



trupanion™

Medical insurance for the life of your pet.

# 2022 Corporate Social Responsibility Report



**At Trupanion, we're on a mission to help loving, responsible pet owners budget and care for their pets.**





# A letter from our President, Margi Tooth

**Trupanion is a mission-driven company. We aspire to help pet parents budget and care for their pets.**

Such a heartfelt mission demands a natural sense of social responsibility. We know firsthand that a pet's love is unconditional, and we aspire to protect such unfettered devotion every day by directly supporting our members, team members, veterinarians, and partners. This common purpose cascades through everything we do as an organization and, more importantly, as part of a community. We understand that our role is critical to not only help create a better, healthier, and more sustainable world for today, but for long into the future.

We expanded our global footprint extensively in 2022, including adding teams in Europe. Our broadened geography led us to step forward in our view of social responsibility, widening our lens on the world we support — a world recovering from a global pandemic while dealing with social injustice, climate change, and war. The physical and mental wellbeing of our people, our pets, and our planet has never been more critical.

In this Corporate Social Responsibility Report, you will read about how we have continued to focus on what's most critical to us today: the health and wellbeing of the pets and people we love, the wellness of the planet, and the impact our small but mighty team can have when the health and happiness of humans and animals alike are put at risk. We aspire to create a sustainable world where people can be themselves without prejudice. We are not political but we are human, and at Trupanion we believe compassion, empathy, and equality are the basic tenets of our existence today.



**I am humbled and inspired by our team and our broader community. We are only getting started on our journey together.**



Our pets sleep in our beds, they provide comfort during times of need and they encourage us to be our best self. We will continue to use this as a daily reminder to do better.

I am proud to report on our progress in 2022 specifically related to:

- Our impact in changing the pet health paradigm and our expanded reach across North America, Australia, and more recently, Europe. Now located across the world, we are welcoming team members with their health, inclusivity, and wellbeing as paramount to our business.
- The role we play in the veterinary community and our leadership position to help bring more support to a profession under immense pressure and burnout. We know this cannot continue, and our team has been unwavering in bringing to life real-time support and care to this heroic industry.
- Expanding our footprint and growing our team the right way. With this in mind, we're dedicated to global sustainability as well. We are eager to share what we have achieved in 2022 and our goals for the year ahead.

Finally, in the past year we are reminded that, although small, our collective impact can be great. Our Paws For Ukraine campaign demonstrates that through our members, team members, and partners, we were able to be part of a mission to ensure that pets in war-torn Ukraine were reunited with their families and able to receive veterinary care. It is times like these that we are reminded how devoted our four-legged companions are.

I am humbled and inspired by our team and our broader community. While we have achieved so much more than we would have imagined in 2022, we are only getting started on this journey. We look forward to sharing more updates with you in the years ahead.

Our pets sleep on our beds, they provide comfort during times of need, and encourage us to be our best selves. We will continue to use this daily reminder to do better, as this well-used phrase best explains:

**I aspire to be the person my dog thinks I am.**

No truer words spoken are more relevant to Team Trupanion. We have a lot to do!

Warmly,  
Margi

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# Introduction

A young woman with a black cap and blue hoodie is working on a project at a desk. She is holding a pen and looking at a dog. The dog is looking at her. On the desk, there is a soldering iron, a box of components, and a roll of blue tape. The scene is lit with warm, low-key lighting.





# How this report was developed

At Trupanion, we don't just report on corporate social responsibility, we live it. From who we are — pet passionate individuals spanning around the world — to what we do — improving pet health outcomes by increasing access to care — we celebrate and honor our role in corporate citizenship.

In this report, you'll find important updates on matters of Corporate Social Responsibility. This includes our efforts focused on diversity, equity and inclusion, team member education and development, veterinary support, environmental responsibility, risk management, and corporate governance. This year's report also details the actions we have taken to better understand our growing, diverse team as well

as our environmental footprint, including the results of a third-party carbon footprint assessment.

This report includes a disclosure index in line with industry-specific Sustainability Accounting Standards Board (SASB) guidelines. The discussion and data points in this report cover the calendar year 2022, unless otherwise noted.

At Trupanion, we believe in the power of transparency, authenticity, and ingenuity. It is with this lens that we proudly share our work towards corporate citizenship.



# Sustainability at Trupanion

Trupanion's Corporate Communications Team is responsible for the creation of our 2022 Corporate Social Responsibility Report. The team reports to our Chief Financial Officer.

## AT TRUPANION, BEING A GOOD CORPORATE CITIZEN MEANS:



### SUPPORTING

our network of pet parents, veterinarians, and pets through our high-quality medical insurance plans designed for the lifetime of cats and dogs.



### CELEBRATING

diversity and inclusion among our employees while promoting health and wellness in a safe and fun work environment.



### CONTRIBUTING

to the health and quality of life in the communities where our stakeholders live and work.



### MAINTAINING

a green footprint through smart energy management and sustainable business practices.





