

PETIQ INC.
CODE OF BUSINESS CONDUCT AND ETHICS

Directors and employees (including all full-time, part-time and temporary employees and officers of the Company (“Employees”)) of PetIQ, Inc., hereinafter referred to as the “Company”, and its related entities, represent the Company and are expected to act in a manner that will enhance its reputation for honesty, integrity and reliability. Our Code of Business Conduct and Ethics (the “Code”) is a statement of the Company’s business practices and applies to all directors and Employees of the Company. Consultants, contractors and agents retained by the Company shall conduct themselves in accordance with this Code in their activities relating to the Company. It is the responsibility of the person retaining the consultant, contractor or agent to ensure that they are aware of the requirements of this Code and agree to abide by it in their dealings with or on behalf of the Company.

This Code applies to all directors and Employees, wherever they are based, who work (in any capacity) for or on behalf of the Company. This Code is issued with the express authority of the Board of the Company.

The Code will not give you an answer for every situation. Ultimately, in all that you do you should be guided by what is right by ordinary standards of honesty, decency and fairness. In addition to adhering to the Code, you must also follow other applicable policies and procedures when conducting business on behalf of the Company. If you have questions, please seek additional guidance from your supervisor or manager.

Company Principles

- **Commitment to Pet Health** – We partner closely with veterinarians, pet experts and researchers to provide state-of-the-art products that improve pets’ lives.
- **Integrity** – We believe in doing the right things with our partners, within our company, and with pets and pet parents
- **Quality** – We strive to maximize product safety and efficacy through use of advanced technology and rigorous testing
- **Leadership** – We know that doing what others do is not good enough. When it comes to company principles, we seek to lead, not follow.
- **Value** – We believe that it is important to provide quality products at affordable prices.
- **Teamwork** – We foster an environment that promotes collaboration and innovation.
- **Responsibility** – We ensure achievement of high standards through individual accountability and contribution.
- **Community Partner** – We believe in giving back through reputable charities for pets and pet owners.

The Company believes that all people should be treated with dignity. Any conduct that fails to show appropriate respect to others including fellow internal associates,

individuals within our sister companies or corporate office(s), business partners, customers, vendors, and suppliers violates our business values. The following are examples of unacceptable conduct: insults, rudeness, threats, intimidation, profanity, ridicule, vulgarity, discrimination, harassment, physical or verbal abuse, sexually explicit humor, conversation or behavior, gossip, slurs, or stereotyping, unwelcome sexual advances, unwelcome touching or invasion of personal space, ignoring the rights of others, and insensitivity to the beliefs and customs of others. Any activities including but not limited to, telephone conversations, emails, memos, faxes, text messages, instant messages, and social media updates (posts, messages, chats, etc.) that take place between associates must adhere to all company policies and must reflect the standards of honesty, loyalty, trustworthiness, fairness, respect, concern for others, and accountability. Any act that involves theft, fraud, embezzlement, or misappropriation of any property, including that of the Company, or any of its Employees, suppliers, vendors, or customers is strictly prohibited.

I. Compliance with Laws, Financial Integrity, Reporting Violations and Confidential Information

A. Compliance with Laws

The Company will conduct its business in compliance with all applicable laws, regulations and other legal requirements. We must, at all times, abide by the law and respect its intent in the best interests of the Company, our customers, suppliers, Employees and other stakeholders. In addition, all transactions between the Company and any of its subsidiaries or between subsidiaries must meet all applicable legal requirements, including but not limited to those relating to insurance, securities and antitrust regulations.

Political and charitable contributions by the Company must be made in compliance with all applicable federal, state, local and foreign laws and regulations and, to the extent legal, in accordance with (foreign) local custom. All contributions must be restricted to amounts in size sufficient to negate any impression that special consideration is sought for the Company.

If a law conflicts with a policy in this Code, directors and Employees must comply with the law; however, if a local custom or practice conflicts with this Code, directors and Employees must comply with this Code. If a director, officer or Employee has any questions about potential conflicts, the directors, officer or Employee should seek assistance from his or her supervisor or other appropriate Company personnel pursuant to this Code.

