



ACTIONS THAT ADD UP



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**A 2016 REPORT FOR THE BANFIELD FOUNDATION IS ENCLOSED AND
ACCESSIBLE AT THE END OF THIS BOOKLET**



DEAR BANFIELD CLIENTS, ASSOCIATES AND STAKEHOLDERS,

At Banfield, Corporate Social Responsibility (CSR) goes beyond our individual commitments and programs—it is reflected in the heart of how we operate responsibly as a business. 2016 was a transformative year for Banfield, and in this report, you'll find details about the work we did to impact the pets and people we serve, the communities where we live and work, and the broader veterinary profession.

In 2016, we relocated our corporate headquarters to Vancouver, Washington. Banfield's headquarters received Leadership in Energy and Environmental Design (LEED) Platinum certification, the highest certification possible from the U.S. Green Building Council. We opened 50 new locations and hired 1,500 new associates across the country, increasing the number of people and pets we reach.

We celebrated the one-year anniversary of the Banfield Foundation® and launched the Banfield Better Together Fund™, a nonprofit established to help our associates in the aftermath of a natural or manmade disaster. And, we provided direct relief during some of the most critical natural disasters faced by our country this year, including weeks of volunteer support in Louisiana in the aftermath of catastrophic flooding.

Through it all, I have been especially moved by the way Banfield associates make a better world for pets and bring our mission and vision to life every day, in everything they do. Sometimes their actions are big, but more often than not, it's the day-to-day actions associates take that show our collective passion for helping pets and the people who love them. Their stories and the stories of those they've helped are a constant source of inspiration—and true hallmarks of our collective dedication and success. In this report, you'll see just a small number of those stories, which illustrate exactly how we're contributing to the wellness of pets, communities, our people and the profession.

As we look ahead to 2017, I am excited to embark on another year of working together to build thriving communities of healthy pets, people and veterinary professionals.



Sincerely,

Marta Monetti
senior vice president, Corporate Affairs
president and board chair, Banfield Foundation

We encourage you to share feedback with us.
Reach us at CSR@Banfield.com, or visit us online at Banfield.com/Community to learn more.

A cat waits patiently for a wellness exam at a Banfield preventive care clinic.
Photo Credit: Chip McLean



ABOUT BANFIELD PET HOSPITAL

At Banfield, our team of more than 16,000 associates is committed to delivering the highest quality of veterinary care across our 975 hospitals, every day. Our approach relies on a true partnership between Banfield and communities, and between our associates and pet owners, and is mirrored in how we have developed and evolved our CSR priorities:

CSR MISSION

Use our unique resources, reach and relationships to improve the well-being of pets, communities and the veterinary profession.

CSR VISION

Vibrant and flourishing communities of healthy pets, people and veterinary professionals.



WELLNESS OF PETS

Champion preventive care

Elevate the power of the pet-human bond

Provide disaster relief for pets



WELLNESS OF COMMUNITIES

Strengthen the pet welfare community

Promote environmentally responsible operations

Be a good neighbor



WELLNESS OF OUR PEOPLE AND OUR PROFESSION

Enhance the well-being of our Banfield community

Safeguard the future of the veterinary profession

Increase the overall quality of veterinary care

FOUNDED IN:
1955

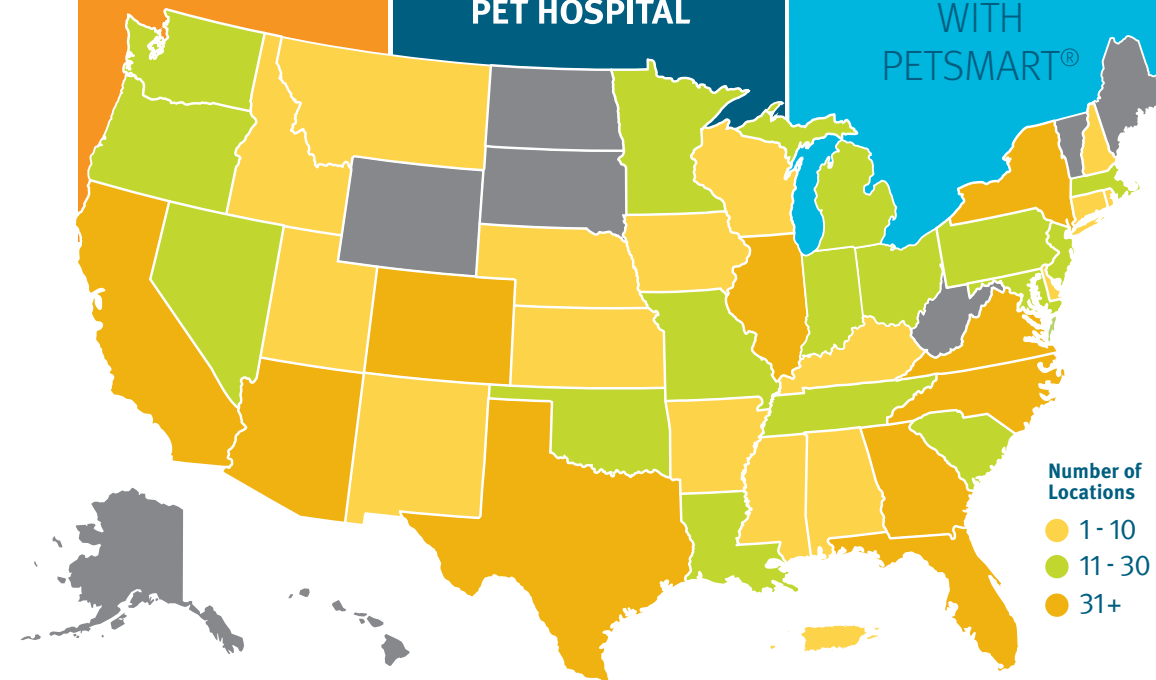
AS A SINGLE, SMALL COMPANION ANIMAL VETERINARY PRACTICE IN PORTLAND, OREGON

TODAY, WE ARE THE LARGEST COMPANION ANIMAL VETERINARY PRACTICE IN THE WORLD



Banfield
PET HOSPITAL

BANFIELD IS PART OF MARS, INCORPORATED AND HAS A STRATEGIC PARTNERSHIP WITH PETSMART



IN 2016 OUR HOSPITALS AND ASSOCIATES CARED FOR **MORE THAN 2.5 MILLION DOGS AND 500,000 CATS**

975 HOSPITALS **IN** **42** STATES

WASHINGTON D.C. AND PUERTO RICO

MORE THAN 3,500 VETERINARIANS

MORE THAN 16,000 ASSOCIATES

HAPPY ANNIVERSARY, BANFIELD FOUNDATION!

In 2015, we launched the Banfield Foundation, a 501(c)(3) nonprofit designed to improve the lives of pets and the people who love them by providing financial support for veterinary care and nonprofits with pet-related programs.

