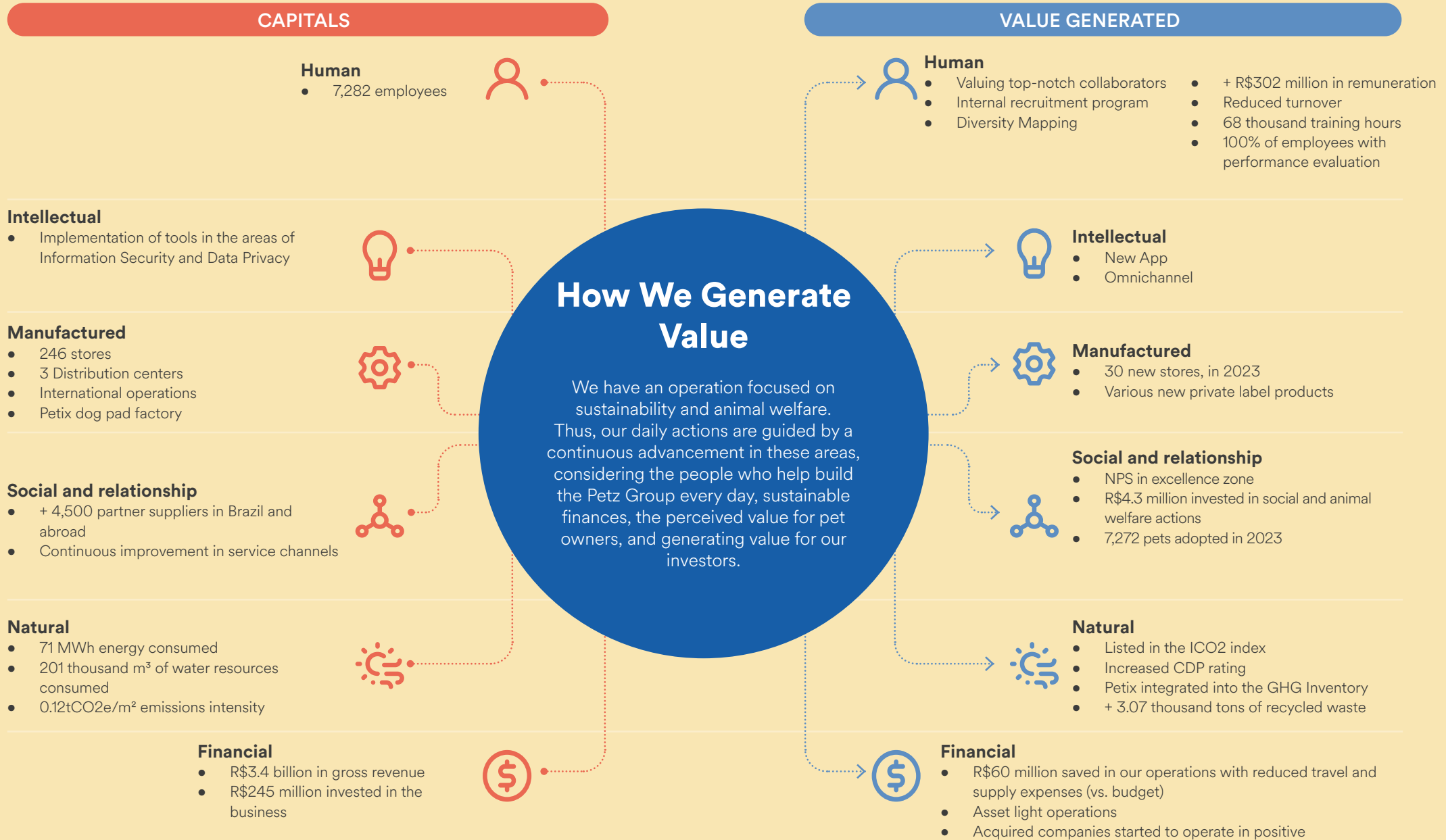
**Retained amount**

**R\$2,747,081**





# Value Generation





# Corporate Governance

GRI 2-9 | 2-10 | 2-13

As a company listed on B3's Novo Mercado, Petz Group is committed to following high standards of corporate governance.

We adhere to the best market practices, in accordance with the requirements of the Brazilian Securities and Exchange Commission (CVM), integrating important indices and reporting our actions in a transparent manner to all our stakeholders.

We are also guided by the Code of Best Corporate Governance Practices, issued by the Brazilian Institute of Corporate Governance (IBGC), adhering to the practices recommended by the body, which establishes guidelines for companies, contributing to ensuring efficient management and protecting their long-term value.

Furthermore, we have an open channel and engage in continuous dialogue with analysts and investors. This enables us to gather valuable perspectives and insights regarding the Company's transparency and communication, thereby identifying areas for improvement.



## Recognition

To illustrate our commitment to our stakeholders, we are pleased to highlight that for the third consecutive year, Petz's IR team has been recognized by Institutional Investor's (II) "Latin America Executive Team 2023" ranking as the Best IR Team in the Retail sector in Latin America (Small Caps category).

Over a thousand professionals from the local and global financial markets were consulted by II, evaluating companies on attributes such as performance, consistency, credibility, and market knowledge.

Here is a list of the highlights of the award:

1<sup>st</sup> Place – Best IR Team

3<sup>rd</sup> Place – Best CEO

3<sup>rd</sup> Place – Best CFO

3<sup>rd</sup> Place – Best IR Program

3<sup>rd</sup> Place – Best Board of Directors





In 2023, Petz Group achieved two significant milestones related to diversity:

- We were included in B3's IDIVERSA Index, the organization's first diversity portfolio, which recognizes companies based on gender and race criteria.

- We were awarded the Women on Board (WOB) Certification, an initiative that recognizes companies with a minimum of two women on their Board of Directors.

\*Statutory Board.

## BOARD OF DIRECTORS

In accordance with the Company's Reference Form, Petz Group's Board of Directors must be composed of no less than five and no more than seven members. Currently, the effective members of this body occupy the total number of vacancies, and the same number of alternates may be appointed.

All members have a unified two-year term, with the possibility of re-election, subject to dismissal by the general shareholders' meeting.

According to Novo Mercado regulations, 20% of these members must be independent. This means that they cannot be shareholders of the Company, related to the controlling shareholder or manager,

or receive any other remuneration from the Group.

**In 2023, 43% of the Board of Directors members were independent.**

In composing the Board of Directors, we adhere to the latest CVM guidelines, considering aspects such as: diversity of knowledge, experience, behavior, cultural background, age group, and gender. By doing so, we incorporate a plurality of experiences and arguments, enabling the Company to make decisions based on a broad spectrum of perspectives.



**LEARN MORE**

Learn more about the responsibilities of positions in our [IR website](#).

## FISCAL COUNCIL

Petz Group's Fiscal Council is a non-permanent body, convened during the fiscal year as needed. It is composed of three effective members and an equal number of alternates, who may or may not be shareholders. These members are elected and may be dismissed at any time by the General Shareholders' Meeting.

The members of the Fiscal Council play a supervisory role in the Company and have the responsibility of requesting information from the management bodies. This includes seeking clarifications on the preparation of financial statements or special accounting information, as well as seeking clarifications or information on specific facts from the independent auditors, if necessary.

## EXECUTIVE BOARD

This body is composed of a minimum of two and a maximum of six directors, three of whom must necessarily be the chief executive officer, chief financial officer and investor relations officer.








Petz Group's Board of Directors is currently comprised of six members. These include four Statutory Directors, who are responsible for establishing a strategic vision for the Company in accordance with applicable laws and regulations. Additionally, there is one Executive Director, who is tasked with executing this strategic vision on a daily basis, ensuring the Company's operational and financial success.

These directors are elected by the Board of Directors and serve two-year terms with the possibility of re-election, based on their annual evaluations, which consider each director's performance and leadership skills.

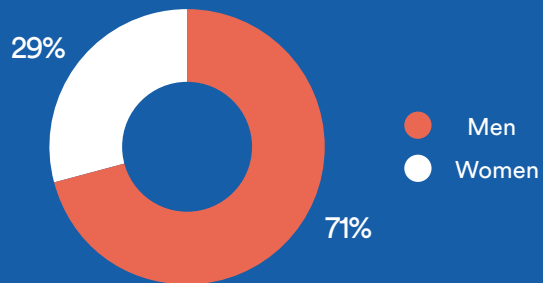


## Diversity in governance bodies: Board of Directors

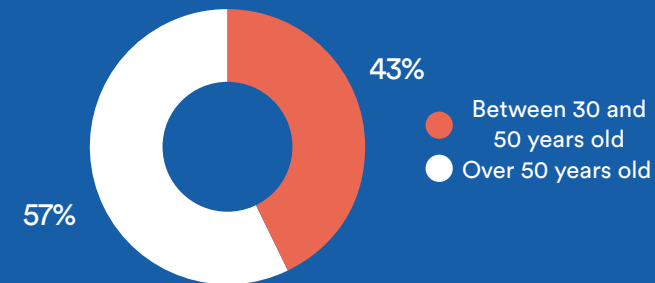
GRI 2-9

Personal information	Name	Cláudio Roberto Ely	Eduardo Terra	Gregory Louis Reider	Ricardo Dias Mieskalo Silva	Sergio Zimerman	Sylvia de Souza Leão Wanderley	Tania Zimerman
	Position	Chairman of the Board of Directors	Member	Member	Member	Member	Member	Member
Diversity	Gender							
	Age group	Over 50 years old	Between 30 and 50 years old	Between 30 and 50 years old	Between 30 and 50 years old	Over 50 years old	Over 50 years old	Over 50 years old
	Total mandates (until 06/23)	10 years	4 years	10 years	2 years	10 years	2 years	5 years
Board member	Permanent	★	★	★	★	★	★	★
	Independent	★	★		★		★	
	Participation in councils/committees							
Experience	Management	★	★	★	★	★	★	★
	ESG		★				★	
	Marketing		★		★		★	
	M&A	★		★				
	People	★			★		★	★
	Retail	★	★	★	★	★	★	★

Board of Directors by gender









Board of Directors by age group

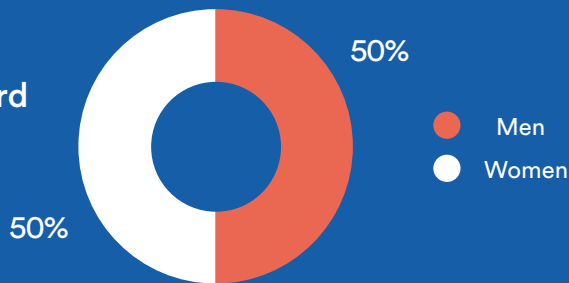


## Diversity in governance bodies: Executive Board

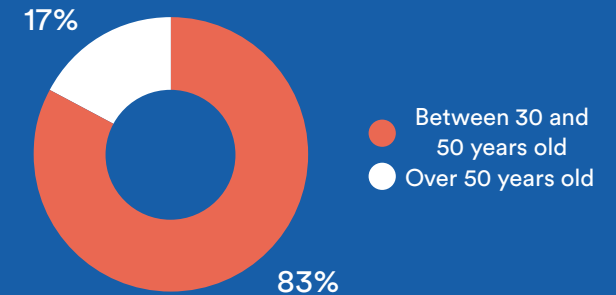
GRI 2-9 | CG-MR-330A.1

	Sergio Zimerman	Aline Ferreira Penna Peli	Flávia Pontes	Marcelo Silveira Maia	Rodrigo Fernandes Cruz	Thalyta Losano
<b>Personal information</b>						
Name						
Position	CEO	Vice President of Finance, Investor Relations/ESG and New Business	Executive Director of People, Culture and Integration	Vice President of Digital and Innovation	Vice President of Retail & Commercial	Legal Director
<b>Diversity</b>						
Gender						
Age group	Over 50 years old	Between 30 and 50 years old	Between 30 and 50 years old	Between 30 and 50 years old	Between 30 and 50 years old	Between 30 and 50 years old
Total mandates (until 06/23)	21 years	2 years	1 ano	10 years	8 years	10 years
<b>Board</b>						
Statutory	★	★		★	★	
Tecnology				★		
M&A and IR	★	★				
Operations	★			★	★	
<b>Experience</b>						
People			★			
Health			★			
Legal						★
Retail	★	★	★	★	★	★

Executive Board by gender



Executive Board by age group



# ADVISORY COMMITTEES

GRI 2-9 | 2-12 | 2-13 | 2-14 | 2-17

The primary function of advisory committees is to ensure that the Company's decisions are well-founded, based on the knowledge and experience of each Committee's members, in order to support strategic decisions of the Board of Directors.

These bodies are composed of members appointed to provide guidance, advice, and in-depth technical analysis in specific areas, playing a crucial role in providing insights and recommendations for the Company's decision-making processes.

We currently have five committees that advise our Board, namely:

## LEARN MORE

Learn more about the Advisory Committees in our [IR website](#).



### Audit Committee

This Committee is tasked with assisting the BoD in ensuring the quality and reliability of the Company's financial reporting, while adhering to all applicable legal, statutory, and regulatory requirements, processes related to risk management and independent audit services.



### Human Resources Committee

The bylaws of this Committee outline its activities as providing advisory services and monitoring issues relevant to the Company's human resources management, including recruitment and selection, training and development, management, and compensation.



### Strategic Committee

This Committee aims to advise the BoD in monitoring, discussing, evaluating, providing opinions and recommending on topics such as: expansion, commercial, marketing, operations, logistics, information technology, omnichannel, services and technical area (animal welfare).



### Sustainability Committee
































The Committee aims to provide advisory support to the BoD in monitoring and making recommendations regarding sustainability matters, encompassing strategies, initiatives, projects, and investments in this area.



### Finance Committee

The responsibilities of this body include monitoring the Company's financial performance, ensuring compliance with strategic plans, as well as their results and budgetary projections, investments, and share issuance, in order to support the BoD's decisions.

#### Members

Aline Ferreira Penna Peli			
Claudio Roberto Ely			
Eduardo Terra			
Flávia Bossolani Pontes			 
Gregory Louis Reider			
Marcelo Silveira Maia			
Ricardo Dias Mieskalo Silva			
Rodrigo Fernandes Cruz			
Sergio Zimmerman			
Sylvia de Souza Leão Wanderley			
Tania Zimmerman			
Vanessa Tondato			



## BEST PRACTICES

GRI 2-18 | 2-19 | 2-20 | 2-24

### Performance Evaluation

The Chairman of the Board of Directors is responsible for the annual performance evaluation of the BoD, its members, as well as the Company's Directors.

In addition, each year, Committee members are individually evaluated by the coordinator of each advisory body, with the possibility of hiring third parties to carry out this process.

The consolidated results of each body are made available to all members, and individual evaluations are submitted to the director in question, its coordinator and the Chairman of the BoD.

All these details are outlined in the Company's Reference Form and must be mandatorily adhered to by the aforementioned governance bodies.

### Nomination and Selection

Internally, we follow a strict Nomination Policy for positions on the Board of Directors, Committees, and Statutory Board.

In this way, we are guided by previously determined criteria to compose the aforementioned bodies, valuing the best corporate governance practices in a transparent manner.

The nomination of Board of Directors members may be made by the management or by any shareholder of the Company, in accordance with the law. The nomination of Committees members may be made by any member of the Board of Directors or the Executive Board.

For executive officers, the Board of Directors

should appoint professionals, considering diversity, including individuals with complementary competencies and skills to implement the Company's strategies, address its challenges, and achieve its objectives. This nomination, including that of the Chief Executive Officer, should be made preferably from among internal executives who already perform activities related to the specific position.

The alignment and commitment of candidates with the Company's values and culture, educational background, skills and abilities, experiences and being free from conflicts of interest with the entire group are considered determining factors in the selection.