B. Financial Integrity

Financial integrity is a critical component to a company's continued success. In order to foster an environment within the Company that promotes financial integrity and

compliance with applicable laws, regulations and accounting principles relating to the Company's financial transactions the following must be followed:

- Comply fully with all applicable accounting principles, standards, laws and regulations for the accounting and financial reporting of transactions, estimates and forecasts which pertain to the Company's business;
- Comply fully with the Company's accounting policies and procedures;
- Use rigorous business processes to ensure that management decisions and operational plans are based on sound economic analysis (including prudent consideration of risks) and that the Company's physical, financial and intellectual property assets are safeguarded;
- Prepare reports accurately and truthfully to ensure accurate and complete financial reporting, including appropriate reporting of revenue and expense recognition;
- Provide timely, candid forecasts and assessments to management when requested;
- Ensure documents or records are not falsified for any reason; and
- When involved in preparing or reporting any financial or business records, make certain all such records are complete, accurate and timely, and reflect all relevant business transactions.

Management has also implemented the following to further support financial integrity within the Company:

- Employment of independent, objective external auditors to review the Company's financial records and the Company's internal controls;
- Appointment of independent directors to the Audit Committee of the Board of Directors;
- Permitted internal and external auditors with direct access to the Audit Committee; and
- Employment of competent management and staff with a commitment to training.

Maintaining financial integrity is everyone's responsibility; therefore, it is important that directors and Employees report actual or suspected violations of this Code, financial irregularities, or fraudulent activity promptly using one of the reporting mechanisms outlined in this Code.

C. Reporting and Investigating Fraud

The Company's intent is to promote consistent company practices to prevent, detect, report and investigate suspected fraudulent activities. This Code applies to any fraud, or suspected fraud, involving Employees as well as consultants, vendors, contractors and any other parties with or without a business relationship with the Company.

Actions Constituting Fraud

The term "fraud" refers to, but is not limited to:

- Intentional misstatements or omissions of amounts or disclosures in internal or external reports;
- Manipulation, falsification, or alteration of accounting records or other supporting documents from which internal or external financial information is prepared;
- Manipulation, falsification, or alteration of expense reports and other supporting documents;
- Intentional misapplication of accounting principles to manipulate results;
- Forgery or alteration of any document or account belonging to the Company;
- Forgery or alteration of a check, bank draft, or other financial document;
- Misappropriation of funds, securities, supplies, or other assets;
- Impropriety in the handling or reporting of money or financial transactions; and
- Any dishonest or fraudulent act or similar/related inappropriate conduct.

Management Responsibility

Each member of the management team should be familiar with the types of improprieties that might occur and the adequacy of policies, procedures, and controls within their areas of responsibility to prevent and/or detect fraudulent activity. Management should obtain and/or provide adequate job guidance and training, as appropriate in the circumstances, to help prevent fraud. Management should also be vigilant in monitoring for any irregularities or potential fraudulent activity and take immediate action in accordance with the requirements and guidelines of this Code.

Reporting Suspected Fraud

If directors or Employees have questions regarding what is considered fraud, suspect or discover fraudulent activity, such persons must promptly report it using one of the reporting mechanisms outlined in this Code. Care must be taken when reporting suspected improprieties to avoid alerting suspected individuals and to keep information confidential while investigations are in process. The Employee reporting a matter must not attempt to personally conduct investigations, perform interviews, or interrogate individuals related to any suspected fraudulent activity. Do not discuss the suspicions, facts, or allegations with anyone outside of the reporting process noted above, unless specifically directed to do so as part of a company investigation. This is important to avoid damaging the reputation of individuals suspected of, but subsequently found innocent of, wrongful conduct.

Investigation and Reporting Responsibilities

The Company takes any reports of suspected fraudulent activity seriously. Investigations will be conducted by assigned representatives from Legal Department, Human Resources Department, Internal Audit Department or members from the Board of Directors as deemed appropriate, depending on the type of allegation reported. All investigations will be handled by the investigative team in a timely manner.

D. Raising Concerns/Reporting Violations

Violations of this Code or other unethical or illegal conduct may cause injuries to persons or damage property, including the Company's assets and reputation, and result in harm to our directors and Employees. Numerous reporting mechanisms are available for our directors and Employees to raise a concern, report a suspected violation or to ask questions. Keep in mind that directors and Employees are required to report actual or suspected violations of this Code or other unethical or illegal conduct. Such matters should be reported using one of the following:

- Contact the department immediate supervisor. This may encourage the resolution of any problems within the appropriate work unit and provide valuable insights or perspectives on the matter reported.
- If an Employee is not comfortable reporting the matter to the immediate supervisor, or believe that he or she is involved in the matter, discuss concerns with the next level of management.
- If Employee efforts to report concerns or raise questions, remain unresolved after communicating directly to the supervisor or higher level of management, Employees may also contact a representative within the Human Resources Department at HR@petiq.com or Legal Department at Legal@petiq.com. Directors and officers may communicate directly to the Legal Department at Legal@petiq.com.