A year later, we have much to be proud of, and even higher aspirations for 2017. At the close of 2016, the foundation had awarded more than \$1.7 million in grants to 176 nonprofits in 41 states and Washington, D.C. From helping purchase

much-needed resources and equipment, to supporting relief efforts for pets displaced by floods and wildfires, in all, the Banfield Foundation has reached and helped 68,479 pets.

With the support of generous associates, clients and pet owners, together we are making a better world for pets because they make a better world for us. Read more about the Banfield Foundation in the insert at the back of this report, or online at BanfieldFoundation.org/AnnualReport.



Christina Malone, clinical informatics specialist, receives a lick of thanks during a preventive care clinic in Vancouver, Washington. Photo Credit: Jeff Hinds



Emily Lambert, veterinary assistant, examines a veteran's dog in Roseville, California, during a Stand Down preventive care clinic event. Photo Credit: Anne Chadwick Williams

Healthy, happy pets bring comfort and peace of mind to their owners, in turn helping to build happier, healthier communities and families.

We dedicate time and resources to promoting responsible pet ownership, working hard to educate pet owners on the importance and impact of preventive care while supporting the unique pet-human bond. We stand alongside our clients in meeting their needs, no matter how large or small, from dental care to disaster preparedness.



BUILDING A CULTURE OF PREVENTIVE CARE THROUGH RESPONSIBLE PET OWNER EDUCATION

We strive to help pet owners understand what their pets need to thrive. Through our responsible pet ownership programs, including FutureVet® (to be renamed Banfield Pet Academy in 2017) and a range of volunteer initiatives, we enable children and young adults to become more aware of how to care for their pets and more empowered to make decisions that ensure pets are happy and active family members.

FUTUREVET PARTNERS ACROSS THE COUNTRY

- Children’s Museum of Denver
 - Children’s Museum of Houston
 - Duke Energy Children’s Museum at Cincinnati Museum Center*
 - Explorium of Lexington*
 - Kohl Children’s Museum
 - Marbles Kids Museum*
 - Minnesota Children’s Museum
 - The New Children’s Museum™
 - Oregon Zoo
 - Portland Children’s Museum*
- * Includes Banfield mini-hospital exhibits



Tiffany Purvis, senior coordinator tax and license, shows her love to a patient during a microchip event in New Orleans, Louisiana. Photo Credit: Dinah Rogers



Dr. Meaghan Gilhooly introduces an enthusiastic child to veterinary medicine at a FutureVet event in Portland, Oregon. Photo Credit: Cameron Browne



“It’s so fantastic to see our young visitors get excited about learning and eagerly share their experiences about the animals they love so dearly. We are so glad we have Banfield as a partner who helps to inspire children to be responsible pet owners and future veterinarians.”

Vanessa VanZant
senior director of museum experience,
Cincinnati Museum Center

INSPIRING A LIFELONG PASSION FOR PETS

Through FutureVet, Banfield’s doctors share their expertise with children and young adults, inspiring kids to become active and informed participants who help maintain the health of their beloved pets.

Banfield cultivates strategic FutureVet partnerships with museums and other organizations that teach children about companion animals. Through these partnerships, Banfield veterinarians give children the chance to meet, interact with and learn to care for a variety of pets. FutureVet opens a window into the world of veterinary medicine, and four of our partnership locations even include mini-hospital exhibits that provide a hands-on way for young people to explore and become energized about pet health. Last year, Banfield educated nearly 13,180 people through FutureVet.

MY VERY, VERY SMELLY BREATH: IMPROVING DENTAL CARE FOR PETS

This year, Banfield launched a scratch-and-sniff children’s book, “My Very, Very Smelly Breath,” focused on educating children and families about the importance of preventive dental care for pets. The book is the second in a series that began with the 2015 introduction of “My Very, Very Busy Day,” which helps kids see the world through the eyes of their pets and understand what it takes to keep them healthy and happy.

“My Very, Very Smelly Breath” was made available at every Banfield hospital for a suggested donation of \$10 to the Banfield Foundation. Between January and March 2016, Banfield distributed 5,500 copies of the book and raised more than \$55,000.

One hundred percent of the proceeds from those donations supported the provision of seven dental-related grants to shelters across the country, enabling the purchase of dental equipment to provide dental cleanings, conduct tooth extractions or take and analyze X-rays, meaning an estimated 3,500 pets got the dental care they needed.

- PAWS Atlanta in Decatur, Georgia
- Michigan Humane Society in Bingham Farms, Michigan
- Sacramento SPCA in Sacramento, California
- Kansas Humane Society in Wichita, Kansas
- Humane Society of North Texas in Fort Worth, Texas
- Connecticut Humane Society in Newington, Connecticut
- Spartanburg Humane Society in Spartanburg, South Carolina



MAKING OUR MARK ON THE COMMUNITIES WE SERVE

Through the international Mars Ambassador Program (MAP), associates have the opportunity to put our principles into action and make a difference in communities across the globe. The Banfield-hosted MAP assignment enables associates to volunteer for one week in the areas of greatest need to educate pet owners, conduct preventive care clinics for vulnerable pets, upgrade shelters and more.



MAP IN ACTION: PROVIDING PET CARE IN NEW ORLEANS, LOUISIANA

PROVIDED CARE TO
329
PETS AT PREVENTIVE
CARE CLINICS

BENEFITTED
407
PETS THROUGH SHELTER
RENOVATION

EDUCATED
150
CHILDREN ABOUT
RESPONSIBLE PET
OWNERSHIP

In October, seven Mars ambassadors from three countries traveled to New Orleans, Louisiana, as part of an effort to provide free veterinary care, educate young people about responsible pet ownership and renovate a pet shelter. Throughout the week, ambassadors partnered with three nonprofits to host preventive care clinics and a microchipping clinic for low-income families and shelter pets.

Because of recent flooding in Baton Rouge, those same seven MAP ambassadors joined 14 Banfield associates living in Louisiana to give back to Companion Animal Alliance, a shelter that took in more than 650 pets after the flooding. Together, they spent the day repainting the cat rooms, deep cleaning the "catio," creating a miraculous transformation of the laundry room, repairing broken windows, fixing the air conditioning and replacing flooring in the surgical unit.

Mars Ambassadors and Banfield associates team up to help pets in Louisiana.



Dr. Ashlee Redmond, medical director (left), and Kristin White, veterinary assistant, bond with a patient before a wellness exam in Vancouver, Washington. Photo Credit: Jeff Hinds



Dr. Andrea Sanchez shares a smile during a wellness clinic in New Orleans, Louisiana. Photo Credit: Dinah Rogers

CLINICS:
24

PETS HELPED:
9,095

“We are so grateful for Banfield Pet Hospital and the Banfield Foundation for making the free preventive care clinic possible. We heard over and over again from staff and from those served that this was an invaluable contribution to economically challenged individuals who otherwise would not have been able to afford the care provided.”

