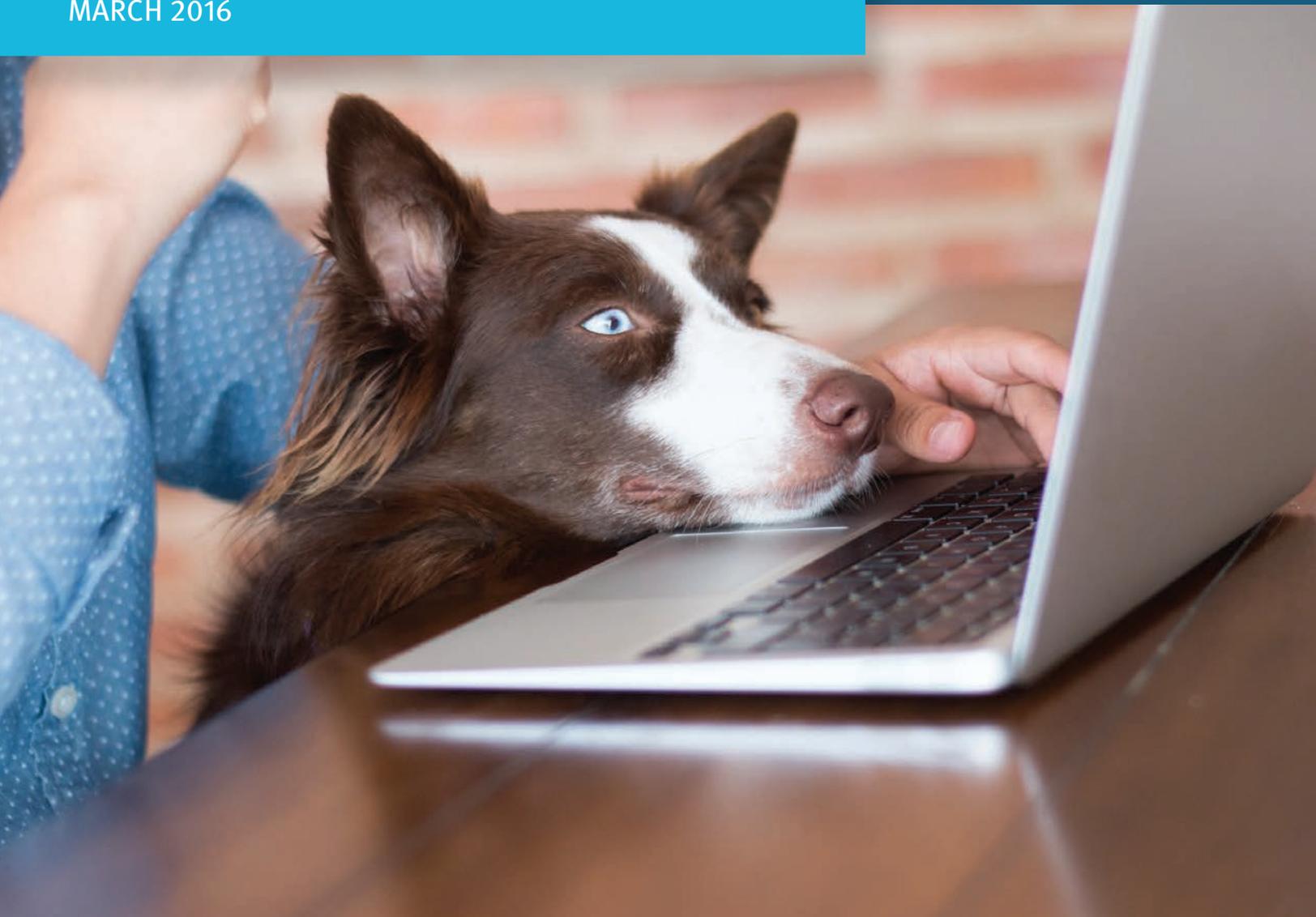


BANFIELD PET HOSPITAL

PET-FRIENDLY WORKPLACE
PAWROMETER™

MARCH 2016



OVERVIEW

The first-of-its-kind Banfield Pet Hospital “Pet-Friendly Workplace PAWrometer™” (pets at work barometer) surveyed 1,006 employees and 200 Human Resource decision makers (HR DMs) from a mix of company sizes and industries across the U.S. in early 2016. We explored the prevalence, impact and perceptions of pet-friendly workplaces as it relates to employees and company culture.

Overwhelmingly, responses indicate that pet-friendly workplaces are viewed as highly positive, boosting morale, contributing to talent retention and providing employers with a competitive edge in the recruitment process. Survey respondents even report that they believe more people would adopt pets if their companies offered pet-friendly office policies. Importantly, even when companies take advantage of these benefits by allowing pets in the workplace, the majority have not formalized an official pet-friendly workplace policy.