- Grievance reports, available in break room locations, may also be completed and submitted anonymously at a drop box location designated on the form.
- Employees can also remain anonymous, if the Employee is not comfortable with any of the approaches outlined above and report issues or concerns directly to the Company's **EMPLOYEE HOTLINE** provider, outlined below.

1) Toll-Free Telephone:

Employee Hotline

- USA & Canada (English) **1-844-860-0004**
- USA & Canada (Spanish) 1-800-216-1288
- All Other Countries 1-800-603-2869

2) Website: www.lighthouse-services.com/petiq

3) Email: reports@lighthouse-services.com

The Employee Hotline is a service provided by an independent company for the purpose of reporting suspected violations. Reports submitted to the Employee Hotline are confidential and the Employee may remain anonymous. The report will be promptly investigated and appropriate action will be taken as necessary. Reports concerning accounting, internal controls, fraud, or audit matters will be reported to the Board of Directors in accordance with the procedures established by the Company for such purpose.

E. Non-Retaliation Policy

Retaliation against directors or Employees who raise concerns or questions about misconduct will not be tolerated. Any concerns regarding unethical or illegal behavior or potential non-compliance with laws, regulations or provisions of this Code, should be made in good faith. This means that a director, officer or Employee has made a genuine attempt to be truthful and accurate in the information reported. The Company reserves the right to discipline anyone who knowingly makes a false accusation. It is also important for co-workers to treat individuals who have raised concerns with respect and not isolate those individuals. Changes in treatment towards individuals who have raised concerns could be seen as a form of retaliation. If you feel that you have been retaliated against in violation of this Code, please follow the procedures for reporting suspected violations as noted above.

F. Confidentiality and Safeguarding of Information

During the course of employment with the Company, Employees may have access to or become aware of information about the Company, its customers, Employees or business partners (“Company Information”). Examples include:

- Sensitive business information such as marketing strategies, pricing policies, store development plans, and acquisition or disposition activities;
- Financial data, including sales reports, earnings reports, or estimates of financial performance;
- Business processes, inventions, designs, trade secrets, and other intellectual property;
- Product specifications, or product purchase or sales forecasts;
- Vendor information, such as procurement data or pricing policies;
- Information about customers, including customer lists, personally identifiable information, purchase history, credit or other financial information; and
- Information pertaining to Employees, such as wage and salary data, health records, family data, or other personally identifiable information, including social security numbers.

Company Information must be treated in a confidential manner and protected from unauthorized access, disclosure, reproduction, misappropriation or misuse, not only to protect the privacy of customers and Employees and the value of such information, but also to prevent breaches of agreements and violations of laws pertaining to data privacy, trade secrets, business practices, and securities trading. This Code is intended to alert Employees to the need for discretion at all times and is not intended to inhibit normal business communications.

Insider Trading

Insider trading may occur when you know material non-public information about any entity with which the Company has a business relationship, and you trade that entity’s securities, such as stocks or bonds, while in possession of that information or tell others about it before it is made public. Securities laws prohibit insider trading and prohibit any Employee from informing another person of any “material non-public” or “insider” information which has not been generally disclosed to the public (“tipping”). Circumstances suggesting the possibility of insider trading can result in an investigation by a stock exchange or by governmental authorities. Such an investigation could damage the Company’s brand and reputation and result in liabilities or penalties, including criminal charges and fines against the individual Employee.

We must scrupulously avoid using, sharing or disclosing material non-public information about any entity with which the Company does business. If in doubt, seek guidance from your manager.

The Company maintains an Insider Trading Policy which is applicable to all directors and Employees that governs trading in the Company's securities.

Employees and others engaged to perform services for the Company may collect and use Company Information only for authorized purposes. Steps should also be taken to adequately secure and safeguard Company Information, regardless of the format in which it is maintained. For example:

- Do not use, reproduce, misappropriate or disclose to any third party, any Company Information that you collect, generate, manipulate, receive, transmit or have access to;
- Lock offices, access areas, storage cabinets, files and desks that contain Company Information and never leave it unattended where it can be easily viewed or accessed by others;
- Store Company Information that resides on personal computers, personal data assistants, cell phones, memory cards or storage discs, in a secure manner and safeguard such items from loss, unauthorized access or theft;
- Follow Company procedures that restrict access to physical areas where its information systems or communications systems are located;
- When accessing the Company's information or communications systems, only use passwords that are created in accordance with Company guidelines, maintain the confidentiality of such passwords and follow related security controls and codes;
- Do not disclose Company Information to anyone other than on a "need to know basis," and only to those authorized by management to receive it in order to perform their job duties;
- Destroy or discard Company Information in secure disposal facilities after it is no longer needed, unless you are required to retain it pursuant to the Company's record retention policies or have been advised by the Legal Department to retain it for other reasons;
- Ensure that service providers who may have access to Company Information are bound by confidentiality agreements; and