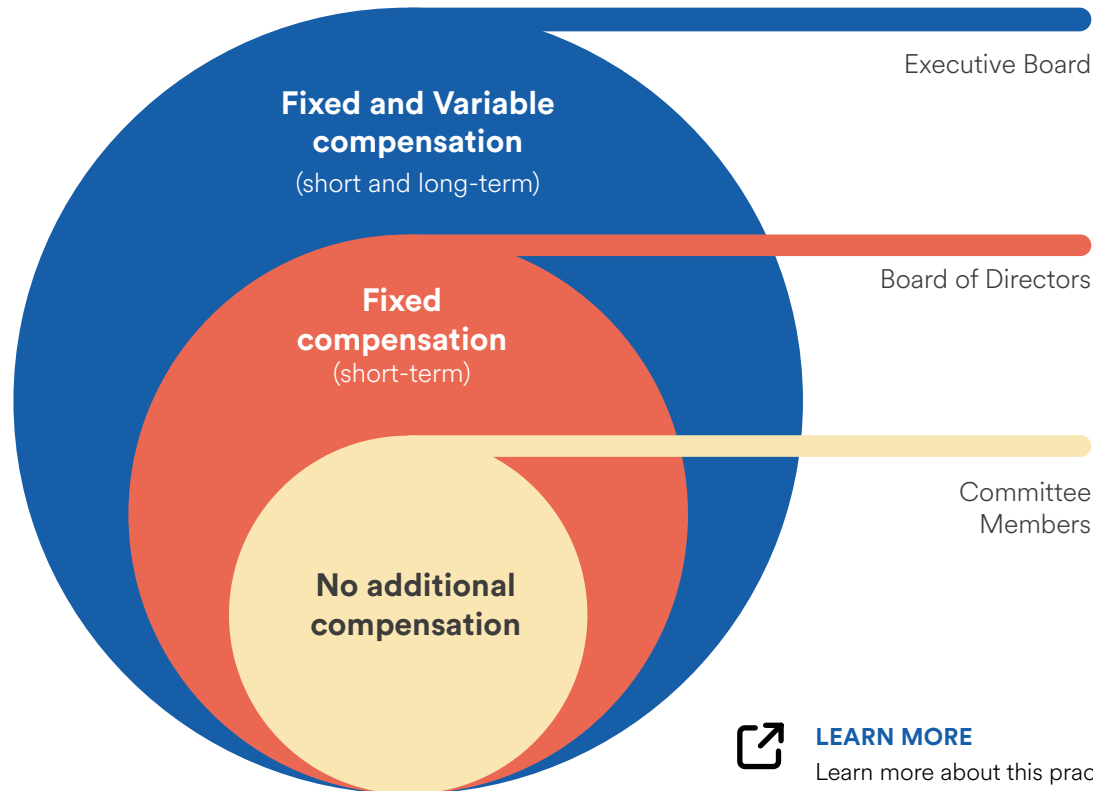
**LEARN MORE**

Learn more about these practices in our [IR website](#).

## Compensation

The Compensation Policy establishes guidelines for the remuneration and benefits granted to directors (statutory or executive), members of the Board of Directors, Fiscal Council, and Advisory Committees in effect at the Company.

In this way, we are publicly disclosing the guidelines that govern the compensation of Petz Group's senior management. In addition, the Company has two current stock option plans, both approved by the general meeting, which take into account market practices for fixed compensation.



### LEARN MORE

Learn more about this practice in our [IR website](#).

## Strategic planning

In the second half of 2023, the Company's Vice Presidents embarked on a two-day immersion to outline the strategic plan for 2024, listing the priorities for the year.

This process established key aspects such as project responsibilities and budget in a collaborative manner, with the customer at the heart of the group's actions.

The plan was presented to the Board of Directors, and then to the Company leaders, and has been constantly revisited, in order to keep the teams aligned with the strategies outlined by senior leadership.

03

# Responsible Business

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE







## 2023 Highlights



Customer Service  
**Awards**



Teams  
**specialized** in  
Information Security



Reduction of more than  
**R\$2.8 million** in  
losses due to expirations  
through the Reversa Project.



**+4.5** thousand  
supply partners





# Ethics and Transparency

GRI 3-3

Acknowledging the responsibility to safeguard the interests of all stakeholders, we adopt a proactive approach to strengthening market best practices and fostering a corporate culture rooted in unwavering ethical principles.

With Petz's entry into the capital market in 2020, we reinforced our commitment to transparency and accountability to our shareholders and stakeholders.

In compliance with the requirements of the Brazilian Securities and Exchange Commission (CVM), we are committed to disclosing the necessary information, ensuring the reliability and integrity of our operations.

In 2023, we took a significant step towards the Group's transparency. We published our first Sustainability Report, which compiled actions and indicators across various fronts of our business, as well as areas for improvement.

# CODES, STATUTES AND POLICIES

## Code of Conduct

GRI 2-15 | 2-23

Petz Group's Code of Conduct represents a guidance manual regarding the commitments and behaviors that are expected within the Company.

Encompassing all companies within the ecosystem, as well as their employees, suppliers, partners (and all audiences that represent us), regardless of their hierarchical position, the Code's objective is to ensure that actions are guided by mutual respect, ethics, transparency, and cooperation, in addition to focusing on preventing conflicts of interest of any kind, promoting exemplary practices in the Group's daily operations.

The document has been duly approved by the Board of Directors and is readily accessible to the public. Upon joining the Company, **all employees are introduced to the Code of Conduct during the onboarding process and are expected to be thoroughly familiar with and adhere to its guidelines.**

Through it, we reaffirm our commitment as a Group to integrity, honesty, loyalty and responsibility in all interactions with the stakeholders that make up our chain.



### LEARN MORE:

For more details, access our [Code of Conduct](#) in full.



## Bylaws

Document that establishes and regulates the Company's rights and duties. This document prevails over other Policies and Regulations.

### Disclosure Policy

Its objective is to regulate internal procedures, in order to establish standards of conduct and transparency when disclosing Company's information.

### Risk Management Policy

Aims to help identify, assess, forecast and monitor the risks to which the Company is subject, providing greater safety for its shareholders and business.

### Referral Policy

Aims to set criteria for the composition of the Company's Board of Directors, Advisory Committees and Executive Board, in line with best corporate governance practices.

### Negotiation Policy

Establish rules to ensure best practices in the trading of Securities issued by the Company, avoiding the use of inside information.

### Remuneration Policy

Lays down guidelines and rules and transparency for setting the compensation and benefits granted to Directors, Board of Directors and Fiscal Council members and Company Committees.

### Related Party Transactions Policy

Its objective is to ensure that the decisions taken by the Company are driven by the interests of the Group and its shareholders, avoiding conflicts of interest.



## Communication mechanisms

GRI 2-24 | 2-25 | 2-26 | 2-29

### Whistleblowing channel

In order to ensure compliance with our Code of Conduct at all times and in all areas within the Company, we have made the Whistleblowing Channel available since 2020.

**This tool is open to everyone, enabling the communication of misconduct by employees, suppliers and service providers who act in a manner that causes damage to the Company’s image, assets or reputation.**

The channel is operated by an independent company, which handles all reports anonymously, guaranteeing the confidentiality of each case and the non-retaliation against whistleblowers. The investigations are carried out by a Group investigation team, involving Legal and Human Resources areas.

In the event that the complaint is substantiated, disciplinary and legal measures will be taken, including warnings, suspension, and even termination of the employment contract. Third parties and suppliers, in turn, may have their business relationship with the Company terminated.

 **WHISTLEBLOWING CHANNEL**  
[canaldedenuncia@petz.com.br](mailto:canaldedenuncia@petz.com.br)  
<https://canaldedenuncia.com.br/petz/>  
 0800 882 0612



#### Ombudsman

This channel aims to ensure improvements in the quality of products and services offered at Petz. The information is screened so that requests that reach the ombudsman are handled quickly and efficiently.



#### Customer Service

With a focus on keeping the customer at the center of our initiatives, we revisited our service processes and empowered our team to have more autonomy. As a result, part of our logistics staff now operates within the Customer Service Department, bringing synergy to the solution process. This way, we have improved our first contact resolution (FCR) rate by over 100%.



#### “Reclame Aqui” Award

Every year, the Reclame Aqui channel ranks the companies with the highest reputation on the site, via popular vote.

Once again, Petz was the winner in the Pet E-commerce category, reinforcing our commitment to providing good service to our customers.



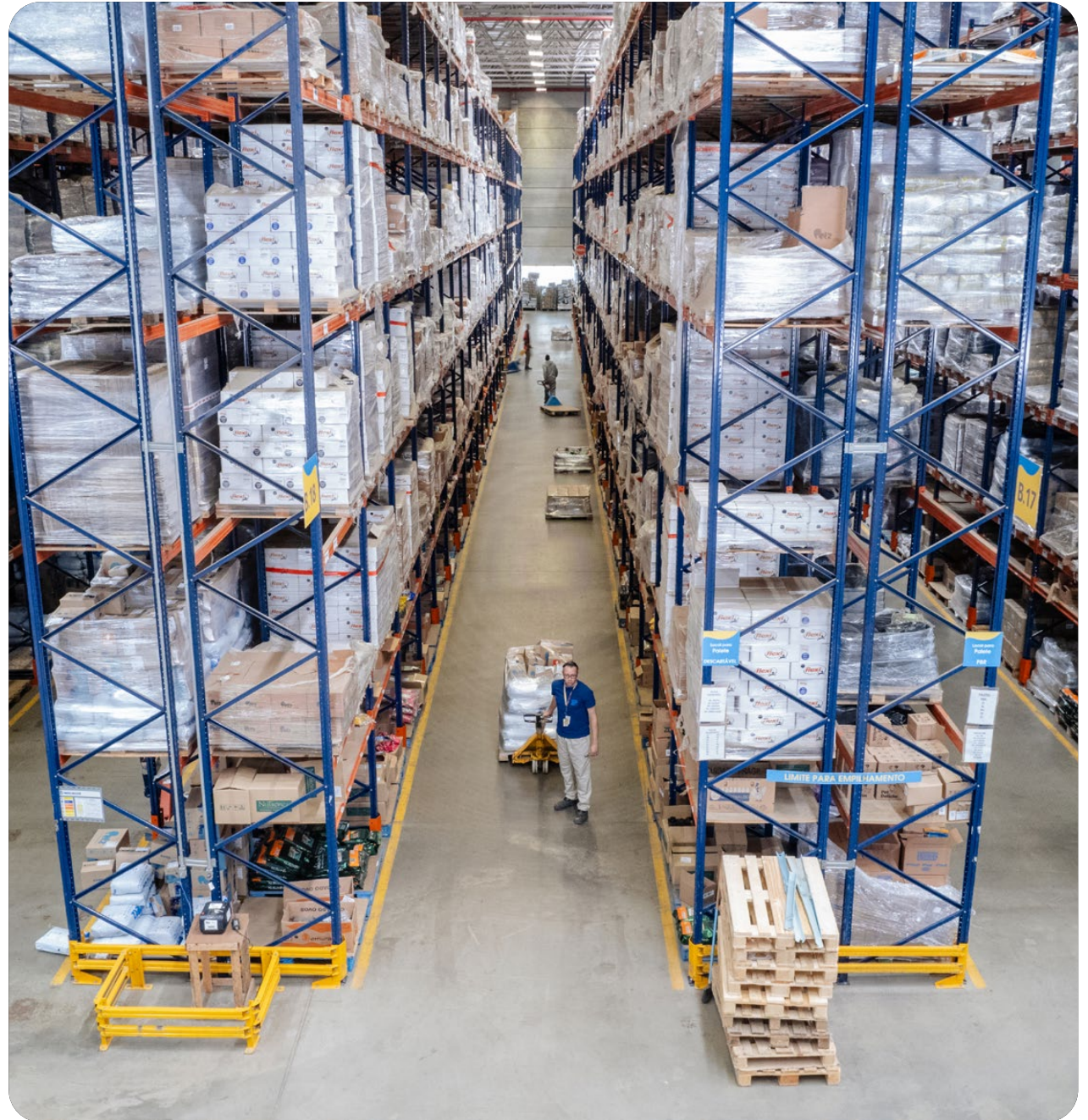
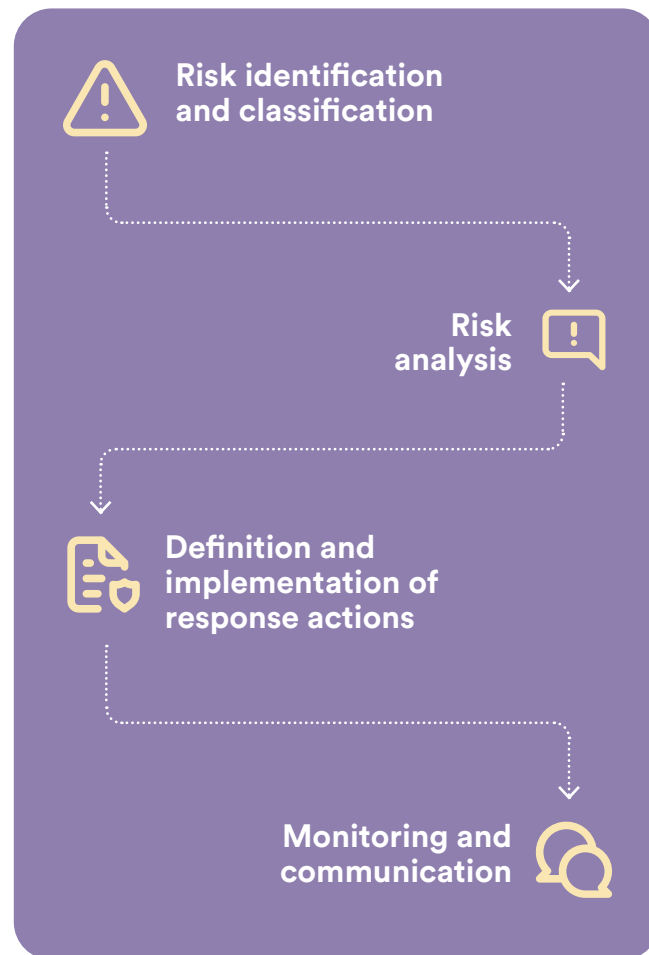
#### Companies that most respect consumers

In 2023, we were also honored with the “Companies that Most Respect Consumers” award in the pet retail segment, which acknowledges companies that invest in strategies, methodologies and talents, earning respect from customers.

# Risk Management

GRI 2-24 | 201-2

We have a Risk Management Policy in place, the objective of which is to formalize the guidelines for identifying and managing the risks to which the Company is exposed.



## MARKET RISKS

Petz Group is mainly included in the retail sector. As such, we are exposed to the global economic, political and market scenario. The three main market risks identified are:

- **Interest rate risk**

Regarding the Company's protection against interest rate risks, we clarify that we have financial investments, loans, and financing indexed to the CDI, exposing these assets and liabilities to fluctuations in interest rates.

- **Interest rate sensitivity analysis**

Company managers monitor the market trends to future interest rates, with the aim of assessing the eventual need to hire instruments to protect against the risk of volatility of these rates. These risks are managed through operational strategies and internal controls, aiming to ensure the liquidity, profitability, and security of the Company's operations.

- **Exchange rate risk**

Petz Group's exchange rate risk management policy, in turn, is to protect up to 100% of the contracted value of the loan in foreign currency. Cash flow hedge and financial hedge must be seen as instruments to protect the Company's value, and never as speculative instruments.

## ENVIRONMENTAL RISKS

We recognize that our actions as a retail company have an impact on the environment. In order to mitigate these harmful effects on the planet, we have implemented a Sustainability Committee, which advises the Board of Directors, in order to move towards an increasingly clean operation. Among the environmental risks to which we are exposed, we highlight:

- Failure to comply with environmental legislation and regulations, which may affect the Company's reputation;
- Risks related to climate issues and natural disasters, with the possibility of interruption of our operations.

To minimize potential business damage, we proactively adhere to national, state, and municipal laws and regulations regarding environmental licensing requirements and standards for effluent disposal, atmospheric emissions, solid waste management, noise emission parameters, as well as requirements related to specially protected areas.

As an example, stores located in the cities of São Paulo (SP), Rio de Janeiro (RJ), and Manaus (AM) have their own rules of conduct regarding the use of plastic bags in their facilities, as defined by current legislation.

Furthermore, during the second half of 2024, we started two critical processes on this front: climate risk mapping and greenhouse gas (GHG) emission mitigation opportunity mapping.



## Risks and opportunities arising from climate change

In 2023, we carried out a survey to assess the risks and opportunities related to climate change within the Company. As a result, we identified:

### Risks:

- **Physical - short term**  
Extreme weather events such as heavy rainfall can have negative effects on our operations, especially on our direct operations.
- **Regulatory - medium term**  
Regulatory changes, emission taxation, or new regulations may negatively affect our upstream supply chain, leading to higher production costs and impacting the production and distribution of finished products.
- **Market - medium term**  
Changes in rainfall patterns have a direct impact on electricity generation in Brazil, potentially leading to higher electricity rates in the country. The increase in this expense significantly impacts our operating costs, considering Petz Group's 246 stores and Distribution Centers.

### Opportunity:

- **Market - medium term**  
In light of the risks associated with energy generation, we have identified the opportunity to acquire renewable energy sources and transition to the captive energy market, thereby reducing our greenhouse gas emissions and lowering operational costs.



## Climate Risk Matrix

In 2024, we hired a specialized consulting firm to develop the Climate Risk Matrix for Petz Group. This way, we will have a robust and updated tool to work with and implement the necessary improvements, presenting the company's risks and opportunities to our stakeholders in a more accurate manner.



