



## Petco Health and Wellness Company, Inc.

### Compensation Committee Charter

**1. Members.** Subject to the rights granted to the Principal Stockholder (as defined in the Company's Certificate of Incorporation, as amended and/or restated from time to time, the "Certificate of Incorporation") under the Stockholder's Agreement (as defined in the Certificate of Incorporation), the Board of Directors (the "Board") of Petco Health and Wellness Company, Inc. (the "Company") appoints a Compensation Committee of at least three members and designates one member as chairperson or delegates the authority to designate a chairperson to the Compensation Committee. Members of the Compensation Committee are appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee. As a controlled company, the Company will rely on the exemption from the Nasdaq Global Select Market LLC ("Nasdaq") requirement of having a compensation committee composed entirely of independent directors. From and after such time as the Company ceases to qualify as a "controlled company" under the Nasdaq rules, each member of the Compensation Committee will satisfy the applicable Nasdaq director independence requirements, subject to the transition rules and exceptions applicable to a company listed on Nasdaq. For purposes hereof, an "independent" director is a director who meets the Nasdaq standards of "independence" for directors and compensation committee members, as determined by the Board. Additionally, from and after such time as the Company ceases to qualify as a "controlled company" and following the applicable Nasdaq transition rules, at least two members of the Compensation Committee must qualify as "non-employee directors" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended ("Rule 16b-3"). A subsequent determination that any member of the Compensation Committee does not qualify as a "non-employee director" will not invalidate any previous actions by the Compensation Committee except to the extent required by law or determined appropriate to satisfy regulatory standards.

**2. Purpose, Duties, and Responsibilities.** The purpose of the Compensation Committee is to assist the Board in discharging its responsibilities relating to compensation of the Company's executive officers and directors. Among its specific duties and responsibilities, the Compensation Committee will:

(a) Oversee the Company's overall compensation philosophy, policies and programs, and assess whether the Company's compensation philosophy establishes appropriate incentives for management and employees.

(b) Assess the results of the Company's most recent advisory vote on executive compensation.

(c) Review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer ("CEO"), evaluate the CEO's performance in light of those goals and objectives, set the CEO's compensation level based on this evaluation, and determine and approve the equity and equity-based incentives (subject to Section 2(e) below), annual salary, bonus, and other benefits, direct and indirect, of the CEO. The CEO may not be present during voting or deliberations on his or her compensation.

(d) In conjunction with the CEO, annually evaluate the compensation (and performance relative to compensation) of other executive officers, set the compensation levels of such other executive officers based upon the recommendation of the CEO, and review and approve the equity and equity-based incentives (subject to Section 2(e) below), annual salary, bonus, and other benefits, direct and indirect, of the executive officers other than the CEO.





(e) Approve the terms and grants of equity awards for executive officers, including the CEO; provided, however, that if at any time the Compensation Committee does not consist entirely of “non-employee directors” for purposes of Rule 16b-3, then the Compensation Committee shall recommend such grants of equity awards for executive officers, including the CEO, (i) to the full Board for approval or (ii) if at least two members of the Compensation Committee are “non-employee directors” for purposes of Rule 16b-3, to a subcommittee of the Compensation Committee made up exclusively of “non-employee directors” for purposes of Rule 16b-3.

(f) Review and recommend to the Board the adoption and/or amendment of the Company’s equity-based compensation plans, and administer and implement such plans in accordance with their terms or oversee the activities of the individuals responsible for administering those plans, as applicable.

(g) Review and approve (or, if subject to approval of the Board in accordance with its terms, recommend to the Board) the adoption and/or amendment of the Company’s other incentive compensation and benefit plans as appropriate, and administer and implement such other incentive compensation plans in accordance with their terms (including approving the payment of cash bonuses under such plans) or oversee the activities of the individuals responsible for administering those plans, as applicable.

(h) Review and approve the design of other benefit plans exclusively pertaining to executive officers.

(i) Review and recommend to the Board employment and severance arrangements for executive officers, including employment agreements and change-in-control provisions, plans or agreements.

(j) Review and discuss with management the Company’s Compensation Discussion and Analysis (“CD&A”) and related disclosures that Securities and Exchange Commission (“SEC”) rules require be included in the Company’s annual report and proxy statement, recommend to the Board based on the review and discussions whether the CD&A should be included in the annual report and proxy statement, and oversee preparation of the compensation committee report required by SEC rules for inclusion in the Company’s annual report and proxy statement.

(k) Periodically review compliance by executive officers and directors with the Company’s stock ownership guidelines.

(l) Periodically review the form and amount of compensation of directors for service on the Board and its committees and recommend changes in compensation to the Board as appropriate.

(m) Oversee succession planning for positions held by senior management, including the CEO, and review succession planning and management development at least annually with the Board, including recommendations and evaluations of potential successors to fill these positions.

(n) Oversee the assessment of the risks related to the Company’s compensation policies and programs applicable to officers and employees, and report to the Board on the results of this assessment.

(o) At least annually, assess whether the work of compensation consultants involved in determining or recommending executive or director compensation has raised any conflict of interest that is required to be disclosed in the Company’s annual report and proxy statement.

(p) Support the Company’s engagement efforts with stockholders on the subject of executive compensation.





(q) Oversee the administration of the Company's clawback policy, and review and recommend changes in the policy to the Board from time to time as appropriate.

(r) Oversee the Company's strategies and policies related to human capital management, including with respect to matters such as diversity and inclusion, workplace environment and culture, and talent development and retention.

(s) Annually evaluate the performance of the Compensation Committee and the adequacy of the Compensation Committee's charter and recommend changes to the Compensation Committee's charter to the Board as appropriate.

**3. Delegation.** The Compensation Committee may delegate its authority to one or more subcommittees, members of the Board, the Chairman of the Compensation Committee or officers of the Company, to the extent permitted by law or applicable plan documents, when it deems appropriate and in the best interests of the Company.

**4. Outside Advisers.** The Compensation Committee will have the authority, in its sole discretion, to retain or obtain the advice of such consultants, outside counsel and other advisers as it determines appropriate to assist it in the full performance of its functions, including any compensation consultant used to assist in the evaluation of director, CEO or executive compensation. The Compensation Committee will be directly responsible for the appointment, compensation and oversight of the work of any consultants, outside counsel and other advisers retained by the Compensation Committee, and will receive appropriate funding, as determined by the Compensation Committee, from the Company for payment of compensation to any such advisers. The Compensation Committee will assess the independence of consultants, outside counsel and other advisers (whether retained by the Compensation Committee or management) that provide advice to the Compensation Committee, prior to selecting or receiving advice from them, in accordance with Nasdaq listing standards.

**5. Meetings.** The Compensation Committee will meet as often as may be deemed necessary or appropriate, in its judgment, and at such times and places as the Compensation Committee or its chairperson determines. The majority of the members of the Compensation Committee constitutes a quorum. The Compensation Committee will report regularly to the full Board with respect to its activities.

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