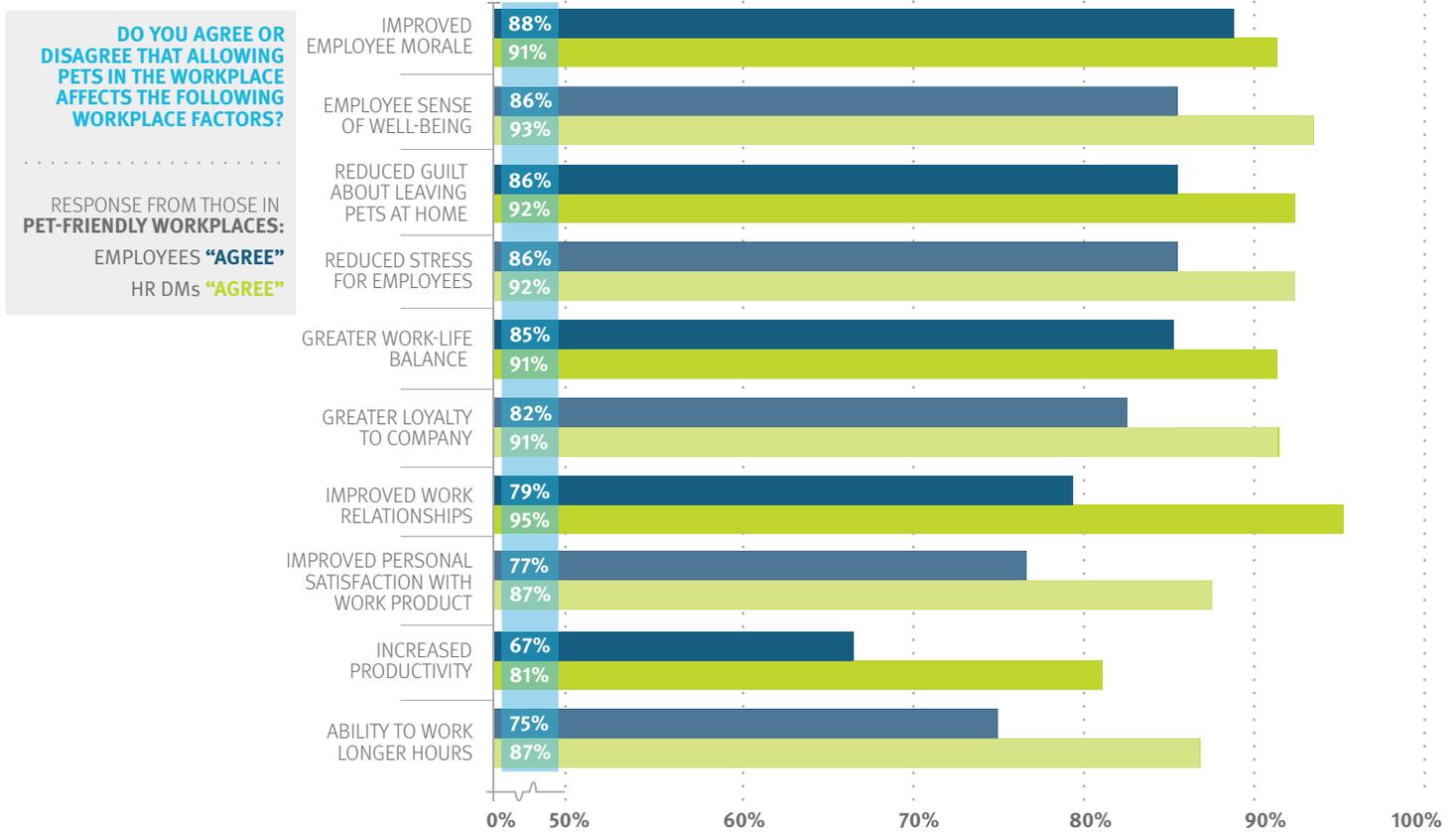
At Banfield, we know first hand the important role pets play in our lives, including for the associates at our own pet-friendly headquarters. We hope this research will broaden the conversation around pet-friendly workplaces and add further momentum to this movement.



KEY FINDINGS

PETS IN THE WORKPLACE ARE SEEN AS A POSITIVE BOOST TO MORALE

The impacts of a pet-friendly office on employee morale and workplace dynamics are largely seen as positive, with seven out of 10 employees and HR decision makers reporting as such, even if their offices do not currently allow pets. In pet-friendly offices, both employees and HR decision makers overwhelmingly agree that allowing pets in the workplace has improved several factors, including reduced stress, greater work-life balance, increased productivity and morale, and decreased guilt over leaving pets at home. Further, nine out of 10 HR decision makers at pet-friendly companies say that both employees and executives view the policies positively.