## Preventing losses and combating food waste

Demonstrating an unwavering commitment to sustainability and corporate responsibility, in 2019 we established the **Reversa Project**. This innovative initiative spearheaded by Petz Group aims to prevent the loss and disposal of expired products.

The Company's loss prevention team is responsible for the relocation of these items, removing products from stores with low turnover and allocating them to locations with higher demand. If the products remain unsold in new locations, they are redirected to the Válidos Program (learn more on page 78), preventing them from being discarded.

**In 2023, we had 23 employees in the loss prevention area carrying out more than 390 inventory balances and product reallocations, leading to the reduction of more than R\$2.8 million in losses due to expiration dates.**

That same year, the Reversa Project earned the Group yet another recognition, appearing as **two-time winner of the Brazilian Association for Loss Prevention (ABRAPPE) award, in the retail category.**

Furthermore, to act directly on loss prevention in an even more incisive way, we have been working on the products assortment mix for each Petz store, bringing more assertiveness in the selection of allocated products.



# Information Security

GRI 3-3 | CG-MR-230A.1 | CG-EC-230A.1 | CG-EC-220A.2

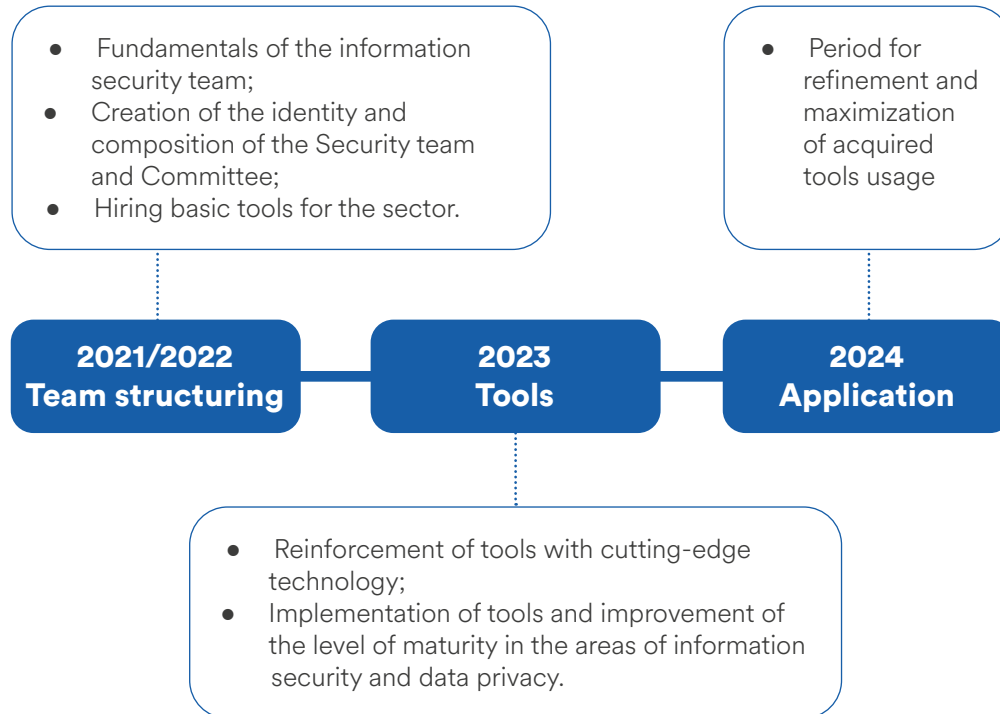
Currently, we have specialized teams on the Information Security and Data Privacy fronts, working directly on the launch of new products and the updating of existing ones.

In order to ensure the integrity and confidentiality of our internal and customer data, we have implemented a

series of practices and procedures that reflect our attention on this front.

In recent years, Petz Group has undergone three important security master plans:

## Master plan



We currently have a **Security Committee that meets on a monthly basis with related areas, playing a key role in identifying and mitigating potential risks.**

In these meetings, strategic priorities and previously mapped risks are discussed, ensuring that all interested parties are aligned regarding the actions taken on this front.

At least once a year, our strategic security plan is shared with the Board, demonstrating the importance of the topic for the Company and the team's commitment to maintaining high governance and compliance standards.

In cases of security breaches, we implement our own investigation methods and an incident reporting model, ensuring a quick and effective response to any potential threat.

**Verification features such as multi-factor authentication on our website have been introduced to prevent fraud and protect our customers' personal information.**

Safety First, with Customer Experience Uncompromised



**LEARN MORE**

about our [Privacy Policy](#).



## INTERNAL DATA PROTECTION

To safeguard the Company's and employees' data, we conduct formal privacy training sessions for the entire group, with an emphasis on the importance of compliance with our Information Security Policy, launched in 2023.

Furthermore, information pills about Information Security and the guarantee of Data Privacy are conveyed on a regular basis in Petz Friday communications.

### Artificial Intelligence (AI)

Committed to innovation and market trends, the Company is already working on innovations using artificial intelligence to improve our processes.

Technology teams have been studying new viable technologies for our operations, in order to support both employees and customers in their daily activities.



# Supply Chain Management

GRI 2-6 | 3-3 | 204-1

Supplier selection processes take into account alignment with Petz Group's business strategy and values, as well as the quality of the products offered.

Furthermore, all interactions with suppliers are governed by the guidelines established in our Code of Conduct, which covers both internal and external stakeholders, ensuring high ethical standards throughout the chain.

In 2023, we partnered with 4,500 companies across our supply chain. These companies are responsible for distributing a wide range of products, from items for resale in our retail operations to veterinary supplies for the Seres Veterinary Center, as well as office supplies and construction materials.

In total, approximately 500 product suppliers are actively involved in this chain, with 97% of them being domestic.





## PRIVATE LABEL MANAGEMENT

SASB CG-MR-410A.2

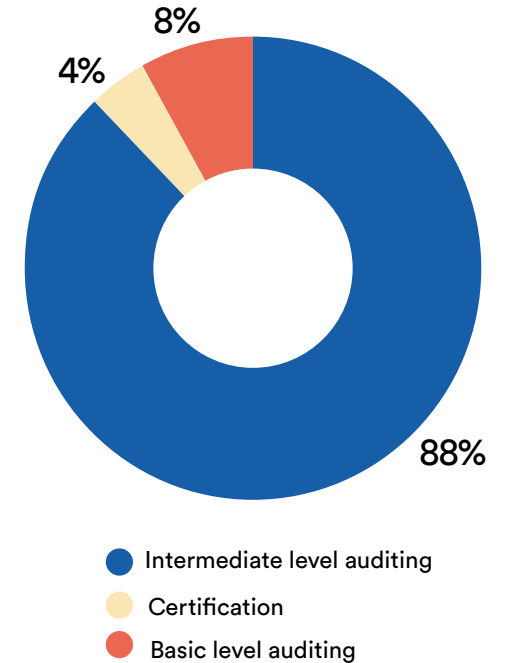
In 2023, the volume of Petz private-label items witnessed a significant increase, accounting for 8.5% of our revenue. We have been actively working on this front as a means of differentiation in the market, offering exclusive high-quality products to pet owners.

**Petz Group's private labels already represents the Company's second largest product supplier, with a 49% growth y/y in 1Q24.**

The creation of these new SKUs is directly dependent on third-party suppliers (with the exception of dog pads), which we carefully select to meet the factory and product quality requirements.

Out of our domestic suppliers that fall into this category, 26 have undergone quality audits and presented adequate performance, according to approved certifiers. We are actively working to ensure that all suppliers make progress in this area, achieving increasingly satisfactory results.

Private label suppliers



## Supply Chain Monitoring

GRI 2-29

The private label supplier approval process includes a quality audit that assesses factory quality aspects, such as good manufacturing practices, food safety, and product traceability. This process also adheres to standard human food industry requirements, following globally adopted protocols.

In 2023, we implemented an unannounced audit policy for selected suppliers, in which factories are evaluated

on surprise dates, specifically for those that supply animal feed products, such as snacks and supplements.

In early 2024, private label suppliers also underwent a social self-assessment to evaluate compliance of these stakeholders with labor conditions and human rights in their factories.



04

# Animal Health, Welfare and Adoption







## 2023 Highlights



**7,272** pets  
adopted in the year



**+ R\$7.9 mm**  
invested in Adote Petz



**135** partners in  
social actions



**+400**  
corporate  
volunteers



# Animal care and welfare

## ADOTE PETZ

GRI 2-29 | 3-3 | 203-1

Since 2007, Petz has maintained an animal adoption and welfare promotion program, which aims to connect pets in need of a home with future owners looking for a companion. During this period, more than 74,000 animals have found a family through the adoption spaces available in 115 Petz stores.

Our mission is to connect people who wish to adopt a pet with NGOs or animal shelters that are partners in this cause. We provide specially designed spaces in our stores for this activity, and our more than 135 project partners are responsible for the adoption process.

**In 2023, Adote Petz became an initiative with broad social impact, through partnerships with institutions also focused on the humanitarian cause. We work to bring dignity to people and animals in vulnerable situations.**

Therefore, we directly engage with the actions carried out by entities for the purpose of social inclusion and animal welfare.

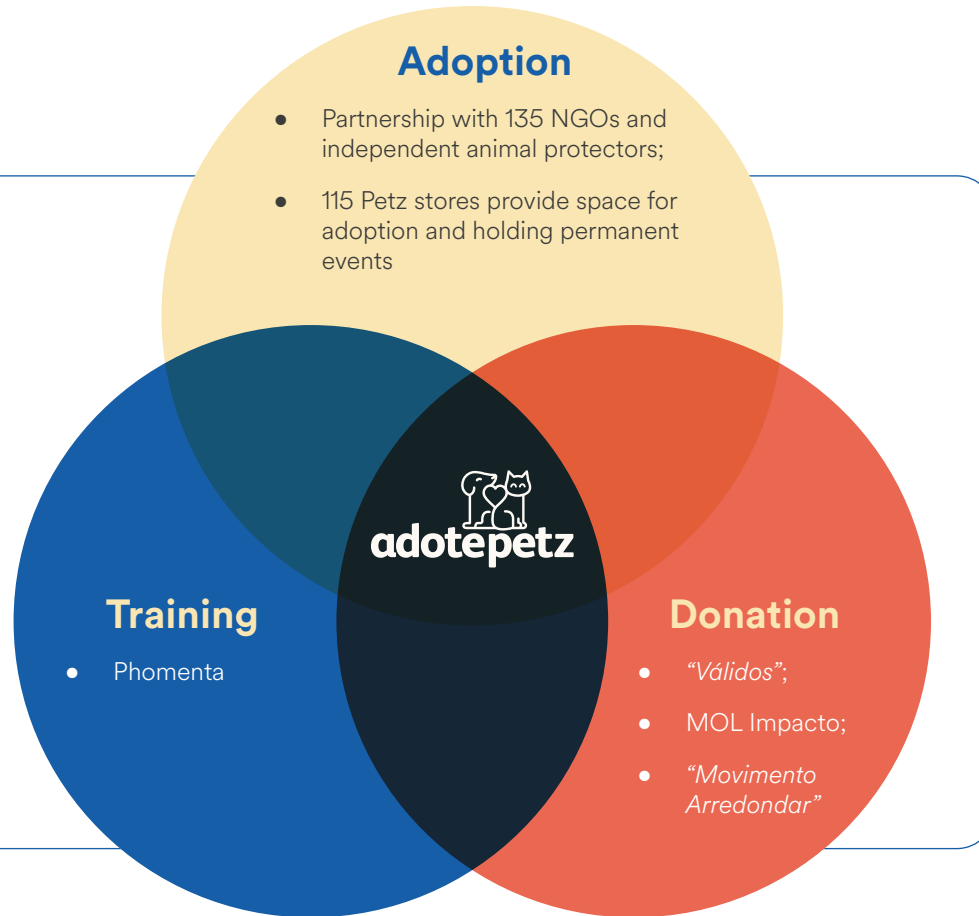
**R\$4.3 mm**

Amount donated by the Petz Group to Adote Petz, in 2023.





The scope of the program is supported by three pillars and several partners who support us in the task of promoting animal care and well-being, through responsible adoption:



By doing so, we encourage the adoption of dogs, cats, rabbits, and guinea pigs. We also raise awareness about responsible pet ownership and animal welfare, in addition to promoting healthy interaction between pets and owners.

Adote Petz is the consolidation of all these adoption and social responsibility initiatives, a nationwide program, which is based on the solidity and reliability of Petz Group, together with the expertise and partnership of independent NGOs/protectors who work on projects and actions of social responsibility focused on the animal cause.

## Adoption

We partner with 135 NGOs and independent animal protectors, all of whom are approved and qualified to provide pet shelter services, promoting animal welfare.

In addition to taking care of the animals on a daily basis, NGOs and protectors also carry out castration (in accordance with current legislation), vaccination, microchipping and final preparation so that the animals can go through the adoption process.

In this context, Adote Petz takes on a pivotal role, providing comprehensive support to its partners, including the **donation of essential supplies such as food, medicine, and hygiene products, as well as financial support in running the shelters**, promoting assistance in the financial sustainability of these organizations.

**Furthermore, the work of NGOs also contributes to animal population control and, consequently, to the reduction of diseases and accidents that have a negative impact on public health.**

Once all procedures so that the pets are ready for adoption have been completed, the animals are sent to Petz stores with designated spaces for this practice, in addition to adoption events.

## Adoption Process

# 1

### Find your pet

Visit a Petz store with a dedicated adoption area or access [adotepetz.com.br](http://adotepetz.com.br). There, you will meet the pets from partner NGOs/protectors to create the perfect connection with the pet that is looking for a new home.

# 3

### Adoption assessment

The partner NGO/protector will analyze the registration and profile of the adopter and the chosen pet. If you meet the requirements, you will receive approval instantly or by phone/email if you filled out the online form

# 2

### Interest form

Make an in-person interview in the store with an NGO volunteer/animal protector. If a volunteer is not available, please complete the interest form and the NGO/protector will contact you within 48 hours.

# 4

### Complete adoption

If approved by the NGO volunteer/protector, you can take your pet home. If you have submitted the form, you can pick up your pet at a Petz store on the agreed-upon day with the NGO/protector. Additionally, your pet will be monitored by a multidisciplinary team for up to one year.

### Quer adotar um pet?

Inicie o processo de adoção pelo QR code abaixo.



Conheça os nossos cuidados para que o pet chegue **feliz e saudável** em seu novo lar.



Disponibilizamos espaços em nossas lojas dedicados para adoção de pets de **ONGs e protetores parceiros**.



Os pets chegam às nossas lojas e são avaliados por **médicos veterinários** para fazerem parte da adoção.



Nossos espaços são **limpos diariamente** para receber os pets, mantendo a saúde e o bem-estar.



Na estadia, os pets recebem estímulos através de **atividades cognitivas, sociais, sensoriais, físicas e alimentares**.



Oferecemos **água limpa, hidratada** e alimentação **3 vezes ao dia com ração balanceada e nutritiva**.



Os cães e gatos são **microchipados, vacinados e castrados** de acordo com a legislação vigente.