# Changing the pet health paradigm

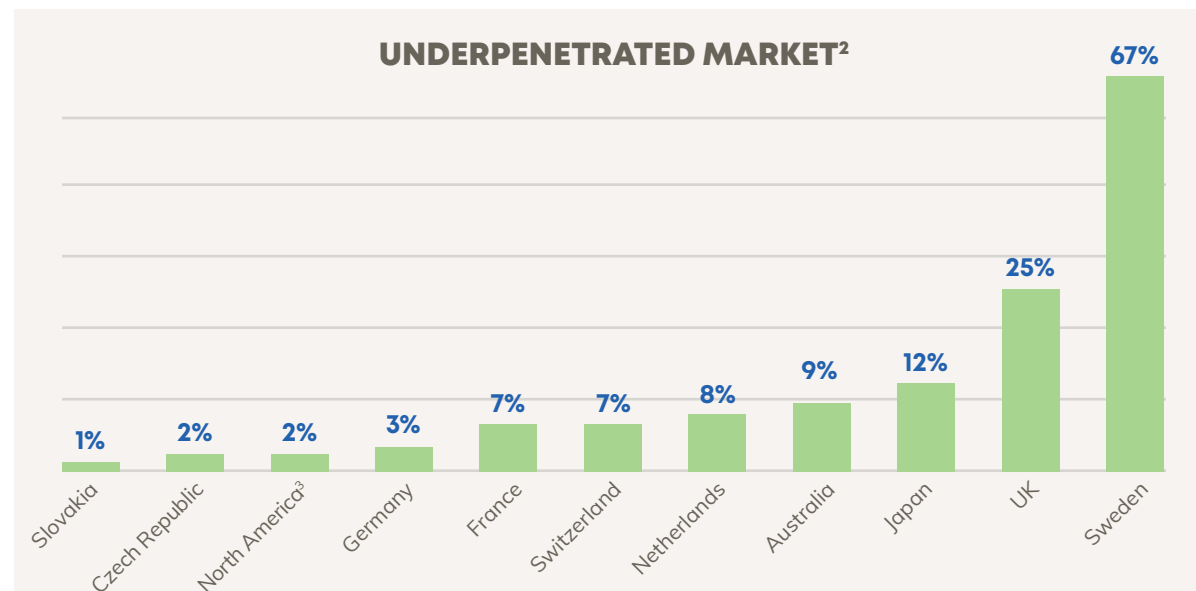
# Access to care

## Our Mission

Trupanion's mission is to help loving, responsible pet owners budget and care for their pets. This has been our guiding mission since we got started over 20 years ago, and it fuels us today.

Over the past two decades, we've covered over 1.7 million pets and paid out over \$2 billion in veterinary invoices on behalf of our members. In fact, according to an internal study, pets insured with Trupanion live an average of 1.33 years longer than uninsured pets. That's more than a full year of extra time with your best friend!

Still, we have much work to do. As illustrated below, the overwhelming majority of cats and dogs throughout our present target markets are not covered by medical insurance. In North America alone, fewer than 3% of the 200 million dogs and cats are covered by medical insurance.<sup>1</sup>



<sup>1</sup> According to the Insurance Information Institute and Canadian Animal Health Institute.

<sup>2</sup> Unless otherwise sourced, based on internal estimates and sources.

<sup>3</sup> Per the 2022 State of the Industry Report from the North American Pet Health Insurance Association, the penetration rate for medical insurance for cats and dogs in North America is approximately 2.5%.

<sup>4</sup> This is based on the assumption that 80% of the approximate 1M new cats and dogs that were insured in North America in 2021 were puppies and kittens.

**1.7M+**

**PETS PROTECTED OVER THE PAST TWO DECADES**

**\$2B+**

**IN PAID VETERINARY INVOICES**

**1.3+**

**ADDITIONAL YEARS OF LIFE**

## DID YOU KNOW?

Based on our estimates, approximately 5-7% of puppies and kittens were enrolled in pet medical insurance last year in North America. If penetration levels remain consistent for a pet generation, the number of pets with access to medical care will grow to nearly 12M.<sup>4</sup> Now that's reason to celebrate!

# Harold

## A MEMBER TESTIMONIAL



Harold was a rambunctious kitten, and I signed up with Trupanion after his first vet visit because of the potential of him swallowing something or breaking a bone. I had never heard of pet insurance, but decided to give it a shot. By Harold's third visit he was underweight and had an overall poor appearance. His vet suspected he had a liver shunt. Things moved very quickly from there, and he was immediately seen by a specialist. He had his first major surgery just a few days later. He was given a 50% chance of survival and I was crushed. During that surgery, he was also neutered to avoid another round of anesthesia. He spent 3 days in the hospital with round-the-clock care where everyone fell in love with him (he truly is the sweetest and funniest). He was finally released, but within 20 minutes of being home couldn't use the bathroom and was screaming in pain.

I immediately took him back to the hospital where I found out he had a 100% bladder blockage (secondary to the liver not functioning properly prior to surgery). He had an emergency catheterization and needed to stay overnight to have stone removal surgery the next day. He was so tiny and helpless, and this was truly the most traumatic thing I could imagine.

Harold's animal hospital billed directly through Trupanion, so I never saw a bill while this was all going on. I am not exaggerating when I say Harold would not have survived this ordeal without you all. His total bill for the 4 surgeries and almost 7 days in the hospital was close to \$15,000 — of which I paid \$500. I could not have done it without you. Harold is so appreciative too and hopes to visit you all in the new meeting rooms! You'll see from the attached photo that he is ready to be put to work!

