

Champion Petfoods

## INAUGURAL IMPACT REPORT | AUGUST 2022



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"Every single thing we do as a company moves us toward our purpose: To Earn Pet Lover Trust Every Day so Pets Thrive for a Lifetime."

### Hello,

If the past two years taught us anything it is that we are all connected. From the complexities of the supply chain, to finding entirely new ways of working, to communities coming together to solve problems as a team, the biggest consequences are sometimes tied to our smallest choices. And that chain of consequences extends all the way down to your pet's food bowl.

In the more than 35 years we have served Pet Lovers, Champion Petfoods<sup>™</sup> has evolved considerably, but we remain committed to Earning Pet Lover Trust Everywhere, Every Day. We have grown from a family business in Alberta, Canada to a global company that employs more than 700 people worldwide. Today we are proud to be one of Canada's top premium pet food companies, as well as one of the leading independent premium pet food companies in the world<sup>1</sup>. We have dedicated teams that support the geographies we serve – North America, Europe, the Middle East, Africa, and Asia. We sell our ORIJEN<sup>™</sup> and ACANA<sup>™</sup> pet foods in more than 90 countries and we couldn't be more proud to see Pet Lovers around the world putting their trust in the high caliber, premium foods we craft.

We believe our success comes down to focus. We only make premium food for pets. Because that is our sole priority, every single thing we do moves us closer to realizing our purpose: *To Earn Pet Lover Trust Every Day so Pets Thrive for a Lifetime*. Our mindset is to always seek ways to improve the lives of pets. This became an even more urgent undertaking during the pandemic when pet adoptions surged across the globe. As people grew more and more connected to their pets and sought comfort from them, we were honored to help Pet Lovers welcome these new family members into their homes and lives. Over the past 5 years we made 5.5 billion meals for pets, tens of millions of which were donated to pets in need.

Everything we do flows from our Food Philosophy. Our foods are Biologically Appropriate – a unique approach to pet food that we pioneered in the dry food category. Biologically Appropriate means every one of our recipes is crafted with purpose to reflect our commitment to mirror the diet nature and evolution intended dogs and cats to eat. We believe the more Biologically Appropriate a pet food is, the happier the animal who eats it will be. That is why we have a team of top pet nutrition experts who produce the world's best pet food using premium ingredients in our state-of-theart kitchens. We include WholePrey ingredients from fresh and raw animal sources, including meat, poultry and fish, organs, and bones. We work with suppliers we know and trust, and source the best ingredients from around the world. This is how we provide pets with peak nutrition, optimal nourishment and ultimate flavour.

Leading Champion Petfoods and working with the most passionate and committed people in the industry continues to be an honor and a privilege. We are so proud of where we stand today, but at the same time realize there is so much more we can do. We hope you enjoy our first Impact Report, a token of our ongoing commitment to people, pets, and the planet.

#### Blaine McPeak

Chief Executive Officer

<sup>1</sup> Derived through a third-party assessment of Euromonitor and company sales metrics. Based on April 2022 Euromonitor classification of premium pet food, not including treats or mixers. (Euromonitor does not include treats or mixers in the premium set.)





# OUR VISION To Be the Global Leader in Advancing Premium Foods for Pets



# OUR PURPOSE

To Earn Pet Lover Trust Every Day so Pets Thrive for a Lifetime



# **OUR HISTORY**

Our company founder Reinhard Muhlenfeld began producing dog food in his small but thriving feed mill in Alberta, Canada using second-hand equipment and a single bagging unit. His customers at that time were the surrounding ranching and farming communities.

Then in 1985, Reinhard launched ACANA, our first premium branded pet food, which was named after its origins in Alberta, Canada. With a focus on fresh, quality ingredients, ACANA quickly won the hearts of Pet Lovers across Canada and the U.S. and grew to be a major pet food brand. Twenty years later, Reinhard's son Peter started a new project: to find a way to feed his dachshund, Lucky, the most Biologically Appropriate food possible. In 2005, the company launched Peter's formulation as a new brand, ORIJEN, which quickly became the gold standard for premium quality pet food.