**2023 Numbers:****135** entities supported**7,272** pets adopted through Adote Petz**694** external adoption events**115** Petz stores with permanent adoption spacesApproximately **R\$4.3 mm** invested and donated by Petz to the program**3,759** post-adoption consultations, equivalent to **+ R\$500 thousand****4** mega-events**2,582** vaccines appliedCare for abandoned animals and examinations totaling **+ R\$110 thousand**

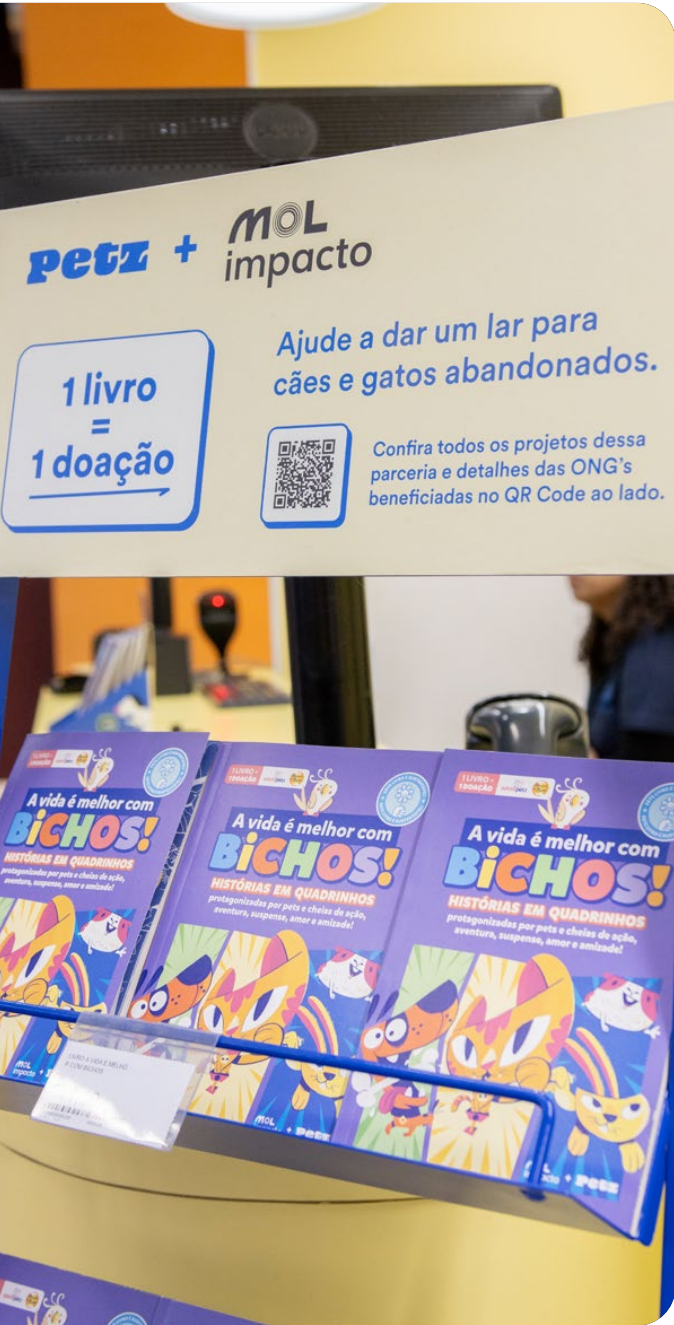




## Partner selection criteria

Adote Petz follows a standard protocol for the approval of partner NGOs and independent protectors, in order to guarantee the well-being of rescued animals until they are adopted:

- 1** Validation of documents with Petz's legal department ([check here](#) all the documentation required for registration);
- 2** Visit to the shelter or temporary home by a technical team made up of professionals responsible for issuing a report for analysis and approval by the management and quality area (visits take place on a biannual basis);
- 3** Signing a partnership contract, which provides for the partner and Petz obligations



## Donation

### MOL Impacto

For 16 years, MOL Impacto has been creating social products that connect people and brands around a common purpose: to **promote transformations that benefit society as a whole.**

The partnership with Petz began in 2017, and together they launched the Bichos Collection, which includes books, calendars, albums, and other printed products that generate donations for NGOs working for animal welfare and protection.

In 2023, donations from the Bichos Collection funded actions in 19 states and the Federal District, benefiting pets and owners in vulnerable situations across all regions of the country, thereby positively impacting society

### Petz 21 years

In celebration of our 21 years of history, Petz Group held an anniversary event in which R\$321 thousand were donated and more than 3.5 thousand pets were positively impacted.

## 2023 Numbers:

**+ R\$2.6 mm** donated

**7.9 thousand** vaccines applied

**36** donation actions and campaigns

**30** Reforms carried out on NGOs

**+ 3.5 thousand** paid castrations

**42.7 ton** of feed purchased and passed on

**391** paid veterinary care

**101** NGOs and 25 independent protectors supported



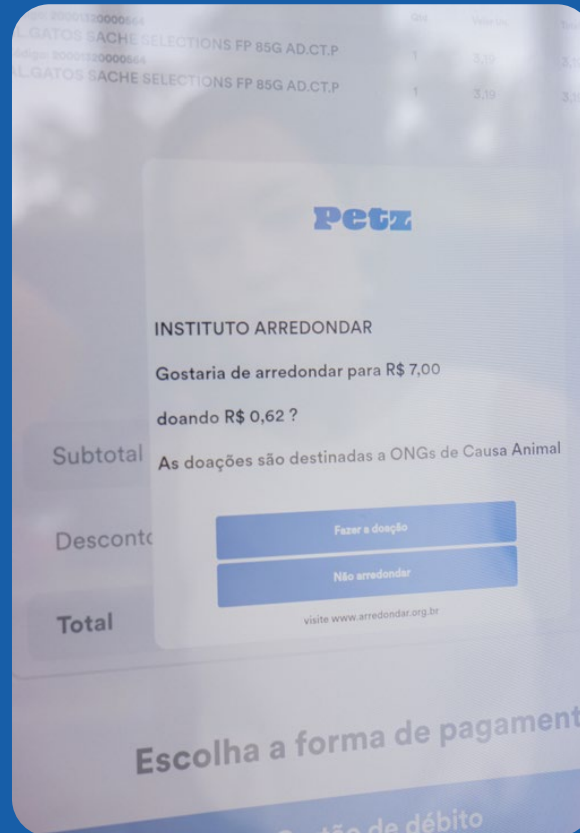
## “Movimento Arredondar”

“Movimento Arredondar” is an NGO that works to support other NGOs.

Leveraging partnerships with retailers, the organization enables consumers to make small donations from their purchases to social organizations. By rounding up the change from their purchases, it is possible to strengthen the financial sustainability of NGOs dedicated to building a better nation.

### Petz is the largest mobilizer of microdonations in the pet market in Brazil.

Established partners since 2019, this alliance has already supported a wide range of initiatives in the animal welfare cause. The organizations benefiting from the partnership are certified and are part of the Adote Petz program, working to ensure a safe home for abandoned animals, in rescue, castration and rehabilitation, in addition to activities such as animal-assisted therapy.



## 2023 Numbers:



**+ R\$936**  
thousand passed on  
to supported entities



**641** donations  
per hour on average



**18** NGOs  
supported

## “Válidos”

Since 2020, the Company has adopted a practice of redirecting products close to their expiration date. The “Válidos” Program redirects these items to Petz’s partner NGOs so that these products are immediately consumed.

By doing so, we avoid discarding products that are still in good condition and benefit thousands of pets, prioritizing their well-being.

We perform the mapping and documentation of items close to expiration date, but remain in perfect condition for consumption. After the approval of this documented evidence, we issue an Invoice with the products to be redirected. This way, we maintain rigorous control over all products transferred to the program.

In 2023, the equivalent value of products directed to the program was greater than R\$3.2 million, distributed in the following categories:

**+ 53 tons of food**

**+ 6 thousand medicines**



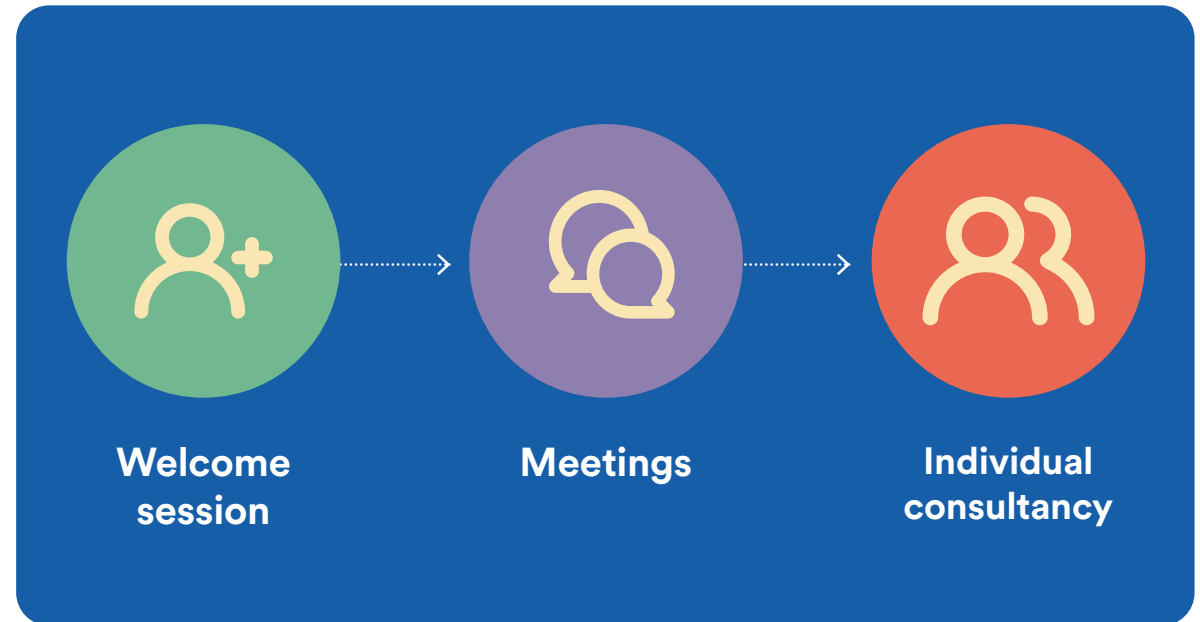
## Training

### Phomenta

A partner of Adote Petz since 2021, Phomenta aims to assist in the management and governance of civil society organizations (CSOs) and their entrepreneurs through education, recognition and connections.

In collaboration, **we work to strengthen partner organizations, aiming to professionalize these entities, focusing on improving their performance and management so that they can significantly increase their positive impacts on the animal cause. The objective is to promote stronger and more organized institutions working for the adoption of dogs and cats in the country.**

During the 2022/2023 cycle, Phomenta provided consulting services to Adote Petz, conducting an assessment of 52 CSOs across five pillars of management and transparency. This evaluation involved individual interviews with managers, meetings with the Adote Petz community, and individualized consulting services to foster the improvement of each CSO. **In total, over R\$126,000 were invested in this work.**



**100%** of participating CSOs were satisfied with the community and the content offered

**79%** felt like they belonged to the community, valuing the exchange of experiences to apply to their organizations

**100%** of the organizations expressed the desire to remain in the community

## Corporate Volunteering

GRI 2-29

In 2023, we launched the Company's Corporate Volunteering Program. This initiative aims to further encourage all Petz Group employees to actively engage in animal and social causes.

Throughout the year, the actions promoted focused on people in situations of social vulnerability and their pets, as well as people affected by environmental disasters. We worked directly on customer service, queue organization, snack preparation and donation, animal evaluation, application of flea and tick preventives, deworming, donation of collars, food, and bathing.



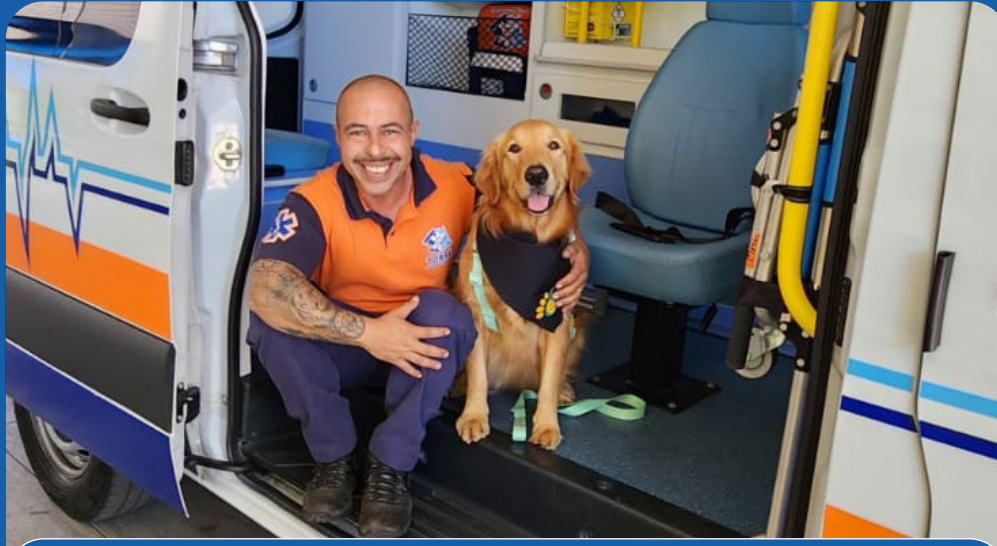
**40** social actions promoted

**+400** employee participation

**+3 thousand** animals served

Provision of assistance to socially vulnerable individuals and their pets, as well as to victims of environmental disasters





### “Instituto Cão Terapeuta”

The role of “Instituto Cão Terapeuta” is to promote health and quality of life for people in hospitals, nursing homes and vulnerable situations through Animal Assisted Interventions (“IAA”). Since its inception, over 20,000 people have benefited from the project.

“Instituto Cão Terapeuta” is one of the NGOs supported by Petz’s partnership with “Movimento Arredondar”.



### “Moradores de Rua e Seus Cães”

The creator of the MRSC project, Edu Leporo, won an award for his exhibition “Moradores de rua e seus cães” (Homeless people and their dogs). So he decided to direct his earnings from this work to the people who starred in his photos. And so MRSC was born.

Today there are 14 cities throughout Brazil that host social actions aimed at this public. The actions are focused on distributing basic food staples and hygiene kits for the owners, as well as feed, vaccinations, neuterings and care for the animals.

In 2023, the project carried out 42 actions, involving the care of 8,640 people and 6 thousand pets.





## GRAD

The “*Grupo Resgate de Animais em Desastres*” (GRAD) (Disaster Animal Rescue Group) has been operating since 2011 with the aim of providing help to animals in distress in a variety of situations, and relies on a multidisciplinary team of volunteers to assist in this mission. Throughout 2023, Petz Group contributed to GRAD on several fronts, such as: a team of Seres vets in equipped tents and hospital supplies for care, vaccination drives, making hospitals available for complex cases, as well as Petz stores acting as collection points for donations.

Items such as food, hygiene products, and medications were also donated.



## Inataa

The “*Instituto Nacional de Ações e Terapias Assistidas por Animais*” (Inataa) (National Institute of Animal-Assisted Actions and Therapies) was founded in 2008 and today assists over 450 people every month. There are a total of 50 volunteers and 15 dogs trained for the animal assisted interventions, as well as a team of psychologists, veterinarians and animal behavior specialists who help with the services, including: Animal Assisted Activity (AAA), Animal Assisted Therapy (AAT) and Animal Assisted Education (AAE).

In 2023, the cents collected by “*Movimento Arredondar*” provided care for more than 1,200 people of all ages.





## REDDOGS

The Reddogs Institute selects, prepares, trains, and donates assistance and emotional support dogs to atypical families, including those with disabilities, autism, chronic illnesses, and mental health disorders, for example.

Through Adote Petz and MOL Impacto, Petz supports the Institute with donations for maintaining the project, which promotes the inclusion of people with the help of trained dogs in public spaces.

**To learn about a case of this partnership, visit Petz TV and discover the story of Betina and Scar.**



## Actions for Rio Grande de Sul 2024

In the aftermath of the climate tragedy that hit the entire state of Rio Grande do Sul in May 2024, Petz Group mobilized three action fronts with the aim of assisting the thousands of people and animals in vulnerable situations due to the floods.

### For the animal cause

- Petz donated **two tons of food** to NGOs in the region registered in the Adopt Petz program;

- We made an **exclusive donation to NGOs in Rio Grande do Sul** supported by Adote Petz, advancing R\$220,000 from the partnership with Mol Impacto.

- We made the **entire Seres team and structure available to care** for animals that needed care;

- **Donation of dog pads, medicines, veterinary supplies and items such as collars, clothes and beds**, we also mobilized **our suppliers to donate two tons of food** and more than 1,500 items such as transport boxes, snacks, and others;

- **Support for the “Procura-se um amigo” (Looking for a friend) project, so that owners can find their pets.** The shelter took in about 250 rescued animals, and Petz contributed with products and specialized labor (staff from SERES and the Grooming department), as well as the referral of animals for adoption.



**+ 67.7 thousand**  
items donated  
by Petz Group



**Total of 4 tons**  
of food donated





## For the employees of Petz

- We granted a 50% advance of the 13th salary and vacation leave for all employees working in the affected state.
- We are actively engaging with our affected employees, providing tailored support measures to those directly impacted.
- We sent 28 pallets with drinking water to all stores in the region;
- The entire Petz Group leadership made themselves available to provide any necessary assistance at any time;
- In partnership with the NGO Amalo, we created an internal fundraising campaign for team members affected by the heavy rains.

## For the residents of Rio Grande do Sul

- We made 30 Petz stores available to receive donations of food, water and clothing from our customers;
- We collected 1,036 pallets of donated products in our stores and sent them to the state.

Data collected until 05/20/2024.

05

# Creating Value for Society







## 2023 Highlights



**7,282** employees  
passionate about pets



**7.1** favorability  
index in climate  
survey



Strides on the  
**Health and  
Wellbeing**  
front



Conducting a  
**Diversity  
Mapping**



# Our People

GRI 2-7 | 2-8 | 2-30 | 401-1

In 2023, Petz Group relied on the efficiency and commitment of 7,282 direct employees and 1,837 outsourced employees, who were essential for us to achieve the year's results.