- Be aware of and follow any privacy or other policy the Company publishes for its customers. Refer any inquiries by the media to Legal Department at legal@petiq.com

If Company information is inadvertently or wrongfully accessed or disclosed, the Company may have immediate obligations to notify customers or business partners of such access or disclosure, depending on applicable law or agreements. In the event Company Information is inadvertently or wrongfully accessed or disclosed, Employees and others engaged to perform services for the Company must immediately notify the Legal Department at legal@petiq.com immediately notify the Legal Department at legal@petiq.com.

F. Electronic Communication and Internet Use

The use of the Company's electronic systems, including computers, fax machines, and all forms of Internet/intranet access, is for company business and for authorized purposes only. Brief and occasional personal use of the electronic mail system or the Internet is acceptable as long as it is not excessive or inappropriate, occurs during personal time (lunch or other breaks), and does not result in expense or harm to the Company or otherwise violate this Code. Use is defined as "excessive" if it interferes with normal job functions, responsiveness, or the ability to perform daily job activities. Electronic communication should not be used to solicit or sell products or services that are unrelated to the Company's business; distract, intimidate, or harass coworkers or third parties; or disrupt the workplace.

The following guidelines have been established for using the Internet, Company-provided cell phones and e-mail in an appropriate, ethical, and professional manner:

- Internet, company-provided equipment (e.g., cell phone, laptops, and computers), and services may not be used for transmitting, retrieving, or storing any communications of a defamatory, discriminatory, harassing or pornographic nature.
- The following actions are not tolerated: using disparaging, abusive, profane or offensive language; creating, viewing or displaying materials that might adversely or negatively reflect upon the Company or be contrary to the Company's best interests; and engaging in any illegal activities, including piracy, cracking, extortion, blackmail, copyright infringement, and unauthorized access of any computers and company-provided equipment such as cell phones and laptops.
- Employees may not copy, retrieve, modify or forward copyrighted materials, except with permission or as a single copy to reference only.
- Employees must not use the system in a way that disrupts its use by others. Employees must not send or receive large files that could be saved/transferred via

thumb drives. Employees are prohibited from sending or receiving files that are not related to work.

- Employees should not open suspicious e-mails, pop-ups or downloads. Due to risk of viruses and malware, Employees should not download attachments from unrecognized sources. Contact IT with any questions or concerns to reduce the release of viruses or to contain viruses immediately.
- Employees must be aware that the electronic mail messages sent and received using Company equipment or Company-provided Internet access, including web-based messaging systems used with such systems or access, are **not private** and are subject to viewing, downloading, inspection, release, and archiving by Company officials at all times.
- No Employee may access another Employee's computer, computer files, or electronic mail messages without prior authorization from either the Employee or an appropriate Company official.
- The Company prohibits the use in the workplace of any type of camera phone, cell phone camera, digital camera, video camera, or other form of recording device to record the image or other personal information of another person, if such use would constitute a violation of a civil or criminal statute that protects the person's right to be free from harassment or from invasion of the person's right to privacy. Employees may take pictures and make recordings during non-working time in a way that does not violate such civil or criminal statutes. The Company reserves the right to report any illegal use of such devices to appropriate law enforcement authorities.

Privacy Expectations & Right to Monitor

The Company owns the rights to all data and files in any computer, network, or other information system used in the Company and to all data and files sent or received using any company system or using the Company's access to any computer network, to the extent that such rights are not superseded by applicable laws relating to intellectual property. Employees should NOT expect privacy in any information or activity conducted, sent, performed, or viewed on or with Company equipment or Internet access. Employees should assume that whatever they do, type, enter, send, receive, and view on Company electronic information systems is electronically stored and subject to inspection, monitoring, evaluation, and Company use at any time

The Company reserves the right to monitor electronic mail messages (including personal/private/instant messaging systems) and their content, as well as any and all use by Employees of the Internet and of computer equipment used to create, view, or access e-mail and Internet content. The Company has the right to inspect any and all files stored in private areas of the network or on individual computers or storage media in order to assure compliance with Company policies and state and federal laws. The Company

routinely monitors use of company-supplied technology. Inappropriate or illegal use or communications may be subject to disciplinary action up to and including termination of employment.