*-Harold's pet parent, Florida, member since 2021*





# Barriers to care

## The Rising Cost of Veterinary Care

Pet medical insurance is critical to ensuring pets receive necessary medical care. However, low coverage rates around the world mean many pets cannot receive the care they need when they need it, due to financial barriers. In the United States, the financial euthanasia threshold (the threshold at which a pet parent chooses euthanasia over treatment due to financial constraints) for the average American is just \$1,400, and the current average cost for emergency surgery is between \$1,500 and \$5,000. Pet parents can quickly find themselves having to make impossible decisions when faced with the unexpected. That's a story we at Trupanion understand all too well.

Our mission was hatched decades ago in the mind of teenaged Darryl Rawlings when his family was faced with a heart-wrenching decision about their sweet standard poodle, Mitzy. At just two years old, Mitzy was rushed to the emergency vet and diagnosed with a twisted stomach. While the surgery required to save her life was relatively routine, the Rawlings family couldn't afford the cost and ultimately had to leave the veterinary clinic that day without Mitzy.



**If my parents had had Trupanion, Mitzy would have lived a full and happy life. My parents would not have been devastated and embarrassed that they did not have the money for the large unexpected cost of the surgery, and the vets and staff would have had a good day saving another pet, compared to the heartbreaking reality that they just had to euthanize another pet for financial reasons.**

*-Darryl Rawlings, Founder and CEO*



<sup>1</sup> [Most Americans Have Pets. Almost One Third Can't Afford Their Vet Care](#)

<sup>2</sup> [National Library of Medicine, Familiarity and Use of Veterinary Services by US Resident Dog and Cat Owners](#)

<sup>3</sup> [State of the veterinary profession: Euthanasia in practice](#)

<sup>4</sup> [How Much Does a Vet Visit Cost, PawlicyAdvisor](#)

# 28%

**OF HOUSEHOLDS  
CITE FINANCIAL BARRIERS  
TO VETERINARY CARE<sup>1</sup>**

# 40%

**OF DOG & CATS RECEIVE  
ANNUAL VETERINARY CARE<sup>2</sup>**

# \$1,400

**FINANCIAL EUTHANASIA  
THRESHOLD<sup>3</sup>**

## AVERAGE VET VISIT COSTS

Procedure <sup>4</sup>	Cost
Bloodwork	\$80 - \$200
Xrays	\$150 - \$250
Ultrasounds	\$300 - \$600
Wound treatment	\$800 - \$2,500
Emergency surgery	\$1,500 - \$5,000
Extended hospitalizations	\$1,500 - \$3,000

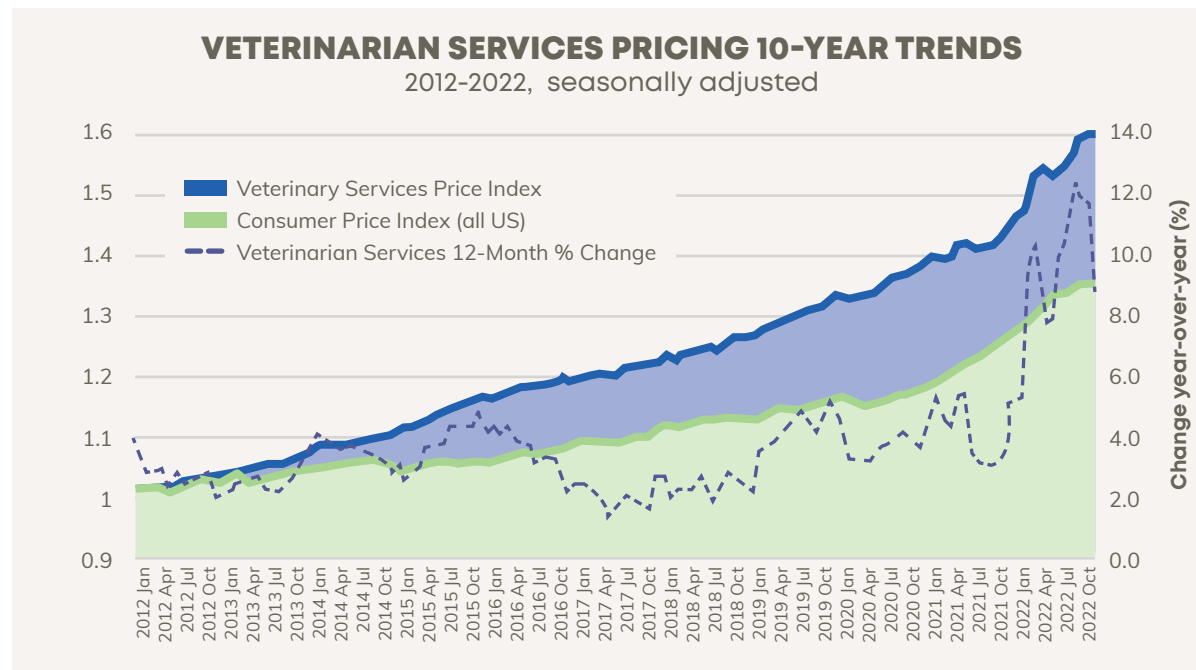
We provide this as a reference point but recognize that veterinary costs are going to vary dramatically across geographies.