Judy McMorine
development director, Open House Ministries
in Vancouver, Washington

PROTECTING THE HEALTH OF PETS IN NEED

As pet owners and pet lovers, we know that preventive care is critical to the happiness and vitality of every pet. On our own and in partnership with nonprofits, we organize free clinics that offer preventive care services to the vulnerable pet populations and pet owners who most need assistance.

BANFIELD FOUNDATION EMPOWERS PET OWNERS TO PURSUE PREVENTIVE CARE

Banfield Foundation supports Banfield’s ability to improve the health and wellness of pets in part by funding foundation Optimum Wellness Plans® (OWPs). Each foundation OWP covers a full year of preventive care, routine vaccinations and comprehensive exams—all free to qualified recipients experiencing financial challenges or who are critically low-income. In 2016, the foundation awarded 663 plans, providing peace of mind to hundreds of pet owners who meet federal standards for financial need.

“Without a doubt, Banfield providing treatment provides peace of mind.”

Jonathan Speil
veteran and owner of Shiba
in Portland, Oregon

HELPING AMERICA’S HEROES AT STAND DOWN EVENTS

Stand Down events across the nation give homeless and low-income veterans a single destination offering resources, supplies and personal support that can help them take fundamental next steps toward rebuilding their lives. In 2016, Banfield participated in four Stand Down events in California and Oregon where 36 Banfield volunteers shared their expert knowledge of pet care and their love of animals with veterans and their pets. Volunteers educated veterans about preventive pet care and also provided wellness exams, vaccinations, heartworm testing and prevention, flea and tick treatment, deworming, nail trims, ear cleanings and more.



Photo Credit: Cameron Browne

Veterans and pets who benefitted from Banfield-sponsored preventive care clinics.



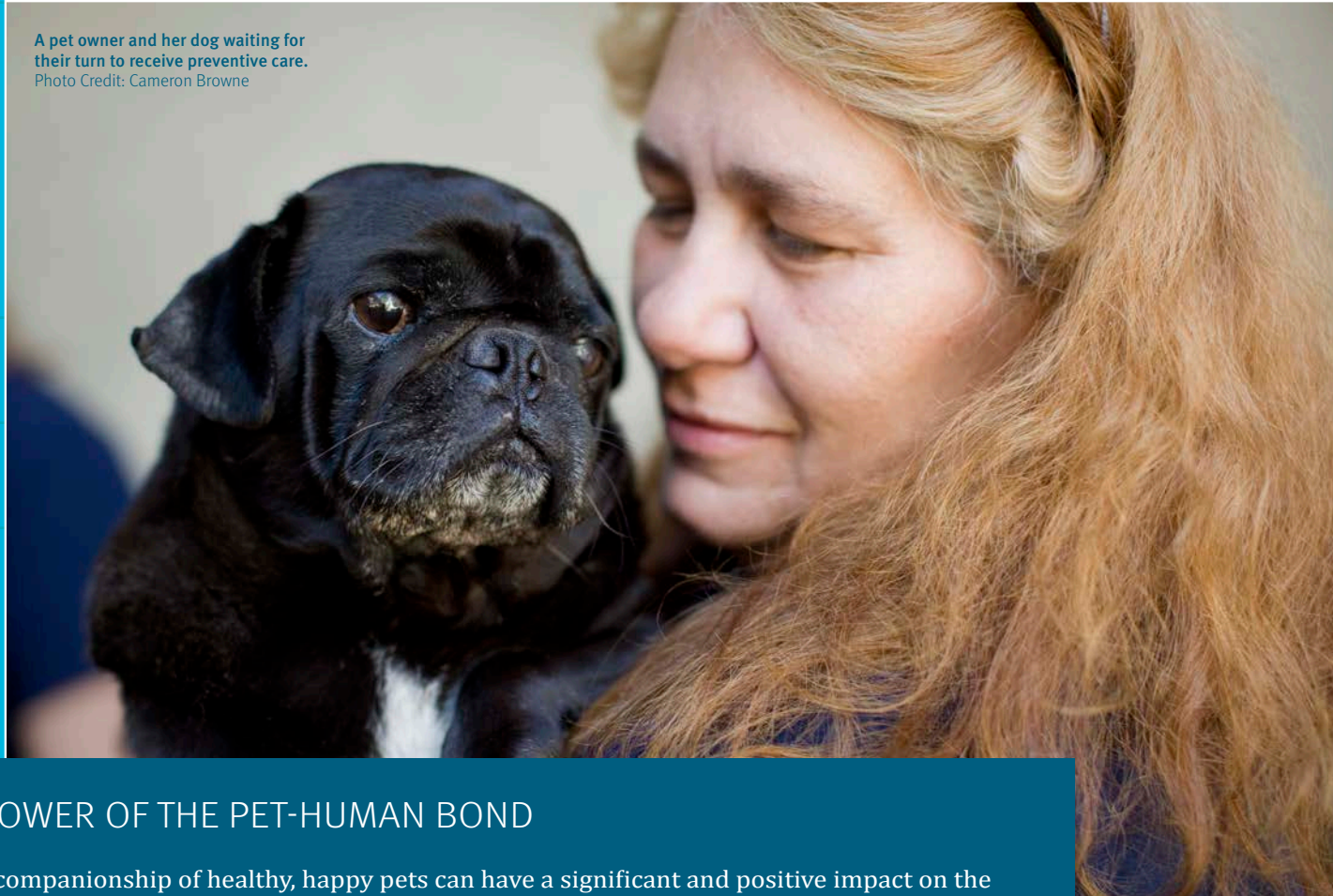
“It made me feel really good about the company I work for, that we can help owners who really want what is best for their pets.”

Dr. Melanie Bowden
East Vancouver, Washington Hospital
Banfield Pet Hospital

PREVENTIVE CARE CLINICS IN ACTION: GIVING OUR TIME IN VANCOUVER, WASHINGTON

This summer, in conjunction with a community event for homeless and low-income families hosted by Open House Ministries, Banfield held a preventive care clinic in our new hometown of Vancouver, Washington. Ten associates volunteered to provide wellness exams, vaccines, heartworm testing and prevention, flea and tick medicine, microchips and grooming services such as nail trims and ear cleanings to nearly 60 pets that would otherwise have not received care. During the event, pet owners were also able to consult with veterinarians about their pets’ nutrition, general health and behavior.

A pet owner and her dog waiting for their turn to receive preventive care.
Photo Credit: Cameron Browne



ELEVATING THE POWER OF THE PET-HUMAN BOND

Veterinarians know the companionship of healthy, happy pets can have a significant and positive impact on the human lives they touch. Banfield seeks to amplify the power of the pet-human bond by supporting research into and education about the mutual benefits of pet ownership through organization support, partnerships and funding from the Banfield Foundation.