PET-FRIENDLY WORKPLACE POLICIES DIRECTLY CONTRIBUTE TO EMPLOYEE RETENTION & RECRUITING EFFORTS

Companies that implement pet-friendly workplace policies also stand to benefit from a talent perspective. Pet-friendly companies are more likely to retain talent, with 82 percent of employees and 91 percent of HR decision makers saying that they feel a greater sense of loyalty to employers as a result of pet-friendly workplace policies. At companies without a pet-friendly workplace policy, more than half of employees and nearly two-thirds of HR decision makers say that they would be more likely to continue working for their company if it were to implement a pet-friendly workplace policy.

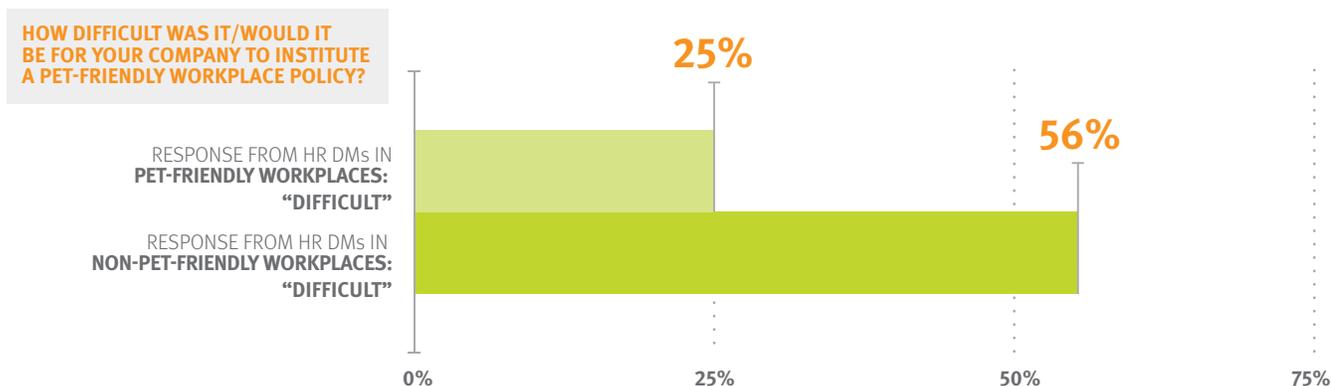
Pet-friendly workplace policies were shown to not only help companies retain current employees, but to help them attract new hires as well. Two out of three HR decision makers at pet-friendly companies say that potential candidates often inquire about pet-friendly workplace policies during the application and interview process. Further, nearly 80 percent of HR decision makers said that they often proactively discuss pet-friendly workplace policies as a potential benefit to boost recruitment.



HALF OF ALL PET-FRIENDLY WORKPLACES DO NOT HAVE A FORMAL PET POLICY; NON-PET-FRIENDLY EMPLOYERS HAVE CONCERNS ABOUT BECOMING PET-FRIENDLY

Employees and HR decision makers were asked if their companies allowed pets in their offices, and if there was a formal company policy that allowed them to do so. While more than one in five employees and HR decision makers report that their employers allow them to bring pets into the office setting, less than nine percent of employees and 13 percent of HR decision makers indicate that their company has implemented a formal pet-friendly workplace policy.

While HR decision makers at non-pet-friendly companies agree that a pet-friendly workplace policy would ultimately benefit their company, some acknowledge implementing a policy could be challenging. Some HR decision makers say they are hesitant about implementing a pet-friendly workplace policy, with approximately half saying they are concerned about distractions and complaints from employees, and seven out of 10 citing concerns about health or allergy-related issues. Difficulty with implementation is also a concern, as roughly half believe that it would be difficult to institute such a policy. However, as a balance to these concerns, three-quarters of HR decision makers who have already implemented a policy say that the process to implement a pet-friendly workplace policy was not difficult. Further, half of non-pet-friendly HR decision makers believe they could implement a new pet-friendly workplace policy in less than a year.