Despite the inability of so many to afford veterinary care without medical coverage, the cost of veterinary treatment is only expected to rise. In fact, over the last 20 years, the cost of veterinary care has increased 5-6% per year on average. Increased diagnostics, improved pharmaceuticals, referral and specialty hospitals, and the growing pet human bond have all contributed to this trend.

In 2022, the cost of veterinary care outpaced historical averages, increasing an estimated 10-15%. It is our belief that over the next three to four years, veterinarians and their staff will need to increase prices, in aggregate, by 20-40%, in order to support sustainable practices and do what they were trained to do — help our pets live longer, healthier lives by practicing their best veterinary medicine.

All too often, veterinarians are unable to perform the medicine they spent years in school to learn. Compassion fatigue, burnout, and an inability to treat pets due to financial constraints are the leading reasons that an estimated 1 in 6 veterinarians consider taking their life.<sup>1</sup>

Too few pet parents can afford quality care today. Fewer will be able to afford quality care in the future as the cost continues to rise.



Source: [US Bureau of Labor Statistics](#)

<sup>1</sup> Not One More Vet

<sup>2</sup> Per Blue Heron industry data

<sup>3</sup> 2022 AVMA economic state of the veterinary profession

**~10%**

**THE AVERAGE PROFITABILITY OF A VETERINARY HOSPITAL<sup>2</sup>**

**DID YOU KNOW?**

The average cost of veterinary school now tops over \$200,000 and the average veterinarian out of school makes less than \$100,000 per year.<sup>3</sup>



# Top drivers of veterinary costs

## DOGS



	YOUNG 0-1 years	ADULT 2-7 years	SENIOR 7+ years
1	Vomiting & diarrhea \$200-\$500	Cruciate rupture \$3,400-\$4,600	Mass \$400-\$700
2	Foreign body ingestion \$400-\$800	Vomiting & diarrhea \$200-\$500	Vomiting & diarrhea \$200-\$500
3	Lameness & limping \$300-\$500	Allergy \$200-\$300	Cruciate rupture \$3,400-\$4,600
4	Fracture \$1,000-\$2,500	Lameness & limping \$300-\$500	Lameness & limping \$300-\$500
5	Allergy \$200-\$300	Mass \$400-\$700	Allergy \$200-\$500

## CATS



	YOUNG 0-1 years	ADULT 2-7 years	SENIOR 7+ years
1	Vomiting & diarrhea \$300-\$600	Vomiting & diarrhea \$300-\$600	Vomiting & diarrhea \$300-\$600
2	Foreign body ingestion \$700-\$1,700	Foreign body ingestion \$700-\$1,700	Kidney disease \$500-\$1,000
3	Fracture \$1,200-\$2,800	Urinary tract infection \$300-\$400	Mass \$500-\$900
4	Urinary tract infection \$300-\$400	Urinary obstruction \$1,900-\$2,700	Lymphoma \$1,700-\$3,300
5	Lameness & limping \$300-\$400	Kidney disease \$500-\$1,000	Diabetes \$1,000-\$1,700

## DID YOU KNOW?

Trupanion covers all congenital and hereditary conditions. These are the conditions that a pet has developed before birth, or that a particular breed is prone to. This isn't standard practice, and we're proud to stand out.







**At Trupanion, we want every pet to have access to high-value medical care. We still have much work to do, but we're on our way to helping more pets and increasing access to care.**





# Increasing access to care

## Our Members

Our members are as diverse as the pets we all love. Responsible, loving pet parents are not defined by their income. In 2022, an estimated 40% of Trupanion members had household incomes of less than \$100,000.

## Our Pricing Promise

At Trupanion, we are proud to be the most sustainable, high-value provider in the market. Our Pricing Promise is our pledge to pet parents that we price for the life of the pet, never punish unlucky pets, and price accurately to our value proposition across our millions of categories. If, on average, we ever overshoot our 71% target, we will make it right with our members.



## Eliminating Reimbursement

At Trupanion, we celebrate opportunities to help pets! In 2022, we processed an average of almost 150,000 veterinary invoices per month on behalf of our members — a number which continues to grow. Of these, 20% were paid directly to the veterinarian in less than 5 minutes. With our Vet Portal software, we pay the veterinary hospital directly on behalf of our members, eliminating the need for member reimbursement. What's more, over 56% of our Vet Portal claims in 2022 were processed using claims automation, with an average processing time of 7 seconds!

During 2022, we paid over 97,000 invoices in excess of \$1,400, the financial euthanasia threshold for the average pet owner in North America. Since 2010, Trupanion has paid over 430,000 single claims for 240,000+ pets in excess of \$1,400. That's 240,076 pets that otherwise may have been euthanized due to treatment costs, not to mention the hundreds of thousands of pets that received care when they needed it.