HABRI: RESEARCHING THE BENEFITS OF THE PET-HUMAN BOND

Through our support of the Human Animal Bond Research Initiative (HABRI), Banfield supports scientific research into the positive health impacts of companion animals. HABRI is a nonprofit that advances and provides scientific support to document the health benefits of companion animals and the power of the pet-human bond. The organization also advocates for policies that extend the positive impacts of pets to more people in more communities. This past year, HABRI commissioned a new study on the health care cost savings associated with pet ownership. The study focused on two areas—frequency of doctor visits by dog owners and incidence of obesity among dog owners who walk their pets—and found that in just these two areas, pet ownership lowered the cost of human health care by more than \$11 billion every year in the United States.

DONATED:
\$233,593

PARTICIPATING HOSPITALS:
207

PETS HELPED:
326

“Being able to tell the family we could use HOPE Funds literally felt like there was some hope for this patient and his family. I felt that there was another option to try for them instead of having to tell them that was all we could do since the treatment plan was out of their budget.”

Dr. Iris Vales,
Señorial Plaza San Juan, Puerto Rico

OFFERING HOPE TO PETS AND FAMILIES

Our Help Overcome Pet Emergencies (HOPE) Funds program helps pet owners who demonstrate financial need with the cost of urgent or life-saving treatment they would otherwise not be able to afford for their beloved pet experiencing a medical emergency. We are proud to have significantly increased the funds donated and the number of applications funded over the last year—helping keep more pets and families together.

SEÑORIAL PLAZA SAN JUAN ASSOCIATES MAKE HOPE FUNDS HISTORY IN PUERTO RICO

Volton, a two-month-old Chihuahua puppy visited Banfield’s hospital in Señorial Plaza, San Juan, Puerto Rico, after his owners were extremely concerned that Volton hadn’t been able to urinate since the day prior. Unfortunately, his family could not afford the emergency treatment that Volton needed. First, the Señorial Plaza team took the immediate medical action that Volton needed to survive. They then helped Volton’s family apply for HOPE Funds to pay for his life-saving procedure. With the application approved and the invoice paid in less than an hour, Volton has many happy, healthy years ahead.



BANFIELD FOUNDATION: HELPING UNDERSERVED POPULATIONS CARE FOR PETS

Banfield Foundation offers Pet Advocacy Grants that financially support nonprofits committed to keeping pets in healthy and loving homes. These grants cover a broad range of needs, including providing a safe haven for the pets of domestic violence victims and the homeless, training assistance to change unwanted pet behaviors, animal helplines and many other programs to help keep pets with the families who love them.

TOTAL GRANTS
AWARDED:
27

PETS
HELPED:
9,435

TOTAL GRANT
VALUE AWARDED:
\$220,000

MAKING PET-RELATED WISHES COME TRUE

Banfield proudly provides in-kind donations to Make-A-Wish®, a national children's charity that grants the wishes of children with life-threatening medical conditions. Every year, we support a set number of pet-related wishes for wish kids across the U.S. When we receive a request from a local chapter to enhance a wish, Banfield helps to start the pet owner off right by literally rolling out the red carpet for a memorable first wellness exam. For each wish we support, we also mobilize to connect Make-A-Wish with the nearest Banfield hospital and donate a one-year Optimum Wellness Plan, which covers a full year of preventive care so that the family can benefit from preventive care, routine vaccinations and comprehensive exams—along with unlimited office visits.

2016
PET-RELATED WISHES
GRANTED:

21



Virginia is all smiles with her new Goldendoodle and the Nashville, Tennessee, Banfield team.
Photo Credit: Kelly Coyle

Virginia lends a hand while her new puppy receives preventive care at the Banfield in Nashville, Tennessee.
Photo Credit: Kelly Coyle



Six year-old Virginia had a very special wish—for not just one, but two Goldendoodle puppies. Why two? When Virginia was in treatment battling a brain tumor, the whole family was devastated when both of their pets passed away.

When Make-A-Wish Middle Tennessee granted Virginia's wish, Banfield stepped in to provide two Early Care Plus Optimum Wellness Plans, making sure the puppies received all the preventive care they needed.

For the first wellness exam, the team at the Music City Banfield in Nashville, Tennessee rolled out the red carpet for Virginia and her two pups, Rose Bloom and CoCo, making the experience extra special. Although Virginia is still in treatment, her days are brighter now with her two best friends by her side.

PROVIDING DISASTER RELIEF FOR PETS AND FAMILIES

We believe families and communities should keep pets in mind when preparing for and weathering disaster. We proudly partner with American Humane to help families and their pets prepare for the storms ahead. We help pet owners think through emergencies, from the steps to take should a disaster strike, to the supplies they'll need for their pets. And in the wake of disaster, we respond quickly to care for displaced pets and work to reunite them with their families. Through the Banfield Foundation, we also make grants to governmental or nonprofit organizations that provide aid to affected and displaced pets.

DISASTER RELIEF: BANFIELD RESPONDS TO WEST VIRGINIA FLOODING WITH AMERICAN HUMANE

In early summer, West Virginia experienced some of the worst flooding in the state's history. In partnership with American Humane and its American Humane Northeast Rescue Truck, we mobilized associates to parts of the state that had been evacuated and were still experiencing heavy rain and tornados. Despite the danger—and having no Banfield hospitals in the state to utilize for our services—American Humane and Banfield volunteers provided physical exams, vaccinations, preventive care and education to more than 2,000 pets and their owners at no cost.

“I would like to personally thank your leadership for committing to provide these services. After seeing so many animals suffering from lack of care, it gave us hope to see your doctors and staff interacting with loving pet owners, all with the goal of providing wonderful care. Banfield Pet Hospital played a very important role in helping these animals through this disaster, and now they are ready to finally end this nightmare phase and go to a forever home.”

Dr. Lesa Staubus
staff veterinarian,
American Humane



Photo Credit: Steve Lindsay



Photo Credit: Steve Lindsay

Banfield volunteers show their love to pets impacted by flooding in Louisiana.

In 2016, the American Humane Northeast Rescue Truck traveled 16,228 miles across 14 states to bring much-needed support to pets and families affected by emergencies.

THANKS TO THE NORTHEAST RESCUE TRUCK

6,584
ANIMALS HELPED

7
TRAINING EVENTS

4
COMMUNITY EVENTS

45,354
POUNDS OF PET FOOD DISTRIBUTED

13
RESPONSES

DISASTER RELIEF IN ACTION: BANFIELD AND THE BANFIELD FOUNDATION AID LOUISIANA FLOOD VICTIMS

In August, an unprecedented storm dropped nearly 7 trillion gallons of water on Louisiana over the course of a week. The result was extensive flooding—and the worst natural disaster in the United States since Hurricane Sandy.

Banfield mobilized resources to provide relief to pets affected by the flooding. With funding from the Banfield Foundation, American Humane's Northeast Rescue Truck traveled to Louisiana to provide aid and transportation to pets displaced by the flood. Our work was extended by our parent company, Mars Incorporated, which donated 20 tons of pet food to help with relief efforts.

Ultimately, Banfield associates volunteered nearly 600 hours and helped more than 3,000 pets.