During this period, we made significant progress on the People front, promoting the strengthening of the Company's culture as well as the comprehensiveness of performance evaluations and training.

With the Digital Employee, we drive the digitization of Human Resources (HR) processes, adding efficiency in hiring and dismissal situations, reducing the execution time of these tasks by 87%.

In the realm of recruitment and selection, technology has also

supported new processes: in 2023, we implemented an artificial intelligence tool that identifies candidates with the highest degree of alignment with open positions, thereby enhancing the efficiency and effectiveness of our hiring procedures.

Technological advancements have been employed to enhance our processes and services, yet these changes have not altered our core identity. We value face-to-face interactions and foster mutual respect, acknowledging efforts and rewarding achievements.

Thus, we celebrate the unique individualities and competencies that each member brings to the team.

**96%** of our employees are covered by collective bargaining agreements.

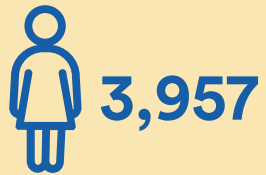
For the remaining employees, the process is carried out on the basis of the collective bargaining agreements that cover the other employees, or in accordance with the Consolidated Labor Laws (CLT).



## EMPLOYEE PROFILE

GRI 2-7 | 405-2

**7,282**  
Employees



Permanent: 3,817  
Temporary: 140



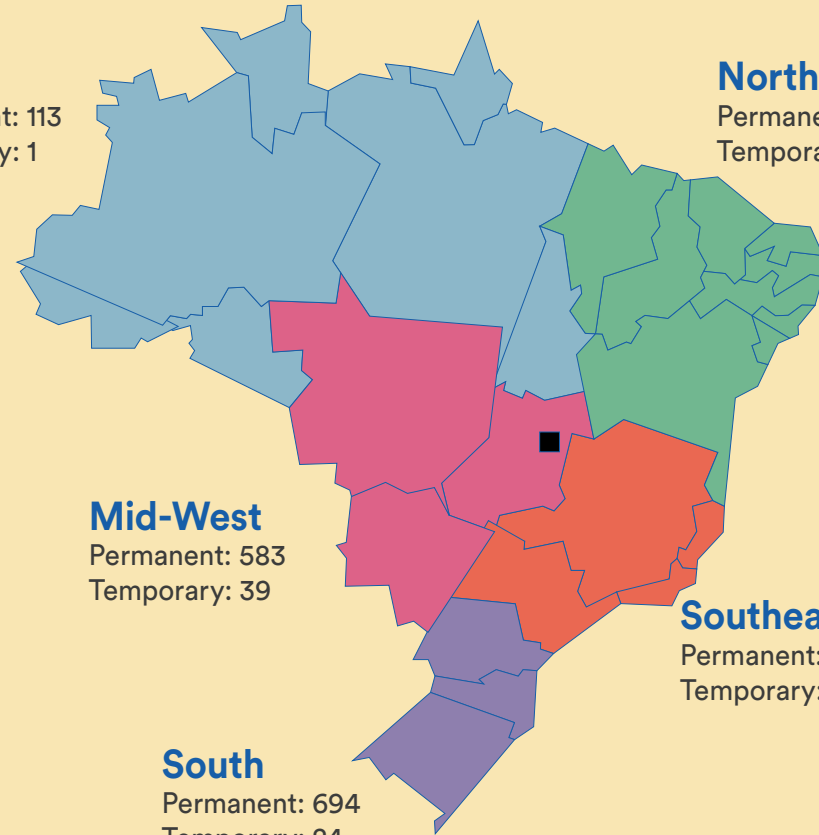
Permanent: 3,202  
Temporary: 123

### North

Permanent: 113  
Temporary: 1

### Northeast

Permanent: 605  
Temporary: 41



### Mid-West

Permanent: 583  
Temporary: 39



### Southeast

Permanent: 5,024  
Temporary: 158

### South

Permanent: 694  
Temporary: 24

### By type of job

	Mid-West	Northeast	North	Southeast	South		
Full-time	583	604	113	4,763	693	3,629	3,127
Part-time	39	42	1	419	25	328	198





**Percentage of employees by job category (GRI 405-1)**

Job category	GENDER		AGE GROUP		
	Men	Women	Under 30 years old	Between 30 and 50 years old	Over 50 years old
Analyst	45.75%	54.25%	57.49%	41.70%	0.81%
Apprentices	52.28%	47.72%	63.96%	26.90%	9.14%
CEO	100.00%	0.00%	0.00%	0.00%	100.00%
Consultants/ coordinators	40.52%	59.48%	10.35%	87.93%	1.72%
Directors	55.56%	44.44%	0.00%	100.00%	0.00%
Specialists	40.00%	60.00%	15.00%	85.00%	0.00%
Interns	30.30%	69.70%	96.97%	3.03%	0.00%
Managers	57.98%	42.02%	11.35%	85.89%	2.76%
Store Managers	56.14%	43.86%	39.91%	59.21%	0.88%
Veterinarians	0.00%	100.00%	0.00%	100.00%	0.00%
Operational	44.74%	55.26%	59.44%	36.41%	4.15%
Supervisor	52.00%	48.00%	16.00%	76.00%	8.00%
Veterinary Trainees	0.00%	100.00%	100.00%	0.00%	0.00%

Talent retention is a challenge in our area. Similar to the general retail sector, our industry's turnover rates are higher compared to other market segments.

**In 2023, for the first time, we were able to reverse this trend and reduce the Company's turnover by 6 percentage points compared to the previous year.**

To achieve this result, we developed processes and tools to understand where and how we should take more decisive action.



### Dismissal Committee

We implemented this body to work directly in the stores, making collective dismissal decisions, based on pre-established criteria.



### In loco action

We promote specific actions in stores considered critical in terms of turnover, promoting an action plan, in addition to active listening and employee engagement.



### Offboarding

At the time of dismissal, we promote an online survey or interview, in order to capture insights to improve the journey of all employees.



## Offboarding

GRI 404-2

We promote a comprehensive employee journey, encompassing the entire process from recruitment to potential termination.

Upon leaving the Company, employees receive a reemployment guide designed to assist them in their next steps,

including assistance with updating their profiles and interview preparation tips.

This material is digitally delivered to former employees who have been terminated.



### Ratio between salary and remuneration of women and men\* (GRI 405-2)

Job category	Ratio between salary and remuneration of women and men
Executive level (base salary only)	0.67
Executive level (compensation = base salary + other cash incentives)	0.40
Managerial level (base salary only)	1.08
Managerial level (remuneration = base salary + other cash incentives)	1.65
Non-leadership (base salary only)	0.96
Non-leadership (compensation = base salary + other cash incentives)	1.02

\*Not including apprentices and interns

### Ratio between the lowest salary and the local minimum wage for employees (GRI 202-1)

Region	Ratio lowest salary vs. minimum wage (men)	Ratio lowest salary vs. minimum wage (women)
Mid-West	1.07	1.00
Northeast	1.00	1.00
North	1.02	1.00
Southeast	1.00	1.00
South	1.00	1.01

### New hires and employee turnover

(GRI 401-1)

	Hiring	Turnover
<b>AGE GROUP</b>		
Under 30 years old	65.0%	51.8%
Between 30 and 50 years old	31.8%	45.9%
Over 50 years old	3.2%	27.7%
<b>GENDER</b>		
Male	48.4%	45.0%
Female	51.6%	55.0%
<b>REGION</b>		
Mid-West	11.5%	69.0%
Northeast	7.2%	34.4%
North	1.8%	68.9%
Southeast	66.1%	51.2%
South	13.5%	67.0%

## Internal communication (IC)

GRI 2-29

The Group's internal communication channels were the great culture disseminator in 2023.

**With the Petz Friday newsletter, we raise the maturity of corporate communication and support it on three pillars: inform, engage and connect.**

These communications are circulated via email and displayed on posters on stores and DCs, thereby reaching 100% of employees. In them, we develop a special editorial to promote monthly campaigns reinforcing our values and how we apply them internally. In addition, we reproduce examples and testimonials to illustrate each of the values, which were also broadcast on the Group's corporate TVs.

As the Company's primary IC channel, Petz Friday celebrated its first anniversary in early 2024, having delivered over 40 reports and 650 communications to all office employees and displayed in stores, DCs, and factories.

Since its inception, the email click-through rate has experienced a 19-fold increase, underscoring the relevance and quality of the proposed content.

ED.28 - OUTUBRO

# Petz Friday

## Destaque!

### CICLO DE CARREIRA

VOCÊ EVOLUINDO COM A PETZ

#### Vem aí, a nova etapa do Ciclo de Carreira 2023!

Na próxima segunda-feira (23/10) iniciaremos a etapa de **"Avaliação de Performance"**!

Esse é o momento de olhar para a carreira, refletir sobre o **"o que"** e o **"como"** entregamos nossos resultados nos últimos 6 meses, ou seja, é a etapa que avalia as **entregas individuais**.

Fique ligado(a), em breve vamos trazer mais informações para vocês!

#### Tá sabendo?

Você deve se recordar que nas últimas edições do Petz Friday, a Editora MOL lançou um jogo interno chamado **"Dê um Lar para o Caramelo"**, onde as vendas do baralho têm a missão de resgatar este



# EMPLOYEE HEALTH AND DEVELOPMENT

GRI 3-3

## Culture and Development

GRI 404-2

Unipetz - Corporate University is the Company's employee training and development platform. This space was designed to foster continuous learning, from onboarding with mandatory training sessions to the development of both soft and hard skills.

Furthermore, each position has a specific career path, tailored to the individual needs of each sector within the Company, so as to ensure we have aligned and skilled employees throughout the chain.



 **571**

Available content, 479 technical and 92 behavioral

 **+ 3.4 thousand** accesses, in 2023

 **2,045** participating employees

## Onboarding

In order to provide new employees with the best possible experience, we initiate contact the week prior to their arrival. On their first day, we conduct a comprehensive institutional integration immersion to ensure and accelerate the acculturation and engagement process, which is mandatory for all new hires. During this immersion, we address topics such as:

- Petz History, Ecosystem and its structures;
- Mission, vision and values;
- HR Processes and Products, with You at Petz;
- Petz Codes;
- Guided tour to the Business Unit.

**Average hours of training  
(GRI 404-1)**

<b>Job category</b>	<b>Average (h)</b>
Analysts	29
Apprentices	20
CEO	-
Consultants/Coordinators	30
Directors	1
Specialists	3
Interns	8
Managers	9
Store Managers	95
Veterinarians	15
Operational	129
Supervisors	5



## Career Cycle

GRI 404-3

In 2023, a significant breakthrough for our company was the achievement of 100% employee performance evaluation coverage. This milestone represents a crucial step in our commitment to continuous employee development and talent retention.

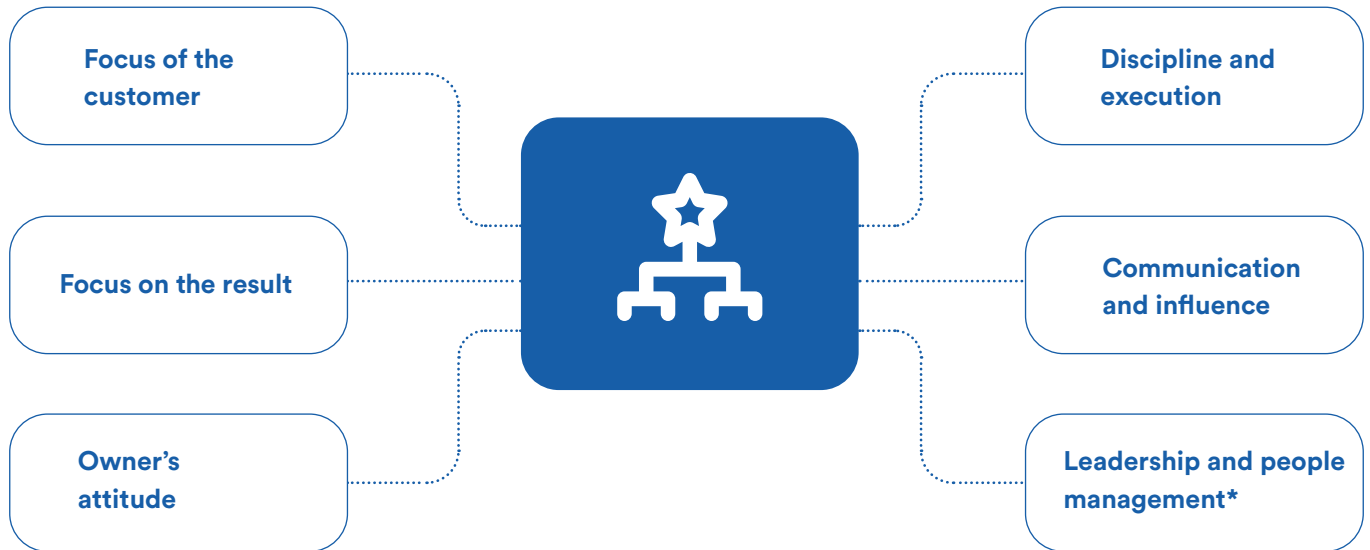
**Within the Career Cycle, each employee is evaluated based on their achieved results and their adherence to the behaviors linked to our six corporate competencies, in accordance with their individual position and responsibilities.**

This process comprises eight steps, ranging from profile updating to formulating an Individual Development Plan (IDP).

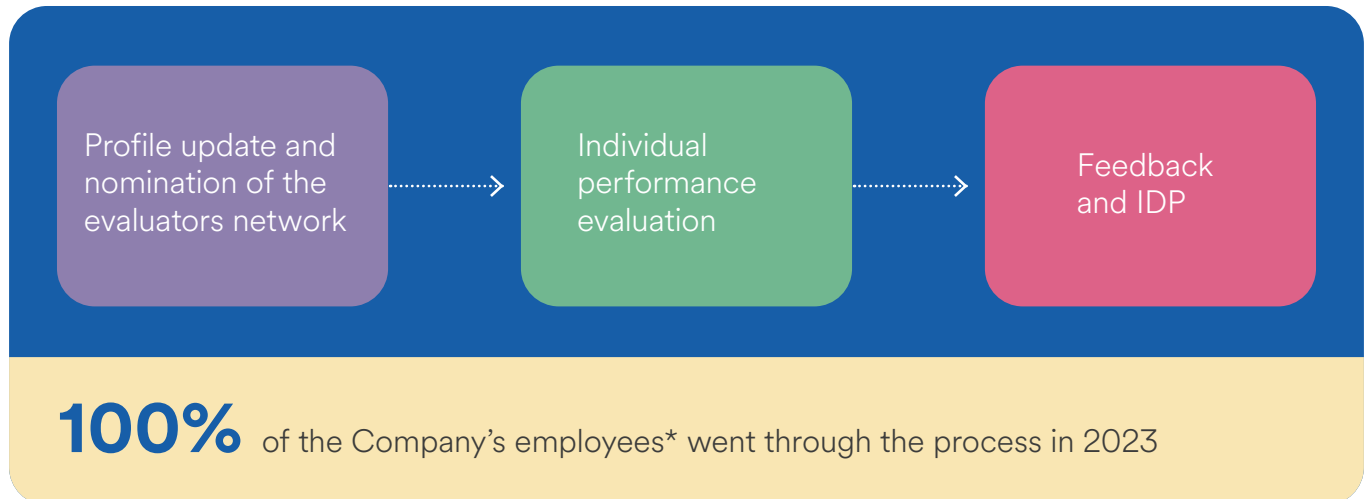
This practice further strengthens the culture of continuous performance and meritocracy throughout the Company, and feedback from leaders provide clarity and guidance, highlighting strengths and opportunities for improvement in building a solid career plan.

To achieve this, we intensified communication and created a training path at UniPetz. By doing so, in 2023, we trained 100% of the Company's leadership and their teams in each stage of the process.

### Career cycle evaluation pillars



\*For leadership only



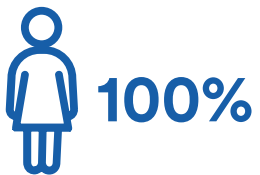
\*CLT employees, except apprentices, interns and interns, and employees with less than 90 days of work.



## Performance evaluation

### Job category

Analysts	100%
Apprentices	-
CEO	100%
Consultants/Coordinators	100%
Directors	100%
Specialists	100%
Interns	-
Managers	100%
Store Managers	100%
Veterinarians	100%
Operational	100%
Supervisors	100%
Veterinary Trainees	100%



## Leadership

GRI 2-17

Throughout 2023, we developed several actions and training involving the Company's leaders.

We promoted three main fronts of action with this audience: “*Academia de Lideranças*” (Leadership Academy), “*Entre Líderes*” (Between Leaders) and the “*Petz Líderes*” (Petz Leaders) event.