Social Media—Acceptable Use

Use of Social Media (i.e. Facebook, Twitter, LinkedIn) is discouraged unless these tools are necessary to fulfill work responsibilities. Below are guidelines for social media use:

- Employees may not post financial, confidential, sensitive, or proprietary information about the Company, clients, Employees, or applicants.
- Employees may not post obscenities, slurs, or personal attacks that can damage the reputation of the Company, clients, Employees, or applicants.
- When posting on social media sites, Employees must use the following disclaimer when discussing job-related matters, *“The opinions expressed on this site are my own and do not necessarily represent the views of Pet IQ, Inc.”*
- The Company may monitor content out on the Internet. Policy violations may result in discipline up to and including termination of employment.

Solicitations, Distributions and Posting of Materials

The Company prohibits the solicitation, distribution, and posting of materials on or at Company property by any Employee or nonemployee, except as may be permitted by this Code. The sole exceptions to this Code are charitable and community activities supported by the Company management and company- sponsored programs related to the Company’s products and services.

Provisions:

- Nonemployees may not solicit Employees or distribute literature of any kind on company premises at any time.
- Employees may only admit nonemployees to work areas with management approval or as part of a company-sponsored program. These visits should not disrupt workflow. An Employee must accompany the nonemployee at all times. Former employees are not permitted onto company property except for official company business.
- Employees may not solicit other Employees during work times, except in connection with a company-approved or sponsored event. company-approved or sponsored event.
- Employees may not distribute literature of any kind during work times or in any work area at any time, except in connection with a company-sponsored event.

- The posting of materials or electronic announcements are permitted with approval from Human Resources Department. Violations of this Code should be reported to Human Resources Department.

II. Conflicts of Interest

A. Relatives and Friends

Relative is defined as a spouse, parent, sibling, grandparent, child, grandchild, mother- or father-in-law, or same or opposite sex domestic partner. Any family member who lives with you, who is otherwise financially dependent on you, or whom you are financially dependent, are also included in this definition. It is the Employee's responsibility to ensure that one's personal relationships with family and friends do not create a conflict of interest, or appear to create a conflict, with your responsibilities for the Company.

In some instances an Employee may have associated parties that are employed by or invest in vendors or business partners, including suppliers or customers engaged in business with the Company. These situations do not create a conflict unless:

- The Employee deals directly or indirectly with any of these companies as part of the Employee's job responsibilities with the Company; or
- The associated party to the Employee deals directly or indirectly with the Company on behalf of the other company.

Employees may have friends who are employed by, or have ownership interests in, vendors or business partners of the Company. It is the Employee's responsibility to ensure that such a friendship does not affect, or appear to affect, his or her dealings on behalf of the Company. Additionally, personal relationships at work must not influence one's ability to act in the best interest of the Company.

B. Financial Investments

It is the Employee's responsibility to ensure that personal financial activities do not conflict with the responsibilities for the Company. Below are a few examples for the Employee and your immediate family to avoid:

- Direct or indirect interest in any transaction or business arrangement to which the Company may be a party, including but not limited to:
 - Any customer, supplier or competitor of the Company, other than nominal amounts of stock in publicly traded or private companies not exceeding one-tenth of one percent (0.1%) of such company; or
 - Any real estate or other property leased by or to the Company;

- Receiving personal compensation from a third party (i.e. supplier, customer, etc) if you have a direct or indirect involvement in our business with that third party;
- Taking advantage of or diverting a business opportunity for the Company to yourself or any relatives (as defined above) that could be reasonably anticipated to benefit the Company or that the Company might have an interest in pursuing; and
- Using confidential company information for personal benefit.

C. Outside Employment

Employees should avoid employment or outside interest that may create, or appear to create a conflict of interest with the Company. Employees should refrain from:

- Engaging in any outside business activity that competes with any of the Company's businesses;
- Engaging in any outside business activity that directly or indirectly provides goods or services to the Company;
- Providing services to a competitor, customer or supplier through any form of an employment or consulting arrangement; and
- Engaging in any outside business activity that is so substantial as to call into question the ability to devote appropriate time and attention to Employee job responsibilities.

D. Membership on Boards, Public Commissions and Trade Associations

Outside directorships or memberships on the governing bodies of companies, public commissions or trade employees must be monitored so that the possibility of any conflict of interest or violation of the federal antitrust laws can be evaluated. This Code sets forth the procedures Employees must follow before accepting a position on the board of directors or governing body of, any corporation, public commission, or trade association.