Our response continued in October when American Humane returned to prepare 35 dogs affected by flooding and never claimed by their owners for transport and adoption. All of them needed to be spayed or neutered, and in just two days, the pets received treatment at a nearby Banfield hospital. Services were covered in full—valued at nearly \$20,000. Additionally, the Banfield Foundation awarded \$10,000 to Acadiana Animal Aid to help transport 200 pets out of the area for adoption.

“It is through the generosity, support, and vision of the Banfield Foundation that American Humane was able to save, shelter and reunite thousands of our best friends in their worst times. The remarkable passion and dedication of Banfield leaders, veterinarians and volunteers made a difference for so many suffering animals following the unprecedented disasters in West Virginia, Louisiana, and South Carolina this year. On behalf of American Humane and all of the animals we work to save, thank you!”

Dr. Robin R. Ganzert,
president and CEO, American Humane



Photo Credit: Amy Lindsey for American Humane



Photo Credit: Cameron Browne



Photo Credit: Dinah Rogers

Dr. Melisse Conway (left) and Allison Smith, practice manager, share a smile with a patient before a wellness exam.

When communities and people thrive, so do pets. That's why we work with pet welfare organizations to find opportunities to have an impact in our own neighborhoods and make our operations more environmentally responsible. Our people, resources and partnerships all play an important role in making the communities where we live and work stronger and more vibrant.

SUPPORTING THE PET WELFARE COMMUNITY

Some of the most critical work done for pets and the people who love them is performed by organizations that provide life-saving pet care, advocacy and shelter services—hard working local, regional and national groups with missions similar to our own that need a little help to broaden their impact. Together, Banfield and the Banfield Foundation provide funding and donate veterinary services and supplies that help these nonprofits fulfill their commitments to supporting pets in need.



A team of associate volunteers from Pompano, Florida, pose for a picture with local shelter animals who received free veterinary services.



SHELTER SERVICES: PREPARING PETS FOR FOREVER HOMES

When Banfield opens a new hospital location, we partner with a local rescue organization and provide free veterinary services to pets waiting to find homes. These partnerships not only increase the chances of shelter pet adoptions, but also help local shelters raise the visibility of the important work they do.

“We were excited to give back to the community and help these pets find forever homes. I was so impressed with how my team took the time to give love to every pet we saw. Our efforts were a great way to bring everyone’s heads and hearts into the hospital.”

Lacey Frame
practice manager,
Banfield Pet Hospital,
Upland, California

928
PETS
HELPED

81
SHELTERS
IMPACTED

45
EVENTS

2,467
HOURS
VOLUNTEERED

\$375,808
VALUE OF
VETERINARY SERVICES



GRANTS AWARDED:
94
AMOUNT DONATED:
\$640,094
PETS HELPED:
6,613

BANFIELD FOUNDATION HIGHLIGHT: VETERINARY ASSISTANCE GRANTS

Banfield Foundation also offers grants to nonprofits that support vulnerable pet owners—such as veterans and individuals with disabilities—in caring for their pets’ health. In Ohio, Kentucky and Indiana, a \$10,000 foundation grant awarded to Pets in Need of Greater Cincinnati, helps to ensure pets in need receive access to veterinary care. For example, while Ginger’s owner is going through chemotherapy, thanks to this grant she doesn’t have to worry about Ginger’s veterinary care—so Ginger can continue bringing hope and joy to her owner.



ENVIRONMENTALLY FRIENDLY FEATURES OF CENTRAL TEAM SUPPORT (CTS) HEADQUARTERS



Decreasing Power Consumption
Consumption is about 40% less than a typical size building without LEED driven efficiencies.



Harnessing Renewable Energy
Solar thermal hot water system takes advantage of rooftop solar panels to heat kitchen and bathroom faucet and shower water.



Reducing Water Use
90,000 gallons of rain water have been harvested from the roof and repurposed in restroom waste fixtures (toilets).



Donating Food to the Community
Banfield CTS and our Bon Appetit bistro donate excess food to Share in Vancouver, Washington, an organization that provides shelter, resources and free daily meals to homeless and low-income community members. Since July 2016, our bistro has donated more than 1,000 pounds of food to Share.



Leveraging Interior Lighting
100% LED interior lighting reduces energy usage, with photocell-controlled daylight harvesting controls and occupancy sensors that turn off lights when not in use.



Reducing Carbon Dioxide
We estimate that we have reduced carbon dioxide emissions by 12.83 tons—including avoiding 8,587 tons of coal combustion, reducing passenger car emissions by 1.76 tons, and reducing the carbon sequestered by acres of forest by 6.56 tons.



Using Smart Landscaping
Bioswale landscape elements in our parking lot naturally filter 100% of hard surface and automobile contaminants from runoff water.



Charging for Electric Vehicles
Twelve EVC pumps are available for associate use to support electric driving habits and nearly 1.5 tons of CO² emissions have been avoided since June 2016.



Optimizing Energy Performance
Geothermal system with supplemental heat recovery chiller utilizes ground temperature as main source of heating/cooling.

ENVIRONMENTALLY RESPONSIBLE OPERATIONS: TAKING CARE OF THE PLANET WE SHARE

Our passion for building healthy, happy communities extends to taking good care of the environment we share with the people and pets we serve. We have ongoing efforts at our corporate headquarters and across our hospital network to understand, measure and ultimately reduce our environmental footprint. Today at Banfield's corporate headquarters, we proudly occupy a building that received Leadership in Energy and Environmental Design (LEED) Platinum certification, the highest certification possible from the U.S. Green Building Council.



"When it came time to build a new headquarters, Banfield demonstrated its commitment to the environment by building a state-of-the-art, ultra-green building that requires less than half of the electricity needed for a typical building of its size. It's an impressive statement about the company's desire to protect our natural resources for future generations."

Kris Johnson

president of the Association of Washington Business (AWB), which in November 2016 recognized Banfield as the winner of its Leading Environmental Practice Award

RECYCLING AND REUSING INITIATIVES MAKE HOSPITALS MORE ENVIRONMENTALLY EFFICIENT

For the second year, we are working in partnership with one of our medical suppliers, MWI Animal Health, to swap out traditional cardboard boxes used to deliver medicine for environmentally-friendly containers. From January to October 2016, we have saved nearly 70,900 cardboard boxes, which totals more than 156,000 pounds of cardboard.

We also recycle the paper we use. In 2016, our hospitals recycled more than 500,000 pounds of paper, saving an estimated 4,200 trees, 95,200 gallons of oil and more than 1,750,000 gallons of water. Overall, our 2016 recycling and waste-reduction efforts helped us divert more than 750 cubic yards of waste from landfills. Through Banfield's relamp lighting project, we recycle approximately 25,000 fluorescent light bulbs every year.