In addition, in 2023, we held meetings called “*Conexões*” (Connections). In these meetings, vice-presidents and directors met with all employees in their area to promote integration and align team priorities.

The “*Conexões*” meetings are carried out on a quarterly basis, across five Boards, and already reflect positive outcomes such as improvements in climate and engagement survey results, greater team cohesion and synergy, and alignment with corporate and area strategies and guidelines.

### “*Academia de Lideranças*”

In order to foster the development of operations leaders, we launched this training program in 2023, which is composed of four modules, focusing on behavioral skills such as self-awareness, emotional intelligence, communication, and feedback.

 **72** classes

 **+ 290h** of training

 **+ 370** leaders impacted

 Adhesion of **99%** of those eligible

### “*Entre Líderes*”

Between Leaders are monthly meetings that brings together all Company's N2 positions and leaders who report to C-level executives. These meetings ensure alignment on topics related to culture, business knowledge, and performance management.

 **8** meetings in 2023

 **50** leaders impacted

 Adhesion of **77%** of those eligible

### “*Petz Líderes*”

With the aim of connecting leaders with our purpose, we hosted this gathering in April 2024 to connect these employees with the Company's strategies and values, as well as to motivate them to disseminate this information to their teams. The event featured a team-building exercise in which participants constructed wheelchairs for dogs.

 **2 days** of immersion

 **+ 390** leaders impacted

 Adhesion of **99%** of those eligible





## “Executivos em ação”

GRI 2-29

In our continued effort to bridge the gap between leaders and their teams, we have implemented the “*Executivos em ação*” (Executives in Action) program. Under this initiative, **senior managers and directors from the company visit our stores to reconnect with frontline employees, connecting and restoring the bond between corporate and store levels.**

Another significant opportunity offered by the program is the chance to conduct field research, evaluating the opportunities and strengths of Petz physical stores, which must be documented in a report after the visits.

## “De Portas Abertas”

Throughout the Company’s hierarchy, we strive to ensure that a sense of belonging, respect, and closeness permeates our daily lives.

With this in mind, in 2023, we started a new project called “*Portas Abertas*” (Open Doors). In this project, the CEO, Sergio Zimerman, opens his agenda for a moment of conversation with employees.

This meeting is open for self-registration, meaning that anyone can apply to participate. The topics are free and emerge based on the conversations that arise among participants.

By the end of 2023, two meetings had been held, in which participants asked about the CEO’s career path and also addressed career and development topics. For 2024, we will maintain the project.

These events are also being extended to other vice-presidents. The Petz Group’s CFO, Aline Penna, also held its Open Doors meeting, integrating employees from different areas and bringing together all the people who make up our group.





## Career

### “Movimenta Petz”

Aiming to recognize and enhance the internal talents of Petz Group, the “*Movimenta Petz*” (Move Petz: the company’s internal recruitment program) encourages internal movements, whether horizontal or vertical.

In our Petz Friday newsletter, we reinforce this program for all employees, transforming each one into the protagonist of their own career.

In 2023, 43 people used *Movimenta Petz* to change positions within the group.

### “Indica Petz”

Starting in 2024, “*Indica Petz*” (the company’s internal referral program) implemented the practice of employee referral within the Company. Research shows that people who have friends at work tend to stay in their jobs. In this way, the referral program works to add new talents to the group, as well as retain those who already work with us, in a more satisfactory way.

Three months after implementation, we have already received 366 referrals, resulting in 65 hires.



### Recognition Program

In recognition of the time and dedication our employees invest in Petz Group, we have implemented a comprehensive recognition program called “*Gente que Faz!*” (People who do it).

Benefits range from day off, pin and recognition ceremonies, as a Company’s way of thanking everyone who dedicates their time and effort to achieving our goals.

In this way, we encourage pride in belonging, keeping employees engaged, strengthening the retention incentive.

## CLIMATE AND ENGAGEMENT

GRI 2-29

Every year, we promote a climate survey within the Petz Group, covering all of our operations.

This survey addresses topics related to the work environment, organizational culture, communication, leadership, professional development, among others.

Thus, it allows the HR team and Petz leadership to have a comprehensive view of the climate within the Company and its areas, identifying trends, strengths, and opportunities for more strategic and effective action.

The gathered information supports the construction of processes and strategies to promote cultural improvements and enhance employee experience.

In order to monitor the climate and engagement even more closely, we send “Fala Ai” on a monthly basis, a pulse survey in which all Company employees are encouraged to participate.

This active listening allows the group to act more quickly, with specific action plans to be drawn up and implemented throughout the year.



**6,962**  
Participants



**76%**  
Adhesion



**7.1**  
Favorability  
Index





# OCCUPATIONAL HEALTH AND SAFETY

GRI 403-1 | 403-3 | 403-6

Petz Group has an Occupational Health and Safety (OHS) Management System model, as established in Regulatory Standard No. 4 and driven by legal and regulatory requirements.

This management system comprises specific processes designed to address the needs of our business area. In this way, we ensure a safe and healthy work environment, adhering to standards and benchmarks with customized models aligned with the best practices and guidelines in the market.

To ensure safe work environments and protect employees health, we adopt a set of practices and processes, including:



Identification and management of occupational risks, through the Risk Management Program.



Identification and management of occupational risks through the Legal Regulations Compliance Program.



Accident investigation.



Ergonomic analysis of workplace environments.



Quantitative and qualitative assessments, and thermal comfort assessment.



Provision of training and guidance required by accident regulatory standards.



Monitoring of occupational exams.



Promoting employee health with educational campaigns.



Epidemiological profile monitoring.

Due to the scope of our ecosystem, we maintain a variety of activities within the group, such as pet food retail, animal adoption, distribution centers, veterinary clinics, bathing and grooming areas and administrative areas.

Thus, each employee is evaluated and grouped within a Homogeneous Exposure Group (GHE), with the aim of identifying a group of professionals who perform activities with similar occupational risks.

In 2023, we improved the occupational health and safety management system, focusing on improving training and implementing measures to reduce accidents.

The actions that contribute to the identification and elimination of occupational risks through the OHS management system are:

<p><b>1</b> Conduct regular workplace risk assessments;</p>	<p><b>2</b> Provide adequate training to employees on safety and procedures;</p>	<p><b>3</b> Use personal protective equipment (PPE) when necessary;</p>
<p><b>4</b> Maintain clean and organized work environments to avoid accidents;</p>	<p><b>5</b> Establish clear safety protocols and regular communication about them;</p>	<p><b>6</b> Encourage the OHS culture;</p>
<p><b>7</b> Maintain regular updates on safety practices, considering new technologies and processes;</p>	<p><b>8</b> Ensure compliance with local and national occupational safety regulations;</p>	<p><b>9</b> Quantitative and qualitative risk assessments.</p>



## Health and well-being

GRI 403-6

We have the Occupational Health Medical Control Program, which encompasses a **set of preventive, screening, early diagnosis, and well-being actions, the so-called “Pra Você” (For You).**

The implementation of these exams allows for the mapping of employees’ epidemiological profile, aiming to better understand the Company’s population and develop effective Health and Safety prevention strategies.

Furthermore, to provide increasingly comprehensive support for our employees, we offer a variety of health promotion services, encompassing areas such as general medicine, pediatrics, gynecology, dentistry, and other specialties.

In 2023, enhancements were implemented in the planning and execution of campaigns such as Pink October and Blue November, aiming to raise employee awareness and ensure the effectiveness of the management system’s actions, increasing worker adherence and guaranteeing the regular performance of exams.

Other important points of the occupational health program include guidance on healthy eating, physical activity promotion and an emotional well-being program called “*Sempre Bem*” (Always Well). We provide ongoing monitoring for employees with chronic health conditions, pregnancy monitoring and psychological support. These programs emphasize our commitment to the holistic well-being of employees.



# 100%

of Petz Group employees are supported by the OHS management system and the corporate health insurance\*.

\*Except interns.



### Telepsychology

Mental health is a priority in healthcare. Beneficiaries of the Hapvida Notredame Intermedica health plan have the possibility of scheduling telepsychology consultations through the plan offered by the group.



### “Amor de mãe” (Mother’s love) program

Ongoing monitoring of pregnant employees, with support from the consultancy D’or, including guidance and a maternity kit.



### “Sempre Bem” (Always Well)

Program aimed at monitoring the quality of life of employees with Chronic Non-communicable Diseases (CNCD).



### Gympass

To promote physical activity among our employees, we offer Gympass, providing access to over 50,000 establishments with discounts, as well as physical, mental well-being, and nutritional support apps.

# Diversity and Inclusion

GRI 3-3 | SASB CG-MR-330A.1

In 2023, we continued to make progress on our diversity agenda, which has been a cornerstone of Petz Group since its inception. We completed a diversity mapping exercise that provided employee indicators based on specific cross-sections and gave us a deeper understanding of the individuals who make up Petz Group.

**In total, 5,107 employees responded to the Mapping, representing 76.1% of the Company's workforce.**

The diversity mapping is a diagnostic tool that presents key indicators, which serve as a basis for future actions.

This comprehensive mapping exercise will provide us with valuable insights to effectively promote diversity and inclusion initiatives, identify areas for improvement, and make informed strategic decisions, particularly in light of legal and regulatory requirements.

We are committed to initiating this mapping process during the onboarding of new employees, so that we can map 100% of our people.

**The majority of the group's employees are women**

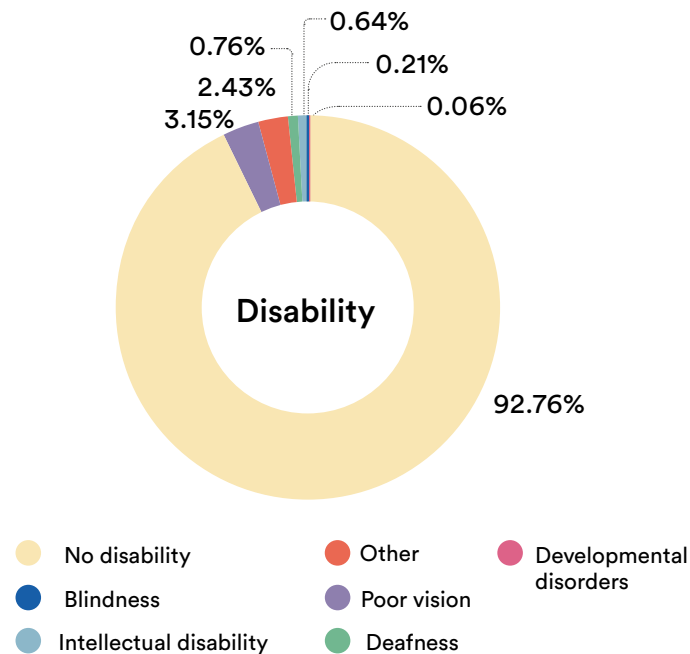
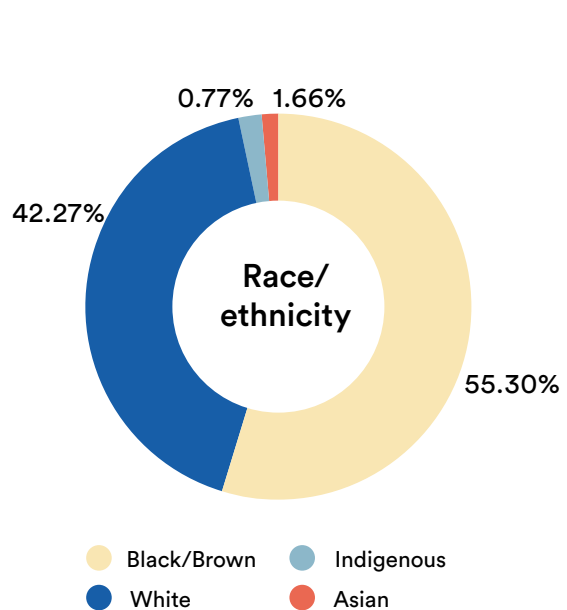
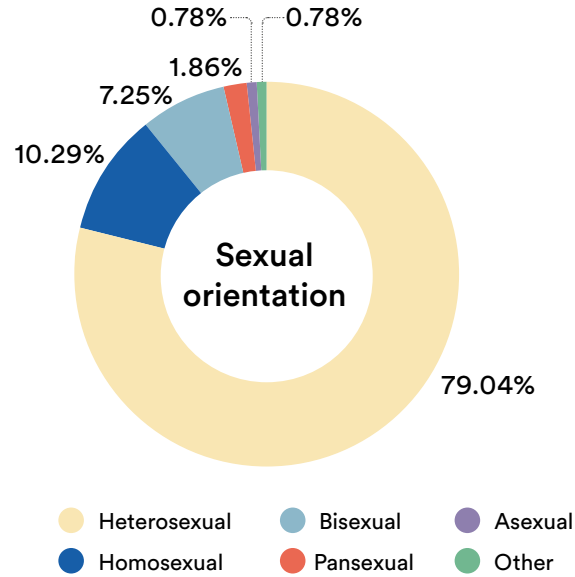
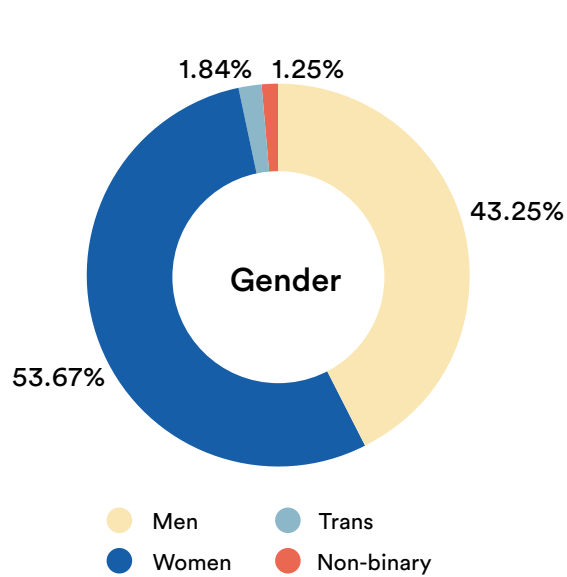
**+20%**  
are part of  
the LGBT+  
community

**+55%** of employees are black/  
brown

**+41%** of leadership positions are  
held by black/brown people

**+44%** of the  
leaders are women

**81%** of respondents believe that the Petz  
Group values diversity



**8.1**  
Diversity dimension favorability index

**+76%**  
of the employees are between 18 and 34 years old

**70%**  
believe that Petz is accessible for people with disabilities

**71%**  
believe that leaders are prepared to deal with diverse teams



## Bruno Santos

Marketing Analyst

“I am very proud to work for a company where people can be authentic, without fear of discrimination or judgment. I believe that creating this inclusive space values the diversity of our company and makes our environment seen as a place of mutual respect—reinforcing our value of respecting one another.”

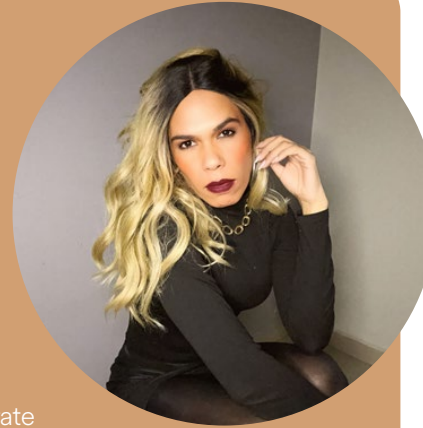


## Fernanda Vieira

Customer Service Supervisor

“In a world where bodies like mine still face resistance in occupying corporate spaces, I am proud to be a trans woman in a leadership position at Petz.

Here, I feel free, welcomed, and a sense of belonging.”



## Thatiane Colombo

Customer Service Manager at Alô

“I’m proud of having the freedom to be who I am and not feeling apprehensive that my sexual orientation could be a barrier in my professional journey at Petz.

I am very proud, as a lesbian woman, to be with a company as significant as Petz and to lead the customer service center, carrying the banner of diversity wherever I go and creating an environment that values equality and respect.”



## Hevelim Miranda

Beautician

“I’m proud of being able to express myself as I am within Petz, which is an inclusive company offering job opportunities to people of various races, ethnicities, religious beliefs, sexual orientations, and gender identities.

It is an honor to be part of this story!

Feeling good in the workplace, knowing that we will not face any form of prejudice, racial slurs, or harassment, is very gratifying and welcoming.

The way Petz receives us is exemplary! May there be more companies like this!”



## Black Consciousness Month

In an effort to raise awareness about Black Consciousness Day and its significance in our calendar, we dedicated an entire month to the theme, highlighting the importance of discussions and actions to combat racism and racial inequality.

The Petz Friday newsletters that addressed the subject featured testimonials and content produced by black women who are part of the Group.