Prior to agreeing to serve as a director, trustee, partner or employee, with or without compensation, of any corporation, partnership or the governing body of any public commission or trade association, the Employee must obtain the clearance of the Legal Department at legal@petiq.com to ensure that the acceptance of such position will not create a conflict of interest with duties as an Employee of the Company or violate the provisions of any antitrust laws. Please contact the Legal Department at legal@petiq.com.

For an officer of the Company, prior to accepting a position on the board of directors of a for-profit corporation, the officer must first obtain the approval of the Chief Executive Officer. If the Chief Executive Officer is offered such a position, he or she must first obtain the approval of the Company's Board of Directors before accepting the position. All existing directorships, trusteeships, partnerships, or employment relationships (except in not-for-profit corporations or other charitable institutions without compensation) must be reported to the Company. These provisions do not pertain to memberships on the boards of non-profit entities engaged in businesses that are unrelated to the business of the Company.

E. Gifts, Meals & Entertainment

Accepting gifts and entertainment can cause a conflict, or the appearance of a conflict between professional responsibilities and personal interests and benefits. Employees are expected to conduct themselves with integrity and maintain impartial relationships with our customers, vendors, suppliers, contractors, consultants and other persons doing or seeking to do business with the Company ("Third Party Business Partners"). Accepting a meal or entertainment is unacceptable if it is given with the intent to influence you to make a business decision based on something other than service, quality or price. Remember, it is important to avoid even the appearance of partiality or improper influence. As a result, Employees may not accept business gifts, favors or benefits, including meals and entertainment, except in the limited circumstances as further described below.

Gifts and Personal Benefit

Employees should never accept, request or solicit gifts, gratuities, favors or any form of personal benefit from Third Party Business Partners. Examples include:

- Bottle of wine, iPad, sporting/entertainment event tickets for an event the Third Party Business Partner does not attend;
- Cash or cash equivalents (including gift cards), loans, extensions of credit, commissions, shares of stock or stock options, or other forms of payment or financial consideration, regardless of amount;
- Services or labor that are provided at no cost or at prices that are less than their fair value, such as auto repairs or home improvements; and
- Personal travel accommodations, including aircraft or other forms of transportation, or lodging accommodations such as the use of a vacation property.

Promotional items (such as pens, coffee mugs, calendars, or t-shirts) that display the vendors' logo or name and have a value less than \$35 may be accepted on an infrequent basis. A gift that does not fall within the promotional item exception must be turned over to department supervisor for donation to charity. Department supervisors are

responsible to ensure such gifts are promptly donated to a recognized charity. If the gift is immediately perishable and impractical to donate to charity, it may be kept but must be shared with other Employees.

Meals and Entertainment

Employees may accept business entertainment (e.g. meals, round of golf, tickets to the theatre or a sporting event) offered for legitimate business purposes such as building goodwill and enhancing relationships with Third Party Business Partners provided that it complies with these requirements:

- Unsolicited
- Infrequent
- Valued at \$100 or less. Employees must get pre-approval from the CFO for any meals or entertainment which has a value in excess of \$100. Approval should be granted only if the meal or entertainment is unsolicited, infrequent, and there is a clear business benefit.
- Reasonably related to a legitimate business purpose (e.g. accompanying a customer or supplier to a local theatre/sporting event or attending a business meal)
- In good taste and occurs at a business appropriate venue.
- Attended by both the giver and recipient.

Contests/Prizes

Employees attending an event sponsored by a Third Party Business Partner or industry organization, such as a trade show, convention or charity event, may not participate in random drawings, contests or skill based events and may not accept any gift provided to attendees. Modest product samples for immediate consumption may be accepted.

III. Integrity with Others

A. Antitrust Laws & Fair Trade Practices

Federal and state antitrust laws generally forbid all agreements or implied understandings between competitors to fix or manipulate the price at which they sell products or services to others, or to allocate territories or customers for the sale of products or services. Other federal and state laws prohibit the use of unfair business practices when conducting business. The purpose of this Code is to identify certain activities that may violate these laws and steps that may be taken to minimize possible violations.

All directors, Employees and persons acting on behalf of the Company must strictly adhere to federal and state antitrust laws as well as those pertaining to fair trade practices, both domestically and internationally. Various activities prohibited by such laws include:

- Imposing restrictions as to whom, where or at what price customers may resell products;
- Bid rigging or collusion;
- Agreeing with a competitor(s) to allocate customers or markets;
- Agreeing with a competitor(s) to boycott suppliers or customers;
- Disparaging competitors;
- Making false or misleading statements regarding products or services;
- Stealing trade secrets or misappropriating confidential information; and
- Providing and/or accepting bribes or kickbacks.