<sup>1</sup>Year-ended December 31, 2022

**860K+**

ENROLLED PETS

**~150K**

VETERINARY INVOICES  
PROCESSED PER MONTH

**3.4**

VETERINARY INVOICES  
PROCESSED PER MINUTE

**20%**

OF VETERINARY  
INVOICES PAID DIRECTLY  
TO HOSPITALS IN UNDER  
5 MINUTES<sup>1</sup>

**IN 2022**, over 500,000 veterinary invoices were submitted and paid directly to the hospital through our Vet Portal software. That's up 25% from 2021.





**78**

**NET PROMOTER SCORE  
“NPS”**

**24/7/365**

**CALL CENTER**

**77**

**MONTHS AVERAGE  
SUBSCRIBER LIFE<sup>1</sup>**



## Support When Pets Need It Most

At Trupanion, we have a care team available 24/7, 365 days a year to help our members because we know pets rarely get sick or injured at convenient times. Our commitment to delivering best-in-class service to our members helped earn Trupanion an NPS score of 78 in 2022.

We're proud that the average pet stays with Trupanion for 77 months. What's better? If we keep our pets beyond the first year, the average pet's life with Trupanion extends to over 100 months. That's nearly a decade of high-quality medical coverage — coverage truly for life!

<sup>1</sup> Average retention rate for 2022 was 98.69%



## Coverage Transparency

Trupanion's branded product was designed with transparency in mind — offering pet parents one simple plan for the life of their pet, with what we believe to be the highest value proposition in the industry.

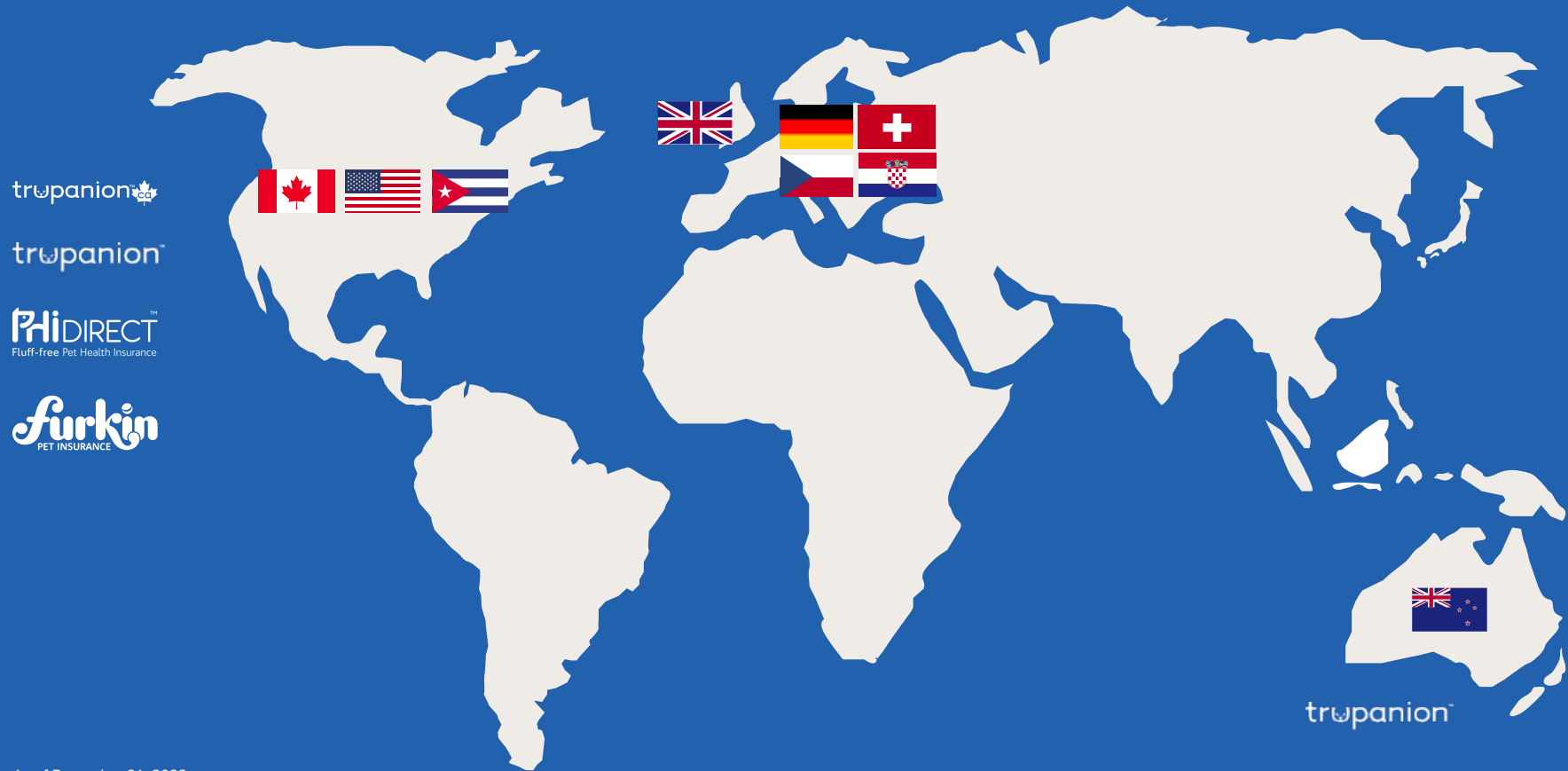
In December 2022, we took steps to further simplify our product into an easy to understand, all-inclusive plan, eliminating riders and deductibles, and replacing waiting periods with a short, 12-day delay in effective date. With this new product, pet parents can choose their payout percentage, providing them with more control over their price than ever before. Additionally, pet parents receive a Medical Record Summary, which provides transparency by laying out what conditions are covered right from the plan's effective date.