In addition, a live stream was held with a guest to discuss the anti-racist fight and how together we can advance the promotion of racial equality and strengthen collective consciousness.

## Over-50 Receptionist Program

Aiming to integrate women over 50 years old into the workforce, the Group's **Bathing and Grooming sector started a training program focused on this audience in June 2024.**

Before taking on receptionist positions in service areas, employees must undergo computer and customer service training to perform their duties to the fullest extent possible.

The development path consists of six sessions, with a total of 14 hours.

## PARENTAL LEAVE

GRI 401-3

### Total employees who took maternity/paternity leave in the year

	Men	Women
Employees who took parental leave	60	168
Employees who should return to work after leave	60	127
Employees who returned to work after leave	55	110
<b>RETURN RATE</b>	<b>92%</b>	<b>87%</b>
Employees who returned to work after leave in the previous year	89	115
Employees who remained with the Company 12 months after returning from leave	40	46
<b>RETENTION RATE</b>	<b>45%</b>	<b>40%</b>

## PETernity leave

To enhance the pet's relationship with its family, Petz Group grants all employees the PETernity Leave.

In it, the **adopter has the possibility of taking a two-day leave, dedicated to adapting their new companion.** During this period, the change of life, for both parties, tends to be more harmonious in building a new relationship, avoiding periods of conflict and stress for the animals.

In 2023, 30 people requested PETernity leave after adoption.

The process is very simple and only involves presenting the adoption documents to the HR department of the companies participating in the project.



**LEARN MORE**

<https://licencapeternidade.petz.com.br/>

06

# Sustainable Operation

- 9** INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 11** SUSTAINABLE CITIES AND COMMUNITIES
- 12** RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13** CLIMATE ACTION







# 2023 Highlights



**Inclusion of  
Petix into the  
GHG inventory**



**+550 thousand  
packages saved with the  
Conscious Delivery**



**Entry into the  
Carbon  
Efficient Index -  
ICO2**



**Advancement  
in energy  
efficiency  
projects**



# Climate Change

GRI 3-3 | GRI 305-1 | 305-2 | 305-3 | 305-4 | 305-5 SASB CG-EC-410A.1

In 2023, we carried out the second Greenhouse Gas (GHG) inventory - base date 2023. For the second year in a row, we responded to the Carbon Disclosure Project (CDP) questionnaire.

For the inventory, we adopted the GHG Protocol methodology for the accounting, calculation, and quantification of emissions. This year, we included Petix's emissions in the scope.

In addition, we are expanding the measurement of Scope 3 of our activities, bringing even more detail to the emissions of our chain, which directly impacts the increase in values compared to the previous year.

The perceived increase is a reflection of the improved record of transportation data by third parties in the delivery of products sold by Petz, considering the dispatches from the DCs and stores.

We also progressed in calculating the emissions from the final destination of solid waste generated in our operations, bringing even more assertiveness to the measurement of our impact and, consequently, to the mapping of actions to be discussed and implemented based on these results.

## ICO2

As a result of our efforts in 2023, the **Company was included in the B3 Carbon Efficient Index (ICO2)**, demonstrating Petz Group's commitment to transparency in emissions and a keen eye on future changes.

## Mitigation Strategies

Aware of the urgency of adopting GHG mitigation measures, starting in the second half of 2024, we will pursue two lines of study on the subject.

**With the support of specialized consultants, we're mapping climate risks and GHG mitigation opportunities.** In this way, we can know more precisely where and how to act in our supply chain.



## Greenhouse Gas Emissions (tCO<sub>2</sub>e)

Scope/Description	CO <sub>2</sub> (ton)	CH <sub>4</sub> (ton)	N <sub>2</sub> O (ton)	HFC (ton)	Total emissions (tCO <sub>2</sub> e)	Category representation (%)	Biogenic emission (tCO <sub>2</sub> b)
<b>SCOPE 1</b>							
Stationary combustion	216.25	0.03	0.002	-	217.70	0.70	26.25
Mobile combustion	582.46	0.12	0.05	-	597.74	1.93	98.58
Fugitive emissions	0.13	-	-	0.31	599.37	1.94	0.00
<b>TOTAL SCOPE 1</b>	<b>798.83</b>	<b>0.15</b>	<b>0.05</b>	<b>0.31</b>	<b>1,414.81</b>	<b>4.58</b>	<b>124.83</b>
<b>SCOPE 2</b>							
Purchasing electricity	2,852.09	-	-	-	2,852.09	9.23	-
<b>SCOPE 3</b>							
Transport and distribution (upstream)	11,628.00	0.66	0.69	-	11,828.91	38.27	1,320.23
Waste generated in the operation	1,285.98	151.52	0.15	-	5,567.71	18.01	43.10
Effluents generated in the operation	-	18.04	0.004	-	506.11	1.64	-
Business travel	405.38	0.01	0.01	-	409.26	1.32	2.80
Transport and distribution ( <i>downstream</i> )	7,996.99	0.44	1.12	-	8,305.26	26.87	1,983.26
Home-to-work emissions	27.21	0.002	0.001	-	27.53	0.09	3.30
<b>TOTAL SCOPE 3</b>	<b>21,343.56</b>	<b>170.67</b>	<b>1.97</b>	<b>-</b>	<b>26,644.79</b>	<b>86.20</b>	<b>3,352.68</b>
<b>TOTAL</b>	<b>24,994.49</b>	<b>170.82</b>	<b>2.02</b>	<b>0.31</b>	<b>30,911.70</b>	<b>100.00</b>	<b>3,477.50</b>





## SOS Mata Atlântica

Of the amounts raised from the sale of products from the Petz + MOL Impacto partnership, 5% are redirected to the NGO SOS Mata Atlântica.

In this way, part of the carbon emissions generated by the production of books are neutralized. **In 2023, 6,557 native Atlantic Forest seedlings were planted.**

Furthermore, three projects are positively impacted by these resources: “*Aprendendo com a Mata Atlântica*” (Learning with the Atlantic Forest), “*Observando os Rios*” (Observing the Rivers), and “*Florestas do Futuro*” (Forests of the Future).

## 0.12tCO<sub>2</sub>e/m<sup>2</sup>

Emissions intensity - the metric between the total CO<sub>2</sub> emitted in the year and the area of the Company's stores and distribution centers, in m<sup>2</sup>

# Circularity

GRI 3-3

Waste management decisions take into account sustainability principles, such as extending the useful life of inputs and materials, reducing waste generation and disposal, and extracting inputs from nature.

In order to prevent the generation of unnecessary waste in operational activities and throughout its value chain, as well as to manage the impacts of generated waste, as far as possible within the scope of our activities, we have established three action fronts to mitigate waste disposal in Distribution Centers.:



## LEARN MORE

One of the highlights regarding circularity in the Group's ecosystem is Petix, with the production of upcycling products from industry waste. Learn More on page 34.



## Reuse

To avoid waste generation in activities, the **DCs reuse suppliers' packaging**, such as: cardboard boxes, wooden support beams and renewable corners. This way we minimize waste generation in this activity.



## Recycling

We have implemented an efficient recycling program in our operations, **making employees aware of the importance of proper waste separation**, ensuring that materials are collected separately and sent to the appropriate recycling processes, provided by the third-party company responsible for ensuring the final disposal of waste.



## Circularity

We have implemented a reverse logistics system that allows for **the collection and return of pallets and support corners sent with goods to stores for value recovery**. This ensures the reuse or remanufacturing of materials and the reintroduction of recovered pallets.



## Recycling 2023

### + 699 ton

Recycled paper/cardboard in Petz operations

### + 2.3 thousand ton

Recycled plastic in Petz operations

# Sustainable Products

GRI 3-3

## Conscious Delivery

GRI 201-2 | SASB CG-MR-410A.3 | CG-EC-410A.2

In the first quarter of 2023, we implemented a project **aimed at reducing the use, consumption, and disposal of packaging for shipping large-volume products such as dog pads, pet food, and litter bags from purchases made through Petz’s digital channels.**

Since then, the “*Entrega Consciente*” (Conscious Delivery) **project has prevented the use of 554,944 packages between September and December 2023**, since the program was implemented in all Petz stores. Products that are shipped without plastic packaging are identified with an explanatory seal at the time of shipment.

This is one of the actions we are taking to contribute to waste reduction and greenhouse gas (GHG) mitigation at Petz.

Conscious Delivery is already a reality in deliveries throughout Brazil, and we continue to monitor satisfaction indicators, as well as complaints from our customers regarding this model, which to date have been very few.

**+ 550  
thousand**

Packaging saved between September and December 2023.

**47%**

of customers state that they have made a habit of reducing their consumption of disposable plastic.

\*According to the ESG and Consumer Behavior survey, carried out by the Petz Group, in 2023.



Stores across Brazil have already adopted the practice

Gains in reducing GHG emissions

## Packaging

We strive to adapt our processes and strictly adhere to the environmental regulations of each region, including those related to packaging.

In accordance with the National Solid Waste Policy (PNRS), implemented in 2010, each state and municipality has the autonomy to apply the level of rigor in the measures to be adopted. Therefore, we are attentive in all regions to comply with the specific reverse logistics laws required by the local authorities.

## Petix Dog Pads

Within our ecosystem and all the products manufactured and sold, Petix’s dog pads are the group’s greatest example of a sustainable product.

The products are manufactured with a relevant percentage of reused materials from children’s and geriatric diapers discarded by the market.

Learn More on page 34.



# Operational Eco-Efficiency

GRI 3-3

## Logistics

SASB CG-EC-410A.2

We offer digital customers the option of pickup, in addition to traditional deliveries.

Pick-up (45 min).

Super express (up to 90 min).

Express (1h to 3h).

Economic (up to 1 business day).

Traditional (long tail: delivery from the Embu (SP) distribution center, depending on the distance).

In this process, Petz stores act as mini-distribution centers throughout Brazil, which directly impacts delivery time and, proportionally, CO<sub>2</sub> emissions.

Additionally, we have an intelligent logistics network, with

a DC in the state of São Paulo, serving the demands of the South and Southeast regions, and another DC in Goiás to support the North, Northeast, and Midwest regions of Brazil.

In 2023, we began the process of closing the Zee Dog distribution center located in Rio de Janeiro (RJ), and its operations are expected to be absorbed by the São Paulo (SP) DCs. This decision was made in response to the observation that a significant portion of the demand from this distribution center originated from São Paulo.

We are committed to continuously improving our delivery processes, taking into account both environmental considerations and customer experience.



## “Carteiro Amigo”

GRI 2-24 | SASB CG-EC-410A.2

To address the delivery challenge in areas not served by **traditional delivery methods or lacking zip codes**, we have partnered with the “Carteiro Amigo” (Postman Friend) service.

**The startup developed a solution to serve these restricted areas**, with quick deliveries, and now we have the support of this delivery method so that our products reach all customers.

We launched a pilot project in July 2024 in the city of Rio de Janeiro (RJ), and we expect to include around 15 communities and restricted areas that, until now, have not been part of our delivery zone.

## Waste

GRI 306-2 | 306-3 | 306-4 | 306-5

We are continuously making progress in waste management and reduction, while maintaining compliance with legal regulations. This year, we implemented five major improvement actions in the area at our distribution centers, with the aim of reducing the negative impact of the logistics chain on the business.



### Classification

Internally, we classify the types of waste generated in our operations in accordance with local and international regulations, allowing for adequate handling and disposal of each type of material to be discarded or recovered.



### Selective collection

We have implemented a selective collection program in all Petz DCs, enabling the separation of recyclable and non-recyclable waste. This way, we speed up the recycling process and reduce the amount of waste sent to landfills.



### Partners

We have partner companies specialized in the collection and final disposal of all types of waste, ensuring that these materials are handled in accordance with the environmental regulations of each region.



### Monitoring

We have partner companies that manage waste from our operations and send monthly reports with data proving waste collection, transportation and final disposal, keeping detailed records in accordance with legal obligations.



### Training

We carry out training with DC employees on the importance of adequate waste management and the procedures to be followed to ensure compliance with the Company's policies and environmental regulations.

The outcomes of these actions are already being noticed in day-to-day operations:



### Cost reduction

Selective waste collection enables Petz to **recycle and reuse materials such as cardboard boxes, corners, chipboard, and support beams**, thereby minimizing the costs associated with purchasing new materials for its logistical operations.



### Space optimization

By separating and reusing recyclable materials, **we reduce the amount of waste that needs to be stored, thereby freeing up space in Petz DCs** for other logistical purposes.



### Reduced environmental impact

By recycling materials, Petz contributes to **reducing the production of new products, as well as reducing the amount of waste sent to landfills**, positively impacting the environment.



### Employee engagement

With the implementation of selective collection, it is possible to notice an **increased employee participation in environmental initiatives**, increasing engagement and satisfaction in the work environment and individual performance.

#### Waste Generated (DCs)

	Weight (ton)
<b>NON-HAZARDOUS WASTE</b>	<b>947.07</b>
<b>Recycling outside the Company</b>	
Cardboard	484.80
Hard plastic	8.69
Soft plastic	285.49
Ferrous scrap	3.12
<b>Recovery outside the Company</b>	
Feed	85.05
<b>Divert to landfill</b>	
Feed	79.92
<b>TOTAL</b>	<b>947.07</b>

#### Waste Generated (Stores)

	Weight (ton)
<b>NON-HAZARDOUS WASTE</b>	<b>183.20</b>
<b>Recycling outside the Company</b>	
Cardboard	144.14
Plastic	39.06
<b>TOTAL</b>	<b>183.20</b>

#### Resíduos gerados (Petix)

	Weight (ton)
<b>NON-HAZARDOUS WASTE</b>	<b>2,107.35</b>
<b>Recycling outside the Company</b>	
Plastic (colored and transparent)	123.30
Diaper Scrap	1,866.55
Paper/cardboard	70.75
Metal scrap	7.13
Others	39.62
<b>TOTAL</b>	<b>2,107.35</b>



## Energy

GRI 302-1 | 302-3 | 302-4 | CG-MR-130A.1 | CG-EC-130A.1

We are constantly seeking clean and viable solutions that will reduce the Company's energy consumption without negatively impacting our operations and customer experience.

**Significant progress has been made in the project to enhance the efficiency and automation of air conditioning equipment, which accounts for a substantial portion of the group's energy consumption.** This initiative ensures that the units automatically turn off when the establishments are not in operation and when the external temperature is cool, preventing energy waste and potential accidents.

**Between 2023 and 2024, we expanded our operations from 21 to 175 fully functional stores. This leap resulted in a 13% reduction in stores' monthly consumption.**

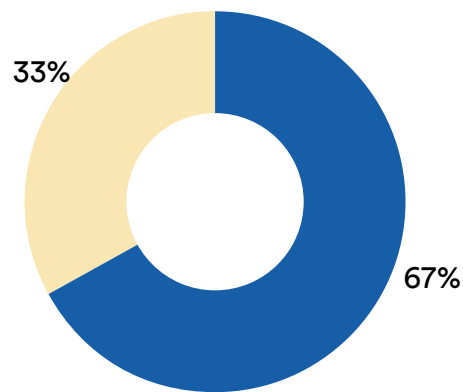
**Currently, 90% of Petz stores have implemented an LED lighting system, achieving efficiency and positive results in reducing total energy consumption.**

In 2023, we also made significant strides in purchasing energy from the Free Energy Market (ACL) and Distributed Energy Generation (GD), increasing the Company's total consumption from 23% to 34%, driven by the addition of new units to DG.

**0.33 MWh/m<sup>2</sup>**  
Energy intensity rate

**70.96 MWh/m<sup>2</sup>**  
Electricity consumption within the organization

### Energy consumption



● Electricity (169.2 GJ)  
● ACL+GD (82.8 GJ)

## Water management

CG-EC-130A.2

We have a team that constantly monitors water consumption within the Company. Thus, any consumption deviations or abnormalities in the records are promptly noticed, evaluated, and addressed.