In 2016, Champion opened a state-of-the-art kitchen in Auburn, Kentucky. Named after the brightest star in the night sky, our DogStar Kitchen represents steadfastness of purpose and a beacon of inspiration, reflecting our commitment to Pet Lovers everywhere. The same year, Champion opened its Research and Innovation Center staffed by a team of scientists and nutritionists dedicated to pushing the boundaries of premium pet nutrition. In 2020, Champion opened its NorthStar Kitchen in Acheson, Alberta, named after Polaris, mankind's storied and steadfast guiding star. NorthStar was purpose-built to advance our Food Philosophy. It is the leading pet food kitchen in Canada and one of the most advanced in the world.

Today, including both ACANA and ORIJEN, Champion is the #5 brand leader in premium pet food. By focusing exclusively on crafting premium pet foods, we perfect our recipes and innovate new, quality foods that help pets thrive for a lifetime.<sup>2</sup>

2 Derived through a third-party assessment of Euromonitor and company sales metrics. Based on April 2022 Euromonitor classification of premium, not including treats or mixers, due to Euromonitor not including these product categories in the premium set.





## **COMPANY HIGHLIGHTS**



We have made **5.5 BILLION PET MEALS** in the last five years and we donate more than **3.5 MILLION MEALS A YEAR TO PETS IN NEED** 



We employ more than **20 PET NUTRITION & FOOD EXPERTS** 

who craft our premium foods



Our foods are **25,000** available at of the finest pet specialty retailers worldwide

We craft recipes averaging approximately premium animal ingredients, with many as a high as 🤳



Multi-year winner of Best Managed Companies in Canada and Top Alberta Employer/Workplace

### Our pet foods are distributed in more than **90 COUNTRIES** and we have **700+ EMPLOYEES WORLDWIDE**





# **OUR FOOD PHILOSOPHY**



Biologically Appropriate Nutrition



World's Best Ingredients



Award-Winning Kitchens



Pet Nutrition Expertise At Champion, we have been pioneers in crafting premium food for dogs and cats since 1985. We specialize in making foods that are **Biologically Appropriate to nourish** as nature intended and we believe in doing whatever it takes to help pets thrive and reach the peak of their natural potential. That means we include WholePrey ingredients from both fresh and raw animal sources. All of our ingredients have been selected from carefully curated suppliers whom we know and trust. Our foods are crafted with integrity and intention by passionate nutrition and health experts in world class kitchens. As Pet Lovers ourselves, we strive to provide the highest quality and safety in every ORIJEN and ACANA product we make.

We love what we do and we're proud of how we do it. Our passion is pets; our craft is food.

### **Biologically Appropriate Nutrition**

We pioneered Biologically Appropriate dry pet food, which means every one of our recipes is crafted with purpose and reflects our commitment to mirror the diet that nature and evolution intended dogs and cats to eat. That means our recipes contain higher amounts of protein from animal sources and fewer carbohydrates.

We also introduced WholePrey ingredients to give pets the most succulent, nourishing parts of the animal, including meat, poultry or fish, organs and bones. Fresh or raw meat, poultry or fish serve as the lead ingredients in the vast majority of ORIJEN and ACANA recipes to provide pets with peak nutrition, optimal nourishment and ultimate flavour.

### World's Best Ingredients

The world's best recipes come from the world's best ingredients. That's why we collaborate with a specially curated group of leading farmers, ranchers, and fisheries that we have had relationships with for decades. Our strong network enables us to source quality ingredients from around the world and other premium ingredients from our neighbours. No matter what, every ingredient we choose is selected for its nutritional value, digestibility and superior flavour.

Our commitment to trust and transparency has led to a robust supplier vendor audit approval program and detailed ingredient traceability system.

#### **Award-Winning Kitchens**

Our kitchens are some of the most advanced in the industry. They are purpose-built and custom-designed specifically for our unique recipes that take advantage of the inclusion of fresh and raw ingredients. We locate them in agricultural heartlands so they can be closer to many of the sources of our ingredients. As we grow and innovate, in addition to our own kitchens, we'll work with suppliers who are experts in their field to create only the finest foods for pets.