We have an extremely low incidence of member complaints, validating the success of our efforts to be fully transparent about our product. While today we insure more than 860,000 pets, over the past year, fewer than 0.01% of members have submitted any complaint for review<sup>1</sup> and in 2022, our complaints to claims ratio was approximately 1 to 17,000 claims processed.

If a member believes we did not correctly consider a veterinary invoice (or portion of the invoice) as an eligible expense, we can leverage a team of independent veterinarians to review the member's claim. This service is provided at no-cost to the pet parent.

Should the independent veterinarians agree with the pet parent, we pay our portion of the veterinary invoice — no questions asked.

<sup>1</sup> Formal complaints submitted to a Department of Insurance or other body



As of December 31, 2022

## Expanding Support Globally

Over the last few years, we've made strides in expanding our global footprint. Through strategic partnerships with well-aligned industry players and additional products, we're working on growing access to ensure every pet parent can get the care they need.

In 2021, we developed Furkin and PHI Direct, our low and medium priced products. These brands offer pet parents transparent, easy-to-understand plans with fewer benefits at a lower cost.

By the end of 2025, our goal is to reach millions of pets through new products, channels, and geographies. At the end of the day, more protected pets means improved access to care for pet parents, better health outcomes for pets, and a more sustainable veterinary care ecosystem. That's a win-win-win.





# Veterinary community

## Supporting the Industry

Trupanion's high-quality pet medical insurance was designed in collaboration with veterinarians to facilitate the very best care for our beloved pets. It's one of the reasons our product was created to cover all unexpected accidents and illnesses (including congenital and hereditary conditions) and offered over the pet's entire lifetime.

We believe Trupanion offers the highest-value proposition, the broadest coverage, and the best member experience, making Trupanion a product veterinarians trust.

<sup>1</sup>[The ROI of Educating Clients about Pet Insurance](#)

## DID YOU KNOW?

Hospitals with increased rates of patients with high-quality insurance report:

- ✓ Higher job satisfaction
- ✓ Increased gross revenues<sup>1</sup>
- ✓ Increased patient visits
- ✓ More time back in the day

## Part of the Community

We have more than a dozen veterinarians on staff, including our EVP of North America & Veterinary Strategy, and more than half of our workforce today comes from the animal industry.<sup>1</sup> Having an in-depth understanding of the work that happens at the veterinary level helps us take better care of members and better support our partners! We recognize the importance of maintaining a pulse on the veterinary community, which is where our field team of Territory Partners comes into play.

Territory Partners (TPs) represent our outside salesforce and are located across the US, Canada, Puerto Rico, and Australia. Territory Partners and their associates develop strong relationships with veterinarians and their staff in their local communities and have been doing so since 2003. They help veterinarians recognize how high-quality medical insurance can help alleviate the unique challenges they face. In doing so, TPs help us support veterinarians and the great work they do!

<sup>1</sup>Based on an internal study.



## MEET OUR TERRITORY PARTNERS

**Courtney Andrews, LVT, CVT**  
Tucson, AZ

Courtney has worked in general practice and specialty surgery for 12+ years and currently works with SafetyCall International answering calls for Pet Poison Helpline.

**Michael Maddox, TP & Grace Pedro, TPA**  
Suffolk, VA

Michael and Grace sponsored medical insurance for a facility dog who works with kids at a local school.







## Celebrating the Community

### Veterinary Appreciation Day - June 18

Trupanion founded Veterinary Appreciation Day in 2015 in celebration of veterinary professionals and the amazing and challenging role they undertake to help our pets live the healthiest lives possible. The day is an opportunity to bring together the animal-loving community in recognition and support of veterinary professionals and the critical work they do supporting the health and wellbeing of pets and families.



### Vet Tech Appreciation Week - 3rd week of October

Also called National Veterinary Technician Week, Vet Tech Appreciation Week was established in 1993 by the National Association of Veterinary Technicians. The week-long celebration honors vet technicians and Trupanion once again celebrated Vet Tech Appreciation Week in 2022. With many veterinary technicians on staff at Trupanion, we know how critical the role of the vet tech is to the pet, pet parent, and veterinary hospital — many of our Trupanion team members are vet techs! — and celebrating gives us a chance to show our appreciation to all veterinary technicians for their dedication to caring for our pets. We had 307 stories sent to us by our members, all of whom expressed their gratitude and appreciation for the work these devoted heroes perform each day for our pets.







## Community Support & Commitment

### MightyVet

MightyVet provides resources and support for veterinary professionals to help them tackle issues frequently faced in the profession but not prepared for in their education and training. MightyVet offers free, on-demand continuing education, global mentorship programs, office hours with industry professionals and thought leaders around the world, and other resources to help veterinary professionals with their career and wellbeing. With a curated list of free educational content on communication, advertising, business, budgeting, leadership, euthanasia, burnout, ethics, and DEI, MightyVet aims to help bridge the gap between medical and business expertise.