These shorthand descriptions are intended to suggest possible problem areas. The laws applicable to this area reach informal and oral arrangements or understandings, as well as those set forth in writing. Employees should refrain from engaging in any of the types of conduct listed above.

B. Communications with Competitors

Particular attention must be paid to communications with competitors. The following types of communications with a competitor may raise serious antitrust implications and are expressly prohibited:

- Communications regarding the terms under which goods will be sold to customers, including not only the price at which such goods may be sold, but also other issues that affect the wholesale cost of goods, overhead, or retail prices (e.g., delivery charges, finance charges, couponing and advertising plans, discounts, credit terms, shipping and/or inventory allowances, and shelf space payments/slotting allowances);
- Communications regarding the allocation (or splitting or sharing) of markets or customers;
- Communications regarding the treatment of vendors in any manner, or boycotting a vendor;
- Communications relating to price fixing;
- Communications regarding a specific vendor or customer (except those between Company pharmacists and pharmacists employed by competitors as permitted or mandated by law); and
- Communications regarding service aspects (e.g., appropriate holiday hours for stores).

Prohibited communications may take many forms including but not limited to, meetings, brief encounters, chance meetings that are not intended (e.g. “I ran into them on the street”), social occasions, telephone conversations, emails, faxes, and written correspondence. If any of the communications described above occur, disclose them immediately to the Legal Department (legal@petiq.com).

Employees are cautioned to avoid even seemingly innocent contacts with competitors on the topics described above and to leave any area in which such

discussions take place, whether at trade association meetings or otherwise. There must be a specific, legitimate purpose for each contact with a competitor.

The types of conduct discussed above do not cover every potential antitrust or anti-competitive violation. In some instances, some of the conduct discussed above is legal; for instance, contact with competitors is appropriate for the purpose of collective bargaining. Employees must consult with the Legal Department if there is a question about a contact with a competitor.

C. Anti-Bribery and Foreign Corrupt Practices Act

The United States (through the Foreign Corrupt Practices Act (“FCPA”)) and many foreign governments, through their respective anti-bribery laws, make it illegal to offer or provide, directly or through a 3rd party, anything of value to a foreign government official in order to influence an act, or decision to obtain, retain and/or direct business or to secure an improper advantage of any kind.

The Company strictly prohibits all directors and Employees from giving, offering, promising or paying anything of value to government officials directly or indirectly with the purpose of obtaining or retaining business or otherwise securing an improper advantage. All directors and Employees must take reasonable steps to ensure that business partners and other third-parties understand that the Company expects them to act with the same level of honesty and integrity in any activity engaged in for or on behalf of the Company.

The FCPA contains an exception for “facilitation payments”, which are small amounts paid to secure the performance of routine government actions. No facilitation payments may be made by anyone in the Company without prior written approval from the Legal Department.

The Company may also be responsible for the actions of those acting on our behalf. It is therefore important to select those persons and entities carefully and to ensure that they are properly monitored while doing business for us.

D. International Business and Operations

The Company is committed to applying uniformly high standards of ethics and business conduct in every country in which it operates, and in every business relationship or affiliation it has worldwide, and of course, in compliance with the law. When conducting business outside the United States, the Company will be guided both by the laws and regulations of the United States and the laws and regulations of the countries within which it does business. In some circumstances that will mean that the Company is subject to different rules and will have to do business somewhat differently from country to country. Additionally, laws may be in conflict and therefore, in such circumstances, legal advice must be sought.

There are many United States laws and regulations that apply to activities outside the boundaries of the United States. For example, the Foreign Corrupt Practices Act prohibits U.S. companies from making improper payments or gifts to foreign government officials, politicians, or political parties. In addition, the United States prohibits companies from doing business with certain countries and entities. While the details of each such trade embargo may differ, U.S. companies may not directly or indirectly export or import goods, technology, or services to or from embargoed countries. Similarly, financial transactions with embargoed countries and all dealings with citizens of such countries are generally prohibited. The list of countries and entities covered changes periodically, as do the details of the embargo for each country.

As an Employee, it is important to be familiar with the various trade rules and regulations that may be applicable, in relation to your job responsibilities. To aid in ensuring compliance with applicable laws regulations the following are key considerations to keep in mind:

- Enhance awareness of all regulatory requirements, relevant to the countries we are conducting business with before attempting to import or export merchandise;
- Ensure documentation required is accurate and complete; and
- Ensure internal controls are adequately designed and operating effectively to ensure compliance with all regulatory requirements including the retention of necessary documentation.