# **OUR FOOD PHILOSOPHY**



With food safety, quality, and employee health at the core of our design, our kitchens exceed many of the standards set in the human food industry which explains the pride we take in them.

### **Pet Nutrition Expertise**

Our Pet Nutrition Experts — including Ph.D.-level nutritionists, food scientists, and in-house and external veterinarians — continually pursue the advancement of nutrition and wellness for pets. By leading and implementing the latest developments in science, our experts create nutritious food dogs and cats need to thrive. Pets are members of our families and we want to support their long-term health with the most advanced ingredients and optimal recipes possible. Beyond meeting all applicable international pet nutrition guidelines, ORIJEN and ACANA recipes go through an additional validation process to meet our superior standards—the Champion standard.

The Champion standard ensures our recipes push the boundaries of what optimal nutrition for dogs and cats can be. By working with academic institutions around the world, our team has access to the best researchers and diversified thinking to support the most advanced pet nutrition possible.

## Exceptional Commitment to Food Safety

We are proud we provide safe, high quality nutritious pet foods in kitchens that meet internationallyrecognized standards. Champion Petfoods achieved the highest rating available at the end of 2021 for Safe Quality Food (SQF) certification in our state-of-the-art kitchens in Auburn, Kentucky and Acheson, Alberta. This is a nearly unheard of achievement. SQF is a food safety management certification, recognized by the Global Food Safety Initiative (GFSI).

The certification provides a rigorous system to minimize food safety risks and provide safe products for use by companies in the human food and pet food industries.





### **OUR KITCHENS: DESIGNED FOR FRESH INGREDIENTS & FOOD SAFETY**

Our state-of-the-art kitchens were designed with clear intention: to deliver key advantages that allow us to include an abundance of fresh ingredients in our recipes and deliver the Biologically Appropriate foods we are known for. Here is some of what sets our kitchens apart:

- Approximately 80,000 square feet dedicated to fresh ingredient processing and innovative fresh meat handling
- Custom-designed cooking that maintains nutrient quality, including multi-stage dehydration and small-batch freeze-dry capabilities
- Optimal product, air, equipment and people flow
- 360-degree review of all ingredients, handling and processing to ensure world class quality, safety and working conditions
- Our DogStar Kitchen won the inaugural Global Markets Award from the Global Food Safety Initiative (GFSI), one of the highest food safety achievements in the world





# OUR BRANDS





# **NOURISH AMAZING**

Inspired by what your pet's ancestors ate in the wild, ORIJEN<sup>®</sup> food is packed with up to 90<sup>%\*</sup> animal ingredients like meat, poultry or fish.

In fact, the first five ingredients in every ORIJEN diet are fresh or raw animal ingredients. This includes WholePrey ingredients that make up the most nutrient-rich, succulent parts of the prey like organs and bone to deliver peak nutrition.





Ingredients depicted in their freshest form before processing and not representative of quantity in one serving. 'Approximate and derived from the unprocessed state of the ingredients. 'Applies to ORIJEN Dry Dog Foods.







# **Thoughtfully crafted from start to finish**

When it comes to ACANA® recipes, every ingredient matters. That means our recipes are rich with up to 75%<sup>+</sup> premium animal ingredients like savory poultry, delicious meat, wild-caught or responsibly farm-raised fish, and eggs.

Balanced with fruit and vegetables, all of our premium ingredients are selected for their nutritional value, digestibility and to provide superior flavor for pets. ACANA pet food has the perfect recipe for different pet sizes and life stages and each recipe is thoughtfully crafted to ensure dogs and cats have the high quality nutrition needed for a long and healthy life.

Ingredients depicted in their freshest form before processing and not representative of quantity in one serving.

Champion Petfoods... World's Best Petfood



PROTEIN-RICH RECIPES



SOURCED



**CRAFTED** WITH CARE



AWARD-WINNING KITCHEN



# **SUPPLIER SPOTLIGHT**

We collaborate with a carefully curated group of farmers, ranchers and fisheries, many of which have been working with us for decades. These relationships mean we source the absolute best ingredients that offer peak nutrition, digestibility and flavour.