Lighting the Way

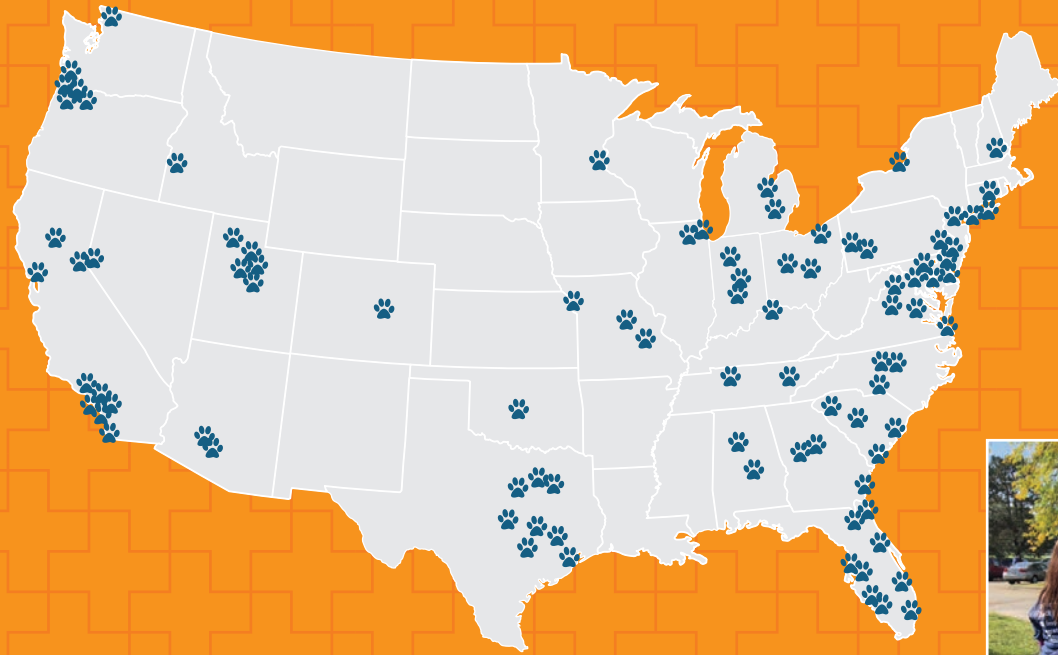
Our energy-efficient LED lighting, which has replaced traditional interior lighting in 61 hospitals, saves the average hospital (3,500-square-feet) 5,725 kWh every year.

Repurposing Waste

Our needles and syringes, or "sharps," are melted down and recycled into fuel pellets, which in turn can be used to generate energy in other industries. As of mid-year, our sharp recycling efforts helped us divert a total of 300,000 pounds of waste from landfills. A total of nearly 970,000 sharps have been diverted since 2011—and we anticipate reaching 1 million pounds this year!

Installing Sustainable Flooring

We are converting hospital flooring from vinyl to ceramic tile, which helps us transition away from using chemical-heavy products to maintain our clinics. To date, we have converted 675 hospitals.



94,166
PETS AND PEOPLE IMPACTED

144
U.S. CITIES

11,556
HOURS VOLUNTEERED

2,863
ASSOCIATE VOLUNTEERS

MAKING A DIFFERENCE IN OUR COMMUNITIES

At Banfield, we have a responsibility to enhance the well-being and vitality of the communities where we live and work each day. We enable our passionate associates to devote their time and energy to local organizations during regular work hours and through meaningful, company-sponsored events. We also deliver on that promise through partnerships with nonprofits like American Humane and grants issued by the Banfield Foundation.

Teams of associate volunteers supported their communities through MVP across the country.

Photo Credit: Rex Curry

MVP MONTH OF SERVICE

As a proud member of the Mars family of businesses, Banfield takes part in the Mars Volunteer Program (MVP)—an initiative that connects associates with a range of nonprofits giving back to their communities. MVP is a paid volunteer program, which means that we give our associates time during the workday, as well as the resources they need, to extend the impact they already make through their day-to-day work at Banfield. In 2016, all 61 Banfield markets participated in the MVP month of service during October—a time when Banfield puts special focus and emphasis on our volunteer efforts.

MVP IN A BOX

Small and steady volunteer efforts can also add up to a big impact on pets, people and communities. During the MVP month of service, Banfield associates can choose to participate in micro-projects—like packaging pet care kits for the homeless—that are just as important as projects that require a dedicated block of time to complete.

This year, some associates volunteered their time to improve the lives of shelter pets with MVP in a Box—a kit that gave hospital teams all the supplies needed to make 25 dog toys. Ultimately, associates created and donated 1,500 handcrafted toys to animal shelters and rescues in their communities as part of the project—a large portion of the total 3,800 toys we donated in 2016.



Hospital teams and Banfield headquarters associates volunteered to handcraft toys for animal shelters and rescues as part of MVP.

Banfield associates volunteered to help renovate a local shelter.
Photo Credit: Cameron Browne

363

ASSOCIATES VOLUNTEERED

60

PARTICIPATING HOSPITALS

378

HOURS OF VOLUNTEER SERVICE

3,800

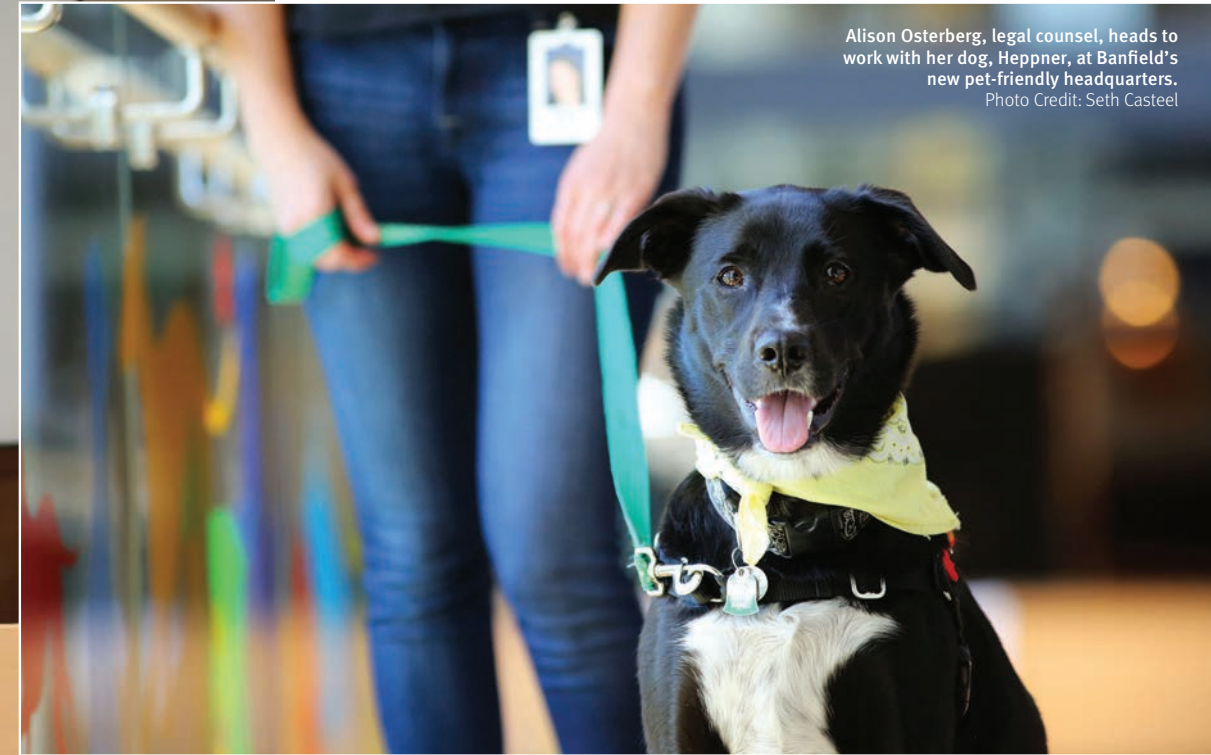
TOYS DONATED

“Nobody has the resources that Banfield does. It’s our responsibility to use them to our fullest potential.”