### Paws For Ukraine

In April 2022, Trupanion, in partnership with MightyVet, launched #PawsForUkraine, a fundraising campaign to provide aid to the people and pets of Ukraine. War and human conflict is not limited to people — it also affects pets. In the midst of so much sudden loss and devastation, we have heard many stories showing the strength of love and commitment to pets from the Ukrainian veterinary community.

This cause-driven campaign is raising funds to help provide resources like access to pet food, pet medical supplies and medication, as well as helping reunite pets with their families. Thanks to our community, together we've raised \$239,000 and counting!



### Doney Coe

During the COVID-19 pandemic, Trupanion partnered with Doney Coe, a nationwide, no-cost veterinary and wellness care service, offering veterinary support to the companion animals of qualifying low-income and homeless families in Seattle. In 2020 and 2021, we were proud to open up our Seattle facilities monthly to Doney Coe's team of volunteer veterinarians, veterinary technicians, and assistants who generously contribute their time and resources to provide equal access to quality veterinary care for animals who otherwise would not receive treatment. We were excited to partner with them again in 2022 to host Doney Coe and One Health Clinic's annual World Rabies Day event at our facility.



### Colleague Consult

Colleague Consult was created by Trupanion to support veterinary professionals at every level. A digital library of valuable resources addressing the everyday challenges faced in today's veterinary world, Colleague Consult tackles a variety of topics and provides ideas and solutions for all veterinary hospital team members.



# Breeder community

## Support from the Earliest Days

The health and welfare of our beloved pets as they begin life is of utmost importance to us. That's why we support and encourage sustainable, conscientious breeding practices, and only enter into partnerships with breeders who can demonstrate a high and consistent level of responsible practices. Our breeders receive anonymized health data about their litters upon request, which allows them to make more informed future breeding decisions. We work hand-in-hand with thousands of responsible breeders in North America and Australia to help puppies and kittens get the best start in life possible.



**WESTMINSTER**  
KENNEL CLUB DOG SHOW

In 2022, Trupanion — in partnership with **The Westminster Kennel Club** — awarded the inaugural Veterinarian of the Year award to Dr. Joe Rossi of Lansdale, PA. Westminster made a \$10,000 donation to MightyVet in Dr. Rossi's name. Westminster found Trupanion to be a natural partner due to the organization's shared commitment to the veterinarian and breeder communities.



**CANADIAN KENNEL CLUB®**  
**CLUB CANIN CANADIEN™**

In 2022, Trupanion signed a new, exclusive agreement with the **Canadian Kennel Club (CKC)** to provide their breeders with immediate coverage for new litters — without breed restrictions or exclusions. Pet parents working with CKC breeders now have access to lifelong support and coverage through Trupanion's Breeder Support Program.



**Supporting our  
team of pet-loving  
professionals**





# Inclusion

At Trupanion, our aspirations are global, and so is our team of approximately 1,400 pet-loving professionals spanning 11 countries. In the past year, we added team members in the Czech Republic, Germany, and Switzerland.

As we grow more diverse in our reach, we also build diversity of beliefs, ethnicity, cultures, and so much more. At Trupanion, we recognize and celebrate this! We also recognize what we've known to be true all along — the love we have for pets is universal.

Indeed, our mission to help loving, responsible pet parents budget and care for their pets resonates all over the world. It's for this reason that we believe Trupanion continues to be a destination for pet-passionate team members to build their career.

We value authenticity and individuality. We encourage our team members to bring their truest selves to work and expect others to do the same. In doing so, we strive to create an environment where team members feel that they are welcomed, valued, and involved.

<sup>1</sup> As of 2022

**3.4**

**AVERAGE GLASSDOOR RATING**

**71%**

**GLASSDOOR CEO APPROVAL**

**84%**

**EMPLOYEE RETENTION<sup>1</sup>**



# Diversity

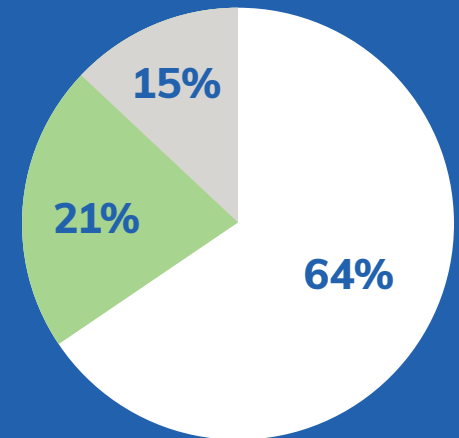
In 2022, we built upon our Diversity, Equity, and Inclusion (DEI) efforts with intention and focus. We implemented a new global human resource information system, which allows us to better report data on team member experience, including diversity, development, promotion, turnover, and retention. Being able to further expand our data strengthens our ability to track where we are in our DEI journey and act upon our diversity objectives in a more informed manner.

In March of 2022, we launched a DEI Foundation Workshop for the entire Trupanion team. This required training lays the groundwork for common DEI language within Trupanion and gives insight into how to have respectful conversations around aspects on identity and other differences, furthering the growth of inclusivity and belonging within our work culture.