### **COLIBRI FARMS**

Colibri Farms is the brainchild of a pair of scientists, married couple Fabian and Robin Bernal. Fabian, a native of Bogota, Colombia, is an animal scientist with a master's degree in animal nutrition, and Robin is a chemist and has a master's degree in environmental biology. Together they have been raising lamb in Georgetown, Kentucky, for ten years. Quality pet food starts with guality livestock. Fabian's expertise in animal nutrition and animal welfare and Robin's knowledge of biology and environmental management means that the lambs we source from their farm are provided with the nutrition that keep them at the peak of health while keeping environmental sustainability high on their priorities.

Champion Petfoods. World's Best Petfood



### **ROUNDSTONE NATIVE SEED**

Over the last 28 years, John Seymour and his family have grown Roundstone Native Seed Company from a small family farm to one of the leading seed providers in the eastern U.S. As committed conservationists, they produce seed that is adapted to each area they serve and employ timehonored techniques to avoid harsh chemicals and herbicides, including using mules to control overgrowth and weeds. Roundstone grows more than 300 species of plants and seeds and their botanicals are supplied exclusively to Champion.



### **BELL & EVANS**

We source our chicken from Bell & Evans, the oldest branded chicken company in the U.S. Scott Sechler, patriarch of the family-owned-andoperated company, has been raising his own flocks since he was seven years old. In the 1960s and 1970s when his competitors turned to antibiotics and hormones to boost profits, Scott kept to his principles, producing only chickens he would be proud to feed his own family. Today he runs the company with Margo and Scott Jr., his daughter and son.



## **SUPPLIER SPOTLIGHT**





### **PILATUS FARMS**

It is hard to think of an animal more connected to North American heritage than bison. We are proud to source our bison meat from Pilatus Farms, which has a heritage all its own in Ponoka, Alberta. Run by Michelle and Steven Lunty, second and fourth generation ranchers respectively, Pilatus is one of the largest bison ranches in Western Canada, supplying restaurants across Alberta and beyond.



### **KELTIC SEAFOODS**

Champion has partnered with Keltic Seafoods of Port Hardy, British Columbia for more than a decade as a source of whole herring, hake, flounder, sole and other saltwater fish. Located on the water, Keltic prides itself on freshness. The company employs many indigenous people from the surrounding communities and is committed to environmental sustainability, including its pledge to always follow the most sustainable practices throughout their production process.



Champion is a proud member of Sedex, one of the world's leading ethical trade membership organizations. Sedex provides tools, services and an online platform that helps businesses operate responsibly and sustainably, protect workers and maintain ethical sourcing. By using these tools, we can better manage business risk, meet compliance standards and drive positive impact throughout our supply chain.



# THE FUTURE OF PET FOOD

### CHAMPION'S HISTORIC UNIVERSITY PARTNERSHIP IS SET TO DRIVE PET NUTRITION INNOVATION FOR YEARS TO COME



In 2021, we established the "Champion Petfoods Chair in Canine and Feline Nutrition" at one of the world's leading institutions in the field of animal nutrition and veterinary science, University of Guelph. The goal: to advance the study of pet food nutrition and train the next generation of scientific leaders in the pet food industry.

Professor Dr. Anna Kate Shoveller from the Department of Animal Biosciences was named as the inaugural chairholder. A veteran

Champion Petfoods. World's Best Petfood academic leader, Dr. Shoveller has spent 15 years advancing the industry's understanding of protein and energy in regard to pet nutrition.

"Diet is part of a complex environment that helps determine a pet's wellbeing," says Dr. Shoveller. "The research we will pursue with Champion's support will help us learn more about nutrition and the ways it interacts with other factors."

This new partnership will support foundational research into pet

nutrition and provide opportunities for training students for roles in the pet food and nutrition industry.

"This is a commitment to the future of our industry," says Jeff Johnston, Champion's Senior Vice President of Research, Innovation and Product Development. "At Champion we focus exclusively on making the best, most nutritious food to support a pet's long-term health. The science that is being done at the University of Guelph will benefit the entire pet food industry, as well as pets and the humans who love them."