Employee may not be familiar with the laws or regulations of the United States or other countries that apply when conducting business on behalf of the Company outside of the boundaries of the United States. Therefore, when such a situation arises, Employees should always seek the advice of legal counsel to ensure that there is compliance and there are no violations of the laws of the United States or any other country. Before conducting business outside of the United States, seek advice by contacting the Legal Department at legal@petiq.com.

E. Government Investigations & Political Involvement

It is the Company's policy to cooperate with government investigations and give government investigators the full measure of assistance to which they are entitled, consistent with the safeguards that the law has established for the benefit of persons under investigation. Notwithstanding, such persons should have the opportunity to be adequately represented in such investigations by legal counsel. This Code sets forth the standards Employees should follow if the Employee is contacted by a government investigator or law enforcement official.

If a government investigator or agency contacts you seeking information or access to the Company's records or facilities, politely inform the investigator or agency that the Company's policy is generally one of cooperation, but that you must obtain clearance from the Legal Department before furnishing such information or access, unless management has established written policies relating to the agency and type of inspection

that is being requested (e.g. OSHA). Exceptions to this Code may exist for certain groups of Employees, such as those in the Company's distribution facilities, who may allow government inspectors to review routine records (receiving and shipping documents) without obtaining permission from the Legal Department. Check with the supervisor to see if there are any specific requirements applicable to the work area.

If Employees are approached at home or at work by a government regulatory official or law enforcement officer investigating the Company, its operations or business practices, the Employee can insist that any interview take place at an office or another location away from the Employee's home. Employees should also know that no government official or law enforcement officer can require the Employee to give information without the opportunity to consult with an attorney in the Legal Department or with personal legal counsel.

Under no circumstances should an Employee lie or make any misleading statements to any government investigator or law enforcement official, attempt or cause any other Employee or any other person to fail to provide information to any government investigator, or provide any false or misleading information.

If an Employee obtains information that would lead the Employee to believe that a government investigation is underway, or if you are contacted by any government regulatory or law enforcement official regarding the Company, please contact the Legal Department at legal@petiq.com.

Participation in the political process outside of work is encouraged. However, any personal contributions in support of political activities are not eligible for Company reimbursement, unless required by law. Corporate funds shall not be provided to political candidates, entities, or organizations without the express knowledge and written consent of the Legal Department. It is inappropriate for Employees to utilize a job title or company affiliation in connection with personal political activities, unless information is required by law.

G. Applicable Food & Drug Laws

The Company is committed to ensuring that its customers are offered a line of healthy treats, Rx items, supplements, flea and tick treatments, and other products for dogs and cats that are produced with unique technology that maximizes product safety while making every effort to comply with all applicable pet food and drug laws. It is imperative that Employees follow all statutes and regulations governing the handling, safe shipping, advertising or labeling of food items, food quality and food safety.

Under no circumstances should an Employee knowingly engage in the sale or distribution of any food or drug item that is contaminated or mislabeled. In addition, Employees should not knowingly market or sell any drug that has not received approval from the federal Food and Drug Administration.

Employees are required to report to management any knowledge of products that do not comply with applicable FDA, USDA, or EPA regulations as well as violations of food safety standards, suspected tampering, or other suspicious activity. Specific policies relating to the handling and preparation of products, as well as the handling and dispensing of drugs have been adopted by the Company. These policies apply to those Employees who work in areas where such tasks are performed and are available from their supervisors or representatives within the Human Resources Department. If you work in an area that involves the handling or preparation of food items or the dispensing of drugs, you are expected to be aware of such policies and to fully understand and comply with them.

G. Environment

The Company is committed to protecting and promoting the health and well-being of the environment. This means operating its facilities in compliance with pertinent environmental regulations, minimizing environmental risk within its portfolio of properties, and embracing a culture of sustainable operations. The Company will strive to comply with all applicable environmental laws, as well as, internally established environmental requirements in an effort to conserve natural resources and manage its business in ways that are respectful to the environment.

Any written complaints, concerns, ideas and/or inquiries from Employees, customers or regulatory agencies (e.g., the Environmental Protection Agency), whether formal or informal, must be reported immediately to the Legal Department at legal@petiq.com. Employees should also contact the Legal Department if there are any questions regarding proper handling of hazardous or other potential environmentally sensitive materials.

Effective: July 26, 2017