MVP Champion, Bradey Christensen
practice manager, Draper, Utah



Dr. Seth Vredenburg and his dog, Templeton, stand in the pet-friendly lobby of the new Banfield corporate headquarters in Vancouver, Washington.
Photo Credit: Seth Casteel



Alison Osterberg, legal counsel, heads to work with her dog, Heppner, at Banfield's new pet-friendly headquarters.
Photo Credit: Seth Casteel

The health and happiness of pets and the people who love them depends on a strong veterinary profession.

As the largest full-service companion animal veterinary practice in the world, Banfield has the resources, reach and relationships to elevate and improve the broader veterinary profession. We strive to safeguard the future of the profession, increase the overall quality of veterinary care provided and enhance the well-being of our associates by giving them the resources they need to grow.

PROMOTE WELL-BEING IN THE BANFIELD COMMUNITY

As the heart and soul of Banfield, engaged and inspired associates have the power to positively impact pets, pet owners, the community and the veterinary profession every day. That's why we are committed to helping our associates learn, grow and achieve their full potential by facilitating access to high-quality continuing education, networking and leadership opportunities within the larger profession.



PAWROMETER SURVEY

In early 2016, we conducted a survey of more than 1,000 employees and 200 HR decision-makers at companies around the United States designed to gauge views about bringing pets to the workplace. Results of our Pets At Work barometer (PAWrometer) survey showed pets in the workplace improve morale, reduce employee stress and turnover rates and improve work relationships and productivity.

FOSTERING A PET-RESPONSIBLE WORKPLACE

At Banfield's new corporate headquarters, this meant instituting a new policy requiring all dogs to undergo a behavior assessment with a certified dog trainer and adhere to a more robust vaccine requirement policy. Our move this summer to our new headquarters in Vancouver, Washington, was the perfect place to introduce the concept of a "pet-responsible" workplace, meaning incorporating design elements and policies that ensure our pets are just as happy at work as we are about having them there.

We also thoughtfully considered our new building layout, resulting in an open, collaborative design that includes areas of quiet retreat and an easy-access dog ramp that serves as an alternative for pets that are afraid to use stairs—or have a harder time due to injury or arthritis. We even tested the white noise system to ensure it was a dog-safe decibel. Additionally, we educate our associates about how to interact with pets in the office to keep them happy and comfortable.

Photo Credit: Seth Casteel



Associates and their pets enjoy the benefits of Banfield's new pet-friendly corporate headquarters in Vancouver, Washington.

Photo Credit: Seth Casteel



Dr. Daniel Aja, Banfield chief medical officer, enjoys a quiet moment with Bayley, one of his three Cavalier King Charles Spaniels. Photo Credit: Seth Casteel



PET-RESPONSIBLE WORKPLACE: "BAYLEY'S DAD"

A bona fide pet lover, Daniel Aja, DVM, chief medical officer, is widely known to colleagues as "Bayley's dad," thanks to the constant presence of Bayley, one of Dr. Aja's three Cavalier King Charles Spaniels.

Whenever he brings his dogs to work, Dr. Aja finds that his co-workers not only smile more but are also far more willing to open up and converse. But the benefits don't end there, Dr. Aja has noted the simple ability to pet dogs during a meeting can reduce stress around the room. And having his pets at work keeps things from getting dull—as a puppy, Bayley once awoke from a nap during a senior leadership team meeting and jumped onto the board room table amidst an important discussion, giving meeting participants a much-needed break and causing laughter all around.

"I love bringing my dogs to work as they bring a smile to our associates' faces and because they encourage those who do not know me well to reach out and say hello."

Daniel Aja, DVM
chief medical officer

7 IN 10

Employees and HR decision makers say pets at work make a positive impact on office dynamics and workplace morale.



“All I can think of is how blessed I am to have fellow associates who care so much that they are willing to help another associate they have never even met. I am truly and forever grateful to my Banfield family.”

Anonymous
Banfield Better Together Fund grant recipient

BANFIELD BETTER TOGETHER FUND: ASSOCIATES HELPING ASSOCIATES

We heard from many associates about their desire to help colleagues personally impacted by natural disaster. So this year, we created and launched the Banfield Better Together Fund (BBTF): a nonprofit created for and by Banfield associates that provides financial assistance to qualifying associates in their greatest time of need—in the event of natural or manmade disasters. The fund was launched with a seed donation from Banfield, allowing the BBTF grants to be issued from the day it launched.

Following the devastating floods in Louisiana earlier this year, the BBTF issued grants to seven qualifying associates whose homes and belongings had been damaged, and in several cases, completely destroyed. Two associates received grants in the aftermath of Hurricane Matthew in Georgia. Another associate received a grant after losing her home in a fire.



Associate volunteers in the aftermath of Louisiana flooding.



Photo Credit: Steve Lindsay

TOTAL GRANTS AWARDED:
10

TOTAL GRANT VALUE AWARDED:
\$17,750

HELPING ASSOCIATES LEARN, GROW AND NETWORK

Banfield’s State Veterinary Medical Association (VMA) Program gives our doctors in select states membership to their state VMA. This program connects our doctors to high-quality continuing education, networking and professional development opportunities. By January of 2017, the program will be active in 19 states, bringing the total number of doctors benefiting from the program to more than 1,600.

Through Banfield’s State VMA Program, our associates are also taking on leadership positions within the larger profession. Currently 42 Banfield associates are serving on boards or committees across the country, 29 of which are with local VMAs.

Additionally, in 2016, Banfield launched a new partnership with the National Association of Veterinary Technicians in America (NAVTA) to provide paid membership to more than 1,100 of our credentialed veterinary technicians.