# THE FUTURE OF PET FOOD

### STRONG NUTRITION & RESEARCH Capabilities

To fulfill our quest to deliver the most advanced pet nutrition possible, Champion has assembled a Research & Innovation team with strong expertise in food science, animal health and product development.

Our team has decades of experience working with fresh ingredients. Their keen understanding means they select, handle, and combine only the freshest, most nutritious items that yield greattasting, high quality pet food. This approach isn't easy, but it is critical for delivering the premium, high animalprotein foods pets require for optimal health and happiness.

Some of our pet nutrition experts specialize in the ways fresh and dry ingredients work together, explore the ways preparation methods enhance the taste, quality, and shelf life of our recipes, and monitor the food we make to ensure proper texture, moisture and fat absorption. Our inhouse nutritionists and veterinarians oversee the overall formulation, as well as the nutrition and palatability of our foods. And our process capability team connects the science behind our food with the practicality of making it in our kitchens, collaborating with colleagues from our Operations and Quality teams to take seasonality and ingredient variability into account.

To continually advance our products to meet the complex nutritional needs of pets, our team conducts in-depth reviews of existing scientific research and runs regular digestibility studies on all our products. They also validate the long-term safety of our foods through trials that go above and beyond AAFCO and FEDIAF<sup>4</sup> standards. Validation testing is conducted on all our products on an ongoing basis. Our research scope is vast, pushing the boundaries of pet nutrition and improving the overall body of scientific knowledge available in critical areas like protein quality, cognitive health, gut health, feeding management, fat quality, longevity, and sustainability.

The result has been an across-theboard expansion of product offerings within our ACANA and ORIJEN brand families. Our dog portfolio has been expanded with the addition of wet food, grain-inclusive kibble, high-protein biscuits, and freeze-dried foods. We also introduced a wet cat food line and launched functional and life-stage recipes in our dry portfolio.

4 \*AAFC0 & FEDIAF: Association of American Feed Control Officials (AAFC0), a U.S. membership association of local, state and federal agencies, which creates ingredient definitions and establishes the nutritional standards for complete and balanced pet foods. European Pet Food Industry Federation (FEDIAF), the trade association representing the European pet food industry that ensures pet food is fit and safe for the purpose of feeding pets while adhering to European legislation.







### CHAMPION'S COMMITMENTS TO PETS IN NEED

### ACANA RESCUE CARE, THE 1ST FOOD TO PUT RESCUES FIRST™

In 2021, more than 2 million dogs<sup>5</sup> were adopted in the United States, yet there was no specially-formulated food to meet their unique nutritional needs. We developed ACANA Rescue Care for Adopted Dogs to address the specific needs of rescue dogs as they transition from shelters to forever homes. Developed by our in-house veterinarian, and informed by research with shelters and extensive external review, this dry dog food is specially formulated to help support the needs of adopted dogs. Rescue dogs often experience stress and digestive upset while in shelters and our goal was to make their transition from shelter to forever home seamless. Our recipes have antioxidants to support immune support function, nourishing bone broth for flavor, prebiotics and fiber to support digestion, and chamomile. It's designed to be suitable at all stages of life from puppy to senior.

5 "Pet Statistics", ASPCA, 2019, Approximately 4.1 million shelter animals are adopted each year (2 million dogs and 2.1 million cats) https://www.aspca.org/helping-people-pets/shelter-intake-and-surrender/pet-statistics.







### **HELPING PETS IN NEED**

Champion Petfoods donates more than 3.5 million pet meals a year to dogs and cats in need at 40 local animal welfare organizations located near our Acheson, Alberta and Auburn, Kentucky kitchens, and to national shelter networks. Here is where some of those meals go.

### **BEST FRIENDS ANIMAL SOCIETY**

As part of the launch of ACANA Rescue Care for Adopted Dogs, Champion Petfoods entered into an exclusive, multi-year pet food sponsorship with Best Friends Animal Society® (BFAS), an organization that works with a network of more than 3,300 animal welfare and shelter partners, as well as countless community members nationwide.