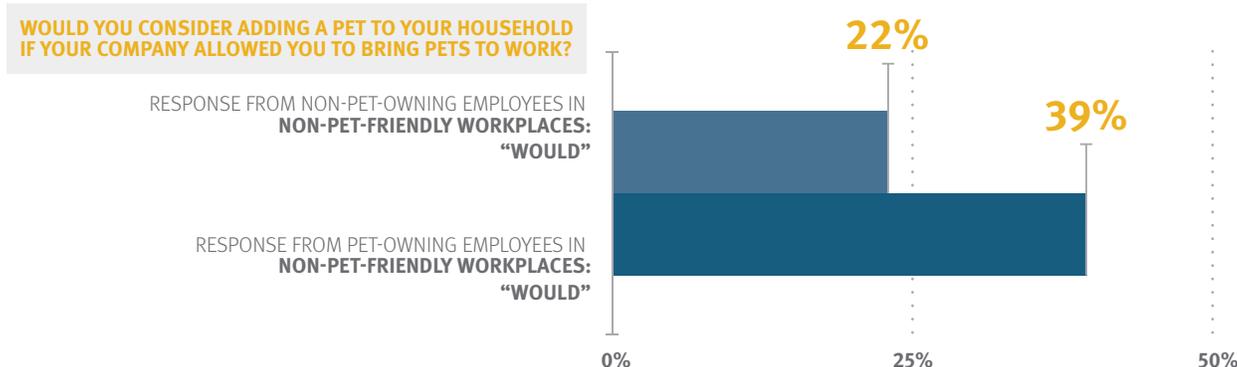


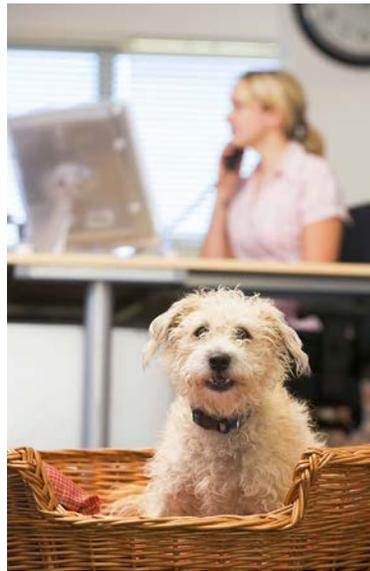
PET INSURANCE TOPS THE WISH LIST FOR PET-FRIENDLY OFFICE AMENITIES

When asked about which pet-related benefits employees and HR decision makers at non-pet-friendly workplaces wish were provided, about three in 10 replied with broad responses including food/water bowls, treats and toys—amenities that roughly 40 percent of pet-friendly workplaces already offer. In terms of true wish list amenities, pet insurance tops the list for employees at both pet-friendly and non-pet-friendly companies, with 23 percent and 38 percent wishing it were offered, respectively.

MORE PEOPLE WOULD GET A NEW OR ADDITIONAL PET IF THEIR COMPANIES OFFERED PET-FRIENDLY WORKPLACE POLICIES

Pet-friendly workplace policies also have an impact on pet ownership. Looking at employees that do not currently own a pet, 40 percent say it is because there is not enough time to spend with them, and 21 percent cite long work hours. However, if their companies were to allow pets in the office, 22 percent of non-pet owners say they would consider getting a pet, and 39 percent of current pet owners would consider getting an additional pet. Overall, the majority of both employees (60%) and HR decision makers (64%) at pet-friendly and non-pet-friendly workplaces believe that more people would adopt pets if their companies offered pet-friendly workplace policies.





ADDITIONAL FINDINGS

- Dogs are the most common type of pet in pet-friendly workplaces, with **more than 95 percent** of employees and HR decision makers saying they are allowed at work. Cats are less acceptable in pet-friendly offices, with **only 46 percent** of employees and **65 percent** of HR decision makers saying they are allowed.
- **Two-thirds** of employees and **three-fourths** of HR decision makers from pet-friendly workplaces report that their office allows pets at any time during business or non-business hours. About **one in five** have specified days or times when pets are allowed in the office, and **less than 10 percent** only allow pets during non-business hours.
- HR decision makers take advantage of pet-friendly workplace policies more often than employees, with **75 percent** saying they bring their pets to the office on a weekly basis, compared to only **42 percent** of employees.
- When asked what percent of employees utilize the pet-friendly workplace policies on a regular basis, **70 percent** of HR decision makers said that **less than half** took advantage of the policy—**only one-quarter** said **50 percent or more** participated.
- HR decision makers at both pet-friendly and non-pet-friendly workplaces are noticing a rise in interest among employees about bringing their pets to work, with **60 percent** agreeing that more employees would like to participate.

METHODOLOGY

The Banfield Pet-Friendly Workplace PAWrometer™ surveyed **1,006 employees** and **200 HR decision makers** from a mix of company sizes and industries across the U.S. from Jan. 19 to Feb. 2, 2016. The survey was administered online and all respondents were recruited from an online research panel and screened to ensure they meet the following criteria:

HR DECISION MAKERS: U.S. adults age 18 or older who work in an office environment at least three days per week, have a director/vice president level or above job title, and are responsible for decisions on HR policy and benefits for their company.

EMPLOYEES: U.S. adults age 18 or older that work in an office environment at least three days per week.

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