LEVERAGING VETERINARY CONFERENCES FOR CONTINUING EDUCATION

Veterinary conferences play an important role in enabling Banfield’s veterinary professionals to provide high quality care for pets. This year, we launched two additional partnerships with national conferences, bringing our total number of formal partnerships to three. Through these partnerships, we give our associates easier access to high-quality continuing education, as well as the chance to network with other veterinary professionals. In 2016, more than 880 associates benefited from formal partnerships with:

- North American Veterinary Community (NAVC) Conference
- American Veterinary Medical Association (AVMA) Convention
- CVC San Diego

ENSURING A FUTURE FOR THE VETERINARY COMMUNITY

At Banfield, we are committed to excellence in everything we do. We stand as champions of the benefits of preventive care and take pride in our emphasis on non-clinical competencies, including business and interpersonal skills. Through our sponsorships of student organizations, industry partnerships and close relationships with other stakeholders in the veterinary profession, we work to foster and protect the future of our industry. Through our national sponsorship of the Veterinary Business Management Association (VBMA), we support students interested in learning more about non-clinical aspects of practice—from client communication skills to how to manage the business aspects of running a hospital.

Banfield is also proud to have sponsored the 2016 Association of American Veterinary Medical Colleges (AAVMC)'s Veterinary Health and Wellness Summit's Think Tank. The summit focuses on improving mental health and well-being and sharing best practices among veterinary students and veterinary professionals. Thanks to our sponsorship, Banfield's chief medical officer, Dr. Daniel Aja, was able to take part in furthering this important conversation alongside other veterinary leaders.

SHARING OUR KNOWLEDGE WITH THE GREATER PROFESSION

We believe sharing information with the broader veterinary profession has positive effects on the industry as a whole. This year, we were invited by two of our conference partners to present continuing education (CE).

- At NAVC, we guided attendees through two interactive sessions: the first focused on goal setting and the second explored reasons behind the phenomenon of declining veterinary visits despite a growing pet population.
- At the AVMA Convention, we provided clear and actionable advice for shaping workplace culture and how to create a culture of shared leadership to achieve shared results.



We are also proud to sponsor the Women's Veterinary Leadership Development Initiative (WVLDI). In addition to providing funding for continuing education focused on removing barriers for women in the workplace, Banfield's regional medical director, Dr. Kimberly-Ann Therrien, had the opportunity share her own career path by participating in CE sessions at all three CVC conferences this year. We are honored that Dr. Therrien has also been appointed to the WVLDI board of directors, and we appreciate Dr. Therrien's ongoing role as a board member for the Banfield Foundation.

PET HEALTHCARE INDUSTRY SUMMIT

For the past 15 years, Banfield has organized and hosted the Pet Healthcare Industry Summit, an event that convenes leaders industry-wide to address the challenges and opportunities facing the profession. Banfield also sponsors veterinary students to attend the summit, bringing the next generation of leaders into the discussion. This year, more than 180 leaders in the veterinary profession met to discuss innovation in the industry.

FOSTERING A COMMUNITY OF VETERINARY LEADERS

To celebrate and honor the legacy of the 50th anniversary of the AAVMC, Banfield partnered with the association to collect unique perspectives from 50 leaders within the veterinary profession to help inspire current and future veterinarians. The booklet showcased 50 collective

pieces of wisdom or advice from deans of member institutions—as well as other leaders within the profession—stemming from their own remarkable journeys.

MORE THAN
50%
OF THE RESPONDENTS MENTIONED THE VALUE OF AN OPEN MIND AND REMAINING ADAPTABLE

50%
MENTIONED THE DIVERSITY OF CAREERS AVAILABLE

40%
OF RESPONDENTS MENTIONED THE IMPORTANCE OF MENTORS, EITHER SERVING AS ONE OR HAVING ONE

“There are so many career paths open to veterinarians I never imagined—it’s OK to take a risk and do something completely different than your intended path. It just might open new doors.”

Karyl Hurley, DVM, DACVIM
director, Global Scientific Affairs, Mars Petcare

“The degree prepares you for life, not just for veterinary science, and you should take the opportunities as they come your way.”

Peter Irwin, BVetMed, PhD, FANZCVS, MRCVS
principal, College of Veterinary Medicine & Professor of Veterinary Clinical Science, Murdoch University

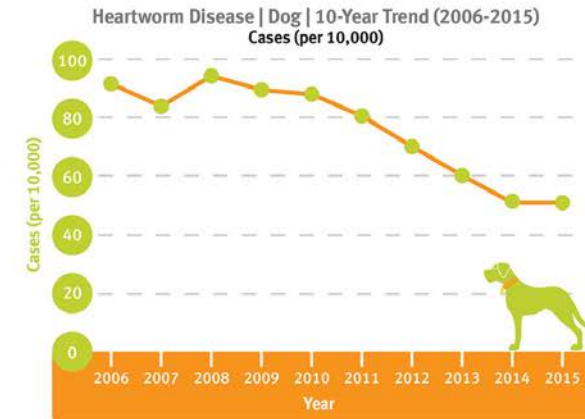
“Educating others outside the profession about the tremendous value our profession brings to the health and well-being of animals and people. It’s a privilege to serve in a profession whose hallmarks are caring and compassion.”

Deborah Kochevar, DVM, PhD, DACVCP
dean & Lois Foster professor Cummings School of Veterinary Medicine, Tufts University



Boo Boo, being examined by Dr. Kristin Deeder in Lake Oswego, Oregon, is one of 2.5 million dogs whose data helps Banfield identify pet health trends.
Photo Credit: Jeff Hinds

Heartworm Disease in Dogs



Heartworm disease in dogs has decreased 41.5% since 2006

12% increase in heartworm prevention in Banfield hospitals

=

150,000 more pets protected from heartworm in 2015 (vs. 2013) at Banfield hospitals

The use of heartworm preventives can help reduce the burden this deadly disease has on pet populations.

Fleas and Tapeworms in Cats



The prevalence of fleas and tapeworms in cats is



Educating cat owners (especially indoor-only cats) about the importance of year-round prevention can help decrease the prevalence of fleas and tapeworms.

STATE OF PET HEALTH REPORT 2016

This year we released the sixth annual *State of Pet Health Report*[®], a one-of-a-kind snapshot of pet health using data collected at Banfield hospitals in the United States and Puerto Rico. Our Banfield Applied Research and Knowledge (BARK) team analyzed health data from the 2.5 million dogs and 500,000 cats that came through our hospitals in 2016 to shed light on pet health trends and help pet owners make well-informed decisions about veterinary care.

This year's report analyzed 10-year trends for common diseases, noting several key conditions—like diabetes—that are increasing in prevalence and showing areas where common diseases are on the decline. Our hope is that these declining diseases are indicators that pet owners are receiving the information they need on preventive care to keep their pets healthy. Read more and see the report at: StateofPetHealth.com



Alena Barrington, practice manager (right), and Lacey Reinhardt, learning manager (left), examine a dog during a wellness clinic in New Orleans, Louisiana.
Photo Credit: Dinah Rogers



Dr. Meg Tisdale comforts a kitten during Louisiana flood relief efforts.
Photo Credit: Steve Lindsay

“Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it's the only thing that ever has.”

Margaret Mead

TO LEARN MORE, VISIT US ONLINE AT:
[Banfield.com/Community](https://www.banfield.com/Community)