The sponsorship will feed up to 2.5 million meals each year to animals at the organization's Lifesaving Centers and their world famous Utah Animal Sanctuary, contributing to the organization's goal of ending the euthanizing of dogs and cats in America's shelters by 2025.

BFAS's founding principles of Kindness, Leadership, Authenticity, and Transparency are deeply aligned with Champion's Values and we are happy to sponsor such important work.



Friends

### **EDMONTON HUMANE SOCIETY**

Champion Petfoods is sponsoring the Edmonton Humane Society (EHS) in several ways. It starts with providing year-round dog and cat food donations for its foster programs and sponsoring all puppy training classes with a donation of high-protein biscuits to help promote positive and humane training methods while supporting a happy and healthy lifelong bond between pet guardians and their dogs. Champion and its brands are also the exclusive "Top Dog" sponsor of the Run for Pets walk/run component of the society's annual Pets in the Park Festival. Additionally, we are joining EHS in supporting its Humane Education School Outreach program by subsidizing the cost for schools and sponsoring the EHS Champion Kids program which recognizes youth who have hosted fundraisers for the non-profit.









# pet food institute



### ADDITIONAL ORGANIZATIONS WE WORK WITH

### ASSOCIATION OF PROFESSIONAL DOG TRAINERS

We believe in the value dog training provides dogs and their owners. We support innovation and adoption of smart, humane practices through our collaboration with the Association of Professional Dog Trainers, the world's largest professional dog training community.

### INDIEPET

IndiePet works to empower independent and neighborhood pet retailers to work together as peers for the wellbeing of pets and pet owners as they maintain a strong, sustainable and growing place at the heart of the pet industry. We believe in the important work they do and appreciate that they are the only organization that is tightly focused on strengthening the approximately 8,000 independent and neighborhood pet retail locations in North America.

### **PET FOOD INSTITUTE**

We believe in the Pet Food Institute's (PFI) commitment to helping dogs and cats live long and healthy lives. As the voice of U.S. pet food makers for more than 60 years, PFI provides factual information about pet food and treat safety, nutrition, and health to pet owners, and advocates for a transparent, science-based regulatory environment for its members. We are proud to be a member of this esteemed organization.

### PET SUSTAINABILITY COALITION

We are a proud and long-time member of the Pet Sustainability Coalition (PSC), an organization that strives to improve social responsibility and reduce the environmental impacts of the pet industry. We support PSC in their important work as they partner across the pet industry to create a positive impact in the communities and environments where we do business.





### **30 DAYS OF IMPACT**

Last year we kicked off 30 Days of **Impact**, a call to action for everyone at Champion to push themselves even more than usual during a month of increased awareness, understanding and volunteerism. Whether it was donating items from shelter wish lists, volunteering at local charities or showing up ready to share at our "lunch and learn" sessions on inclusion, sustainability and animal behavior, there was a way for every employee to participate. In that spirit, Champion matched employee charitable donations all month to increase our positive impact.

### DISASTER RELIEF IN OUR HOME Communities

In addition to all the other challenges of the past two years, in 2021 two specific disasters took place particularly close to our U.S. offices. A historic string of tornadoes struck Kentucky near our DogStar Kitchen in Auburn and devastating fires ravaged the community near our Boulder, Colorado office.

In response to the Kentucky tornadoes, Governor Andy Beshear created the Team Western Kentucky Tornado Relief Fund to assist those impacted by the storms. In addition to making a \$25,000 donation to the fund, Champion provided additional donations of pet food to local animal shelters.

In Boulder, Community Foundation Boulder County (CFBC), a local nonprofit, mobilized to provide boots-onthe-ground assistance for those most in need. Champion contributed \$25,000 to CFBC and provided free pet food vouchers that were delivered to those impacted, giving people one less thing to worry about as they rebuild. In the wake of both disasters, we heard countless stories from across our teams about our people helping with cleanup efforts and neighbours in need.