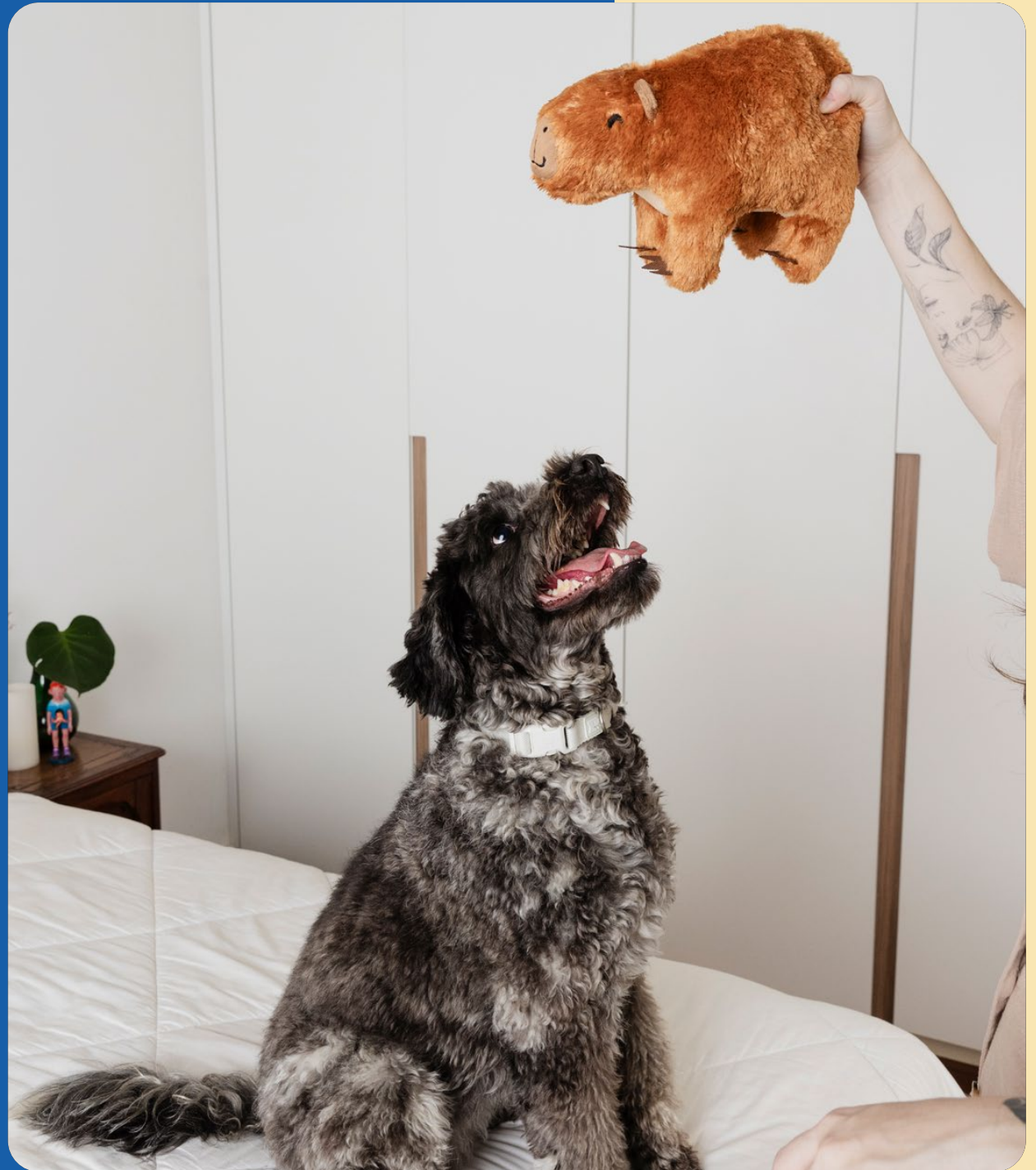
This action prevents the group from causing greater negative impacts on the environment, as well as from incurring financial losses.

Since we are not part of a sector that consumes large quantities of water resources, all of our water comes from concessionaires. We are looking for partners to evolve on this front by finding new solutions for the group's consumption.

**200,926 m<sup>3</sup>**  
Total water consumed

07

## Attachments



# GRI Content Index

Universal Standards		Direct answer/Reference (pg)
<b>General Disclosures</b>		
<b>THE ORGANIZATION AND ITS REPORTING PRACTICES</b>		
2-1	Organizational details	Pages 04 and 16. Pet Center Comércio e Participações S.A is a publicly traded Company with headquarters in São Paulo (SP) and national activity.
2-2	Entities included in the organization’s sustainability reporting	Page 16. <ul style="list-style-type: none"> <li>• Cansei de Ser Gato Serviços de produção de Conteúdo Ltda;</li> <li>• Cão Cidadão Administração de Franchising Ltda. (“Cão Cidadão”);</li> <li>• Pet Center Comércio e Participações S.A;</li> <li>• Petix Indústria, Comércio, Importação e Exportação de Produtos Gerais para Animais Domésticos Ltda;</li> <li>• Zee Dog S.A. (“Zee.Dog”). Publicly traded Company with headquarters in São Paulo (SP) and national activity.</li> </ul>
2-3	Reporting period, frequency and contact point	Page 04.
2-4	Restatements of information	None.
2-5	External assurance	None.
<b>ACTIVITIES AND WORKERS</b>		
2-6	Activities, value chain and other business relationships	Pages 16 and 68.
2-7	Employees	Pages 88 and 89.
2-8	Workers who are not employees	Page 88. We have the support of 1,837 outsourced employees, including: <ul style="list-style-type: none"> <li>Cleaning – 42</li> <li>Security – 83</li> <li>Veterinarian – 1,060</li> <li>General/Administrative – 232</li> <li>Distribution Centers – 420.</li> </ul>
<b>GOVERNANCE</b>		
2-9	Governance structure and composition	Pages 49, 52, 53 and 54.
2-10	Nomination and selection of the highest governance body	Page 49.
2-11	Chair of the highest governance body	The Chairman of the Board of Directors does not hold an executive position in the Company.



Universal Standards		Direct answer/Reference (pg)
2-12	Role of the highest governance body in overseeing the management of impacts	Pages 04 and 54.
2-13	Delegation of responsibility for managing impacts	Pages 49 and 54.
2-14	Role of the highest governance body in sustainability reporting	Pages 04 and 54.
2-15	Conflicts of interest	Page 60.
2-16	Communication of critical concerns	In 2023, the Petz Group did not receive any type of complaint that would require the involvement of the Board of Directors.
2-17	Collective knowledge of the highest governance body	Pages 54 and 98.
2-18	Evaluation of the performance of the highest governance body	Page 55.
2-19	Remuneration policies	Page 55.
2-20	Process to determine remuneration	Page 55.
2-21	Annual total compensation ratio	The ratio between the highest individual compensation is 397 times higher than the median individual compensation of employees
<b>STRATEGY, POLICIES AND PRACTICES</b>		
2-22	Statement on sustainable development strategy	Page 06.
2-23	Policy commitments	Page 60.
2-24	Embedding policy commitments	Pages 55, 61, 62 and 116.
2-25	Processes to remediate negative impacts	Page 61.
2-26	Mechanisms for seeking advice and raising concerns	Page 61.
2-27	Compliance with laws and regulations	In 2023, no fines or sanctions were imposed on the Petz Group as a result of violations of laws and regulations.
2-28	Membership associations	Sérgio Zimerman (CEO) is a member of the board of the Retail Development Institute (IDV).
<b>STAKEHOLDER ENGAGEMENT</b>		
2-29	Approach to stakeholder engagement	Page 08, 18, 32, 44, 45, 61, 69, 72, 80, 93, 99 and 101.
2-30	Collective bargaining agreements	Page 88.
<b>MATERIAL TOPICS</b>		
3-1	Process to determine material topics	Page 08.
3-2	List of material topics	Page 08.
3-3	Management of material topics	Pages 37, 59, 66, 68, 72, 94, 105 , 111, 114, 115 and 116.

Specific Disclosures		Direct answer/Reference (pg)
<b>Economic Content</b>		
<b>ECONOMIC PERFORMANCE</b>		
201-1	Direct economic value generated and distributed	Page 46.
201-2	Financial implications and other risks and opportunities arising from climate change	Pages 62 and 115.
<b>MARKET PRESENCE</b>		
202-1	Ratio between the lowest salary and the local minimum wage, breakdown by gender	Page 92.
202-2	Proportion of board members hired from the local community	100%
<b>INDIRECT ECONOMIC IMPACTS</b>		
203-1	Infrastructure investments and services supported	Page 72.
<b>PROCUREMENT PRACTICES</b>		
204-1	Proportion of spending on local suppliers	Petix: 94% Petz: 97%
<b>ANTI-CORRUPTION</b>		
205-2	Communication and training in anti-corruption policies and procedures	In 2023, 3,566 employees were informed and trained in anti-corruption policies and procedures in the following regions: Center-West - 411, Northeast - 269, North - 62, Southeast - 2,354, South - 470.
205-3	Confirmed incidents of corruption and actions taken	In 2023, the Petz Group recorded two cases of corruption in stores that resulted in punishment. To avoid future similar incidents, adjustments were made to the operational processes in the stores.
<b>Environmental content</b>		
<b>MATERIALS</b>		
301-1	Materials used, broken down by weight or volume	Pages 34 and 37.
301-2	Recycled input materials used	Page 34.
301-3	Recovered products and their packaging	Page 34.
<b>ENERGY</b>		
302-1	Energy consumption within the organization	Page 119.
302-3	Energy intensity	Page 119.
302-4	Reduced energy consumption	Page 119.

Specific Disclosures		Direct answer/Reference (pg)
<b>EMISSIONS</b>		
305-1	Direct (Scope 1) greenhouse gases (GHG) emissions	Page 111.
305-2	Energy indirect (Scope 2) greenhouse gases (GHG) emissions	Page 111.
305-3	Other indirect (Scope 3) greenhouse gases (GHG) emissions	Page 111.
305-4	Greenhouse gases (GHG) emissions intensity	Page 111.
305-5	Reduction of greenhouse gas (GHG) emissions	Page 111.
<b>WASTE</b>		
306-2	Management of significant waste-related impacts	Page 117.
306-3	Waste generated	Page 117.
306-4	Waste diverted from final disposal	Page 117.
306-5	Waste sent to final disposal	Page 117.
<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>		
308-1	New suppliers selected based on environmental criteria	The Petz Group is working to include socio-environmental criteria in the supplier selection process.
<b>Social Content</b>		
<b>EMPLOYMENT</b>		
401-1	New hires and employee turnover	Pages 88 and 92.
401-2	Benefits offered to full-time employees that are not offered to temporary or part-time employees	Interns are not offered the benefit of medical assistance.
401-3	Maternity/paternity leave	Page 108.
<b>OCCUPATIONAL HEALTH AND SAFETY</b>		
403-1	Occupational health and safety management system	Page 102.
403-3	Occupational health services	Page 102.
403-6	Promotion of worker health	Pages 102 and 104.
403-10	Occupational illnesses	In 2023, we recorded 218 occupational illnesses among our employees, falling into the following categories: J - Respiratory disorders; M- Musculoskeletal and connective tissue disorders; R - R00-R99 - Clinical and laboratory examinations symptoms, signs and abnormal findings; A - Some infectious and parasitic diseases; F - Mental and behavioral disorders.



Specific Disclosures		Direct answer/Reference (pg)
<b>TRAINING AND EDUCATION</b>		
404-1	Average hours of training per year per employee	Page 95.
404-2	Programs to improve employee skills and assist with career transition	Pages 91 and 94.
404-3	Percentage of employees receiving regular performance and career development reviews and employee category	Page 96.
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>		
405-1	Diversity of governance bodies and employees	Page 90.
405-2	Ratio between the base salary and remuneration received by women and those received by men	Pages 89 and 92.
<b>NON-DISCRIMINATION</b>		
406-1	Incidents of discrimination and corrective actions taken	In 2023, the Petz Group recorded ten cases of discrimination, which have already been resolved with the application of corrective measures. Compared to the previous year, we had a drop in the number of cases. This result is related to the ongoing awareness-raising actions carried out throughout the year.
<b>CHILD LABOR</b>		
408-1	Operations and suppliers with significant risk of child labor incidents	In 2023, the Petz Group did not receive any type of complaint involving cases of child labor.
<b>COMPULSORY OR SLAVE LABOR</b>		
409-1	Operations and suppliers with significant risk of compulsory or slave labor incidents	In 2023, the Petz Group did not receive any type of complaint involving cases of compulsory or slave labor.
<b>SUPPLIER SOCIAL ASSESSMENT</b>		
414-1	New suppliers selected based on social criteria	The Petz Group is working to include socio-environmental criteria in the supplier selection process.
<b>CUSTOMER PRIVACY</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	We are working to accurately identify relevant customer data breach complaints.

# Sasb Content Index - Retail

Topic	Indicator	Metric	Direct answer/Reference (pg)
Energy Management in Retail & Distribution	CG-MR-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Page 119.
Data Security	CG-MR-230a.1	Description of approach to identifying and addressing data security risks	Page 66.
	CG-MR-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	We are working to accurately identify relevant customer data breach complaints.
Labor Practices	CG-MR-310a.1	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	(1) Average hourly wage: Midwest: R\$8.69; Northeast: R\$8.42; North: R\$8.27; Southeast: R\$9.84; South: R\$9.97 (2) Employees who receive minimum wage by region: Midwest: 0.34%; Northeast: 4.30%; North: 0.88%; Southeast: 0.07%; South: 0.14%
	CG-MR-310a.2	(1) Voluntary and (2) involuntary turnover rate for in-store employees	(1) Voluntary: 43.21% (2) Involuntary: 16.56%
	CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Confidential data.
Workforce Diversity & Inclusion	CG-MR-330a.1	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	<b>(1) Leadership by ethnic/racial group:</b> Asian: 1.53%; White: 56.37%; Indigenous: 0.34%; Black and Brown: 41.77% <b>Leadership by gender:</b> Men: 52.69%; Women: 44.71%; Trans population 1.74% <b>(2) All employees by ethnic/racial group:</b> Asian: 1.66%; White: 42.27%; Indigenous: 0.77%; Black and Brown: 55.30% <b>All employees by gender:</b> Men: 43.25%; Women: 53.67%; Trans population 1.84%, Non-binary 1.25%
	CG-MR-330a.2	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Confidential data.
Product Sourcing, Packaging & Marketing	CG-MR-410a.3	Discussion of strategies to reduce the environmental impact of packaging	Page 115.
Activity Metrics	CG-MR-000.A	Number of: (1) retail locations and (2) distribution centers	Page 16. Number of stores: 246. Number of DCs: three.
	CG-MR-000.B	Total area of: (1) retail space and (2) distribution centers	Total store area: 212,924 m <sup>2</sup> . Total area of distribution centers: Page 52,527m <sup>2</sup> .

# Sasb Content Index - E-commerce

Topic	Indicator	Metric	Direct answer/Reference (pg)
Hardware Infrastructure Energy & Water Management	CG-EC-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Page 119.
	CG-EC-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Page 119.
	CG-EC-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Outsourced data center.
Data Privacy & Advertising Standards	CG-EC-220a.1	Number of users whose information is used for secondary purposes	In total, 9.05 million users have their data used internally by artificial intelligence in order for us to offer more assertive product and service offers for each customer. There is no data commercialization within our systems.
	CG-EC-220a.2	Description of policies and practices relating to behavioral advertising and user privacy	Page 66. For more information, please refer to the Petz Group Privacy Policy <a href="#">here</a> .
Data Security	CG-EC-230a.1	Description of approach to identifying and addressing data security risks	Page 66.
	CG-EC-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	We are working to accurately identify relevant customer data breach complaints.
Employee Recruitment, Inclusion & Performance	CG-EC-330a.1	Employee engagement as a percentage	Actively engaged: 46.04% Not engaged: 34.12% Passive: 19.84%
	CG-EC-330a.2	(1) Voluntary and (2) involuntary turnover rate for all employees	Voluntary: 8% Involuntary: 45%
	CG-EC-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	<b>(1) Leadership by ethnic/racial group:</b> Asian: 1.53%; White: 56.37%; Indigenous: 0.34%; Black and Brown: 41.77% <b>Leadership by gender:</b> Men: 52.69%; Women: 44.71%; Trans population 1.74% <b>(2) All employees by ethnic/racial group:</b> Asian: 1.66%; White: 42.27%; Indigenous: 0.77%; Black and Brown: 55.30% <b>All employees by gender:</b> Men: 43.25%; Women: 53.67%; Trans population 1.84%; Non-binary 1.25%
	CG-EC-330a.4	Percentage of technical employees who are H-1B visa holders	Not applicable
	CG-EC-410a.1	Total greenhouse gas (GHG) footprint of product shipments	Page 111.
	CG-EC-410a.2	Discussion of strategies to reduce the environmental impact of product delivery	Pages 115 and 116.
	Activity Metrics	CG-EC-000.A	Entity-defined measure of user activity
CG-EC-000.B		Data processing capacity, percentage outsourced	In 2023, we included new digital services and integrations, representing approximately 200 million API requests per month in the ecosystem, totaling 2.4 billion requests. Among these, 1.2 billion were in Petz Ecommerce.



# SDG Map



# Credits

## **Coordination**

Petz Group - ESG Area (Carolina Igi)

## **Editorial Project and Consultancy**

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## **Graphic Project**

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## **Images**

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