As the war in Ukraine endures, our hearts are with everyone affected by this tragic situation and we continue to hope for a peaceful resolution. Since early on in the conflict, Champion's team in Europe has been steadfast in providing much-needed pet food donations in collaboration with our Polish and Ukrainian distribution partners. At the time this report was published, our team has donated more than 250,000 meals for pets in need.

We are always inspired to see our employees extend our Values beyond the workplace, even in the face of difficult circumstances. It is another aspect of our company that makes Champion a special place to work.

# **OUR PEOPLE**

### WHAT DEFINES A CHAMPION?

Champions...

...recognize when they have an extraordinary opportunity in front of them and harness the passion to go for it

...are built over time, through a winning mindset and the determination required to make their goals a reality

...know victories are never won alone, and create a culture which inspires others to push for their best

We are a collection of Champions, for one another and for providing the very best for pets around the world

### **OUR VALUES**



### Teamwork — Enjoy Working & Winning Together

Everything we do is connected and working together is fundamental to achieving our goals. Always putting team ahead of self, we prioritize one another. We value diversity, celebrate differences and foster inclusion, because we know it makes our team stronger and our business better. Teamwork requires relentless collaboration, without artificial barriers like geography, position or department. By focusing on collective goals, you'll never hear us say, "that's not my problem." We celebrate, respect and recognize each other through it all because how we treat one another matters.



### Responsibility — Do What's Right

We take ownership for everything we do. Holding ourselves accountable for our actions and to one another is a commitment we all make. From how we prepare our foods, to the ways we impact our local communities and the environment around us, we are driven to make the world's best pet foods in a responsible way. We've built a strong reputation we must live up to and protect. Making good choices as well as owning and learning from our mistakes is part of who we are. As our business grows, we evolve and change - yet our passion for enhancing the lives of pets, and our commitment to doing so responsibly, remains at our core.



### Authenticity — Earn Trust in Every Interaction

We believe in what we do, and it shows. From our ingredient panels to how we craft our foods, credibility is earned, and transparency is important. Having genuine conversations, assuming positive intent and believing in healthy debate is how we get to our best work. We respectfully express our thoughts, stay open to being challenged by different points of view, and interact in a real way. We are honest with one another, keep our commitments and do what we say we're going to do.



### Innovation — Drive Change for the Better

We never stop finding better ways to serve our Pet Lovers. This requires the curiosity to explore new possibilities and the courage to bring them to life. Believing in the power of ideas, we listen to our teams and partners to better understand what people want and what pets need. From developing leading new foods to evolving the way we work; we are committed to continuous improvement. Changing, growing and learning from setbacks makes us a better company. Solving the tough problems is part of who we are, and we'll always find a way. We push for progress, knowing it is part of our pursuit of excellence.



### Leadership — Make a Positive Impact, Every Day

Leadership is a mindset, not a position. Each day we choose how to show up, keeping a positive attitude and focusing on solutions. We stay humble, ask for feedback and invest in our colleagues' success through mentoring and inspiring them to achieve their best. We lead with passion and conviction to achieve our purpose, take risks we believe in, and are guided by the reasons we can win, not by the fear we could lose.

## **OUR PEOPLE**

### **BUILDING POSITIVE CULTURE**

At Champion, our culture is critical to realizing our purpose. We believe our teams are stewards for building a positive experience and our work environment must be one that encourages opinions, feedback and open dialogue to help us continually grow. While creating a compelling and engaging culture is an allencompassing goal, here are a few examples of where we have been focusing:

### Listening

In 2021, we doubled-down on our formal listening mechanisms. We began the year by launching a third-party employee engagement survey to evaluate a wide range of input across our business. We closed the year with a pulse survey to check in on our progress.

These surveys, along with teams leading robust action planning company-wide, ensure we continue to hold ourselves accountable, as well as prioritize building positive culture.

We also held a series of CEO Roundtables. These discussions included our Chief Executive Officer, Chief People Officer, and a rotating series of small groups from across the company. The sessions were informal and focused on sharing business updates, answering questions and providing feedback.

### Recognition

Earlier this year we held our **Second Annual Best in Show Awards** during a company-wide town hall. This program is highly selective, recognizing employees who have shown standout commitments to our Values. Nominations are generated by peers. Winners are selected after thorough dialogue by the executive team.

We also believe it is essential to recognize the many positive actions made by our people each day. To encourage this, our office locations have Everyday Champion recognition cards available to extend a simple "thank you" for a job well done. And we launched an internal social media platform where online shout-outs can also be readily shared with teams across the globe.





### **OUR PEOPLE**

Above all else, our culture must be one that promotes employee safety, appreciation for diversity, and accountability for acting in alignment with our Values.

### **STRONG ON SAFETY**

Champion continues to build on its already-strong safety record. By focusing on employee involvement and training, the company has lowered its injury rate and increased its safety performance, continuing to outperform the industry average. Kitchen safety leadership is building upon this record of excellence by implementing measures, including behavior based observations, which are proven to further improve outcomes and employee engagement.



Champion Petfoods. World's Best Petfood



### **DIVERSITY MATTERS**

Our engagement survey results show that our employees know how important diversity is at Champion, but we know there is also a strong interest to do more. We recently launched a Leadership Council for Positive Culture and Inclusion, an extension of our leadership community that will sponsor and promote this important work across Champion. Inclusion means supporting collaboration and valuing differences, including diverse ways of thinking, experiences and points of view. We aspire to find meaningful ways to continue integrating diversity and inclusion throughout our organization.

### **ENSURING HIGH STANDARDS**

How we do business is consistent with our Values and we expect our employees, vendors, suppliers and distributors to uphold the strictest standards. Ensuring that our commitment to our policies is well-understood warrants dedicated and ongoing attention internally and externally. We continually update our global policies, require our employees to participate in compliance learning and have implemented an anonymous, third-party-administered ethics hotline where anyone can raise any issue they see in the workplace.



# THE PLANET

Champion considers improving the environment around us a part of our core value of Responsibility. We are committed to doing our part to create positive change within our industry and the world at large.

From the daily choices we make to the longer-term goals we set, it all adds up. Being a partner to the communities that surround us – and the environment that sustains us – are top priorities.

### **OUR TOP PRIORITIES**

### RESPONSIBLE FISH SOURCING

The health of our oceans and fish are paramount for a thriving planet. The fish we use provide an important source of nutrition in many of our recipes, and we believe we have a responsibility to continue to identify fish that can be sourced sustainably. Therefore, we have set a goal to move 100% of the fish used in our kitchens, including fresh, raw, meals and oils, to a source deemed as a sustainable choice by a credible party.

As of July 2022, we were over 70% of the way to our goal and working to reach 100% by 2025.



### IMPROVING Packaging

Offering a high-quality package that protects our foods has always been a top priority, and we believe we can achieve this is an environmentally friendly way. Earlier this year, we updated the majority of our kibble packaging to reduce the source material by up to 20%, based on size. While we are happy with this progress because it reduces waste to landfill, we have also set a goal to begin production of all our kibble and treat bags to fully recyclable material by the end of 2025. Our wet food cans are already recyclable.

In addition to our product packaging, we began using laser printed labels instead of pre-printed case labels, a change estimated to prevent 10,000 pounds of waste annually.

### WASTE TO LANDFILL

We are mindful of the waste we generate in our daily operations and have taken positive steps to reduce our waste to landfill. Each of our kitchens has set a goal to achieve zero waste to landfill by 2025, meaning more than 90% of our waste will be reduced, reused or recycled instead of ending up in a landfill. Our DogStar Kitchen plans to achieve its zero waste goal within the next year, and our Acheson Kitchen is working to divert a significant amount of organic waste from landfill to an anaerobic digester, allowing it to be used by a third-party to create a renewable energy source.

### **EVERY ACTION COUNTS**

In addition to these core focus areas, we believe making progress to improve our environmental impact is an important priority across all functions and locations at Champion. We provide ongoing educational opportunities to help individuals and teams identify positive, sustainable actions they can take, plus we keep employees informed of our progress through company-wide communication.



As we build on the success of the past, Champion is focused on the future. Making the world better for pets and Pet Lovers everywhere.