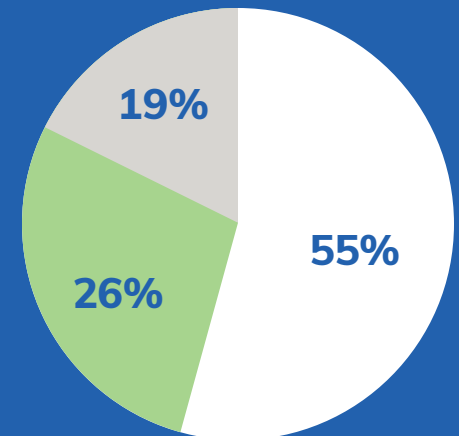
We have also taken steps to improve and deeply study our recruiting processes, making changes to ensure we reach a more diverse candidate pool. It is our goal for one-third of new hires to self-identify as under-represented minorities, and though we fell short of our goal in 2022, we continue to make enhancements in our approach.

<sup>1</sup> As of November 2022

CURRENT EMPLOYEE RACE / ETHNIC REPRESENTATION<sup>1</sup>



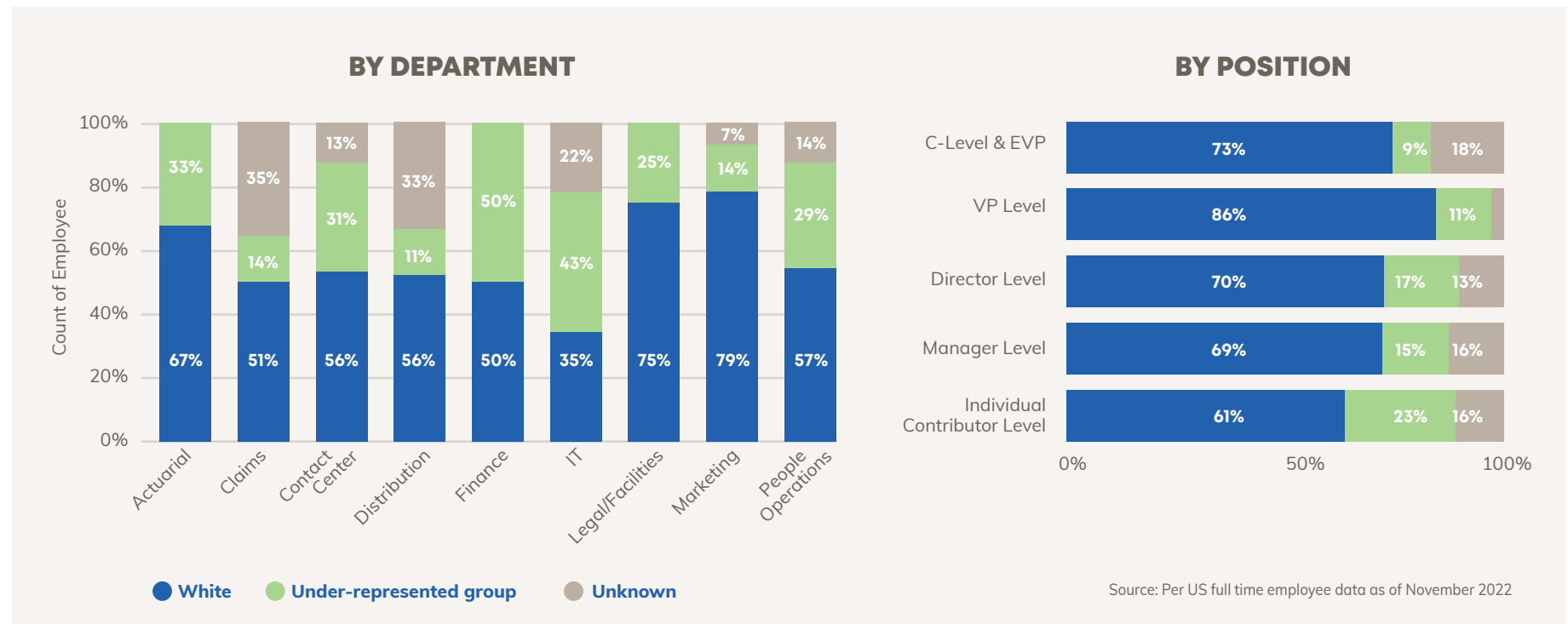
NEW HIRE RACE / ETHNIC REPRESENTATION<sup>1</sup>



- White
- Under-represented group
- Unknown



We aim to continue our progress to increase racial and gender diversity throughout Trupanion's departments and career levels. As each of our departments and teams are in a different step of their diversity journey, each will have different goals.

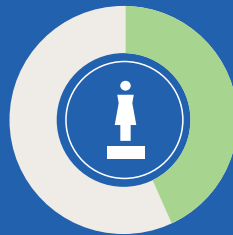




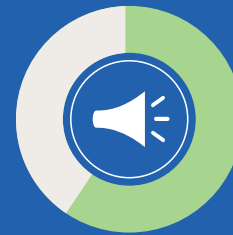
# Women at Trupanion



**25%**  
Executive Leadership<sup>1</sup>



**40%**  
Senior Leadership<sup>1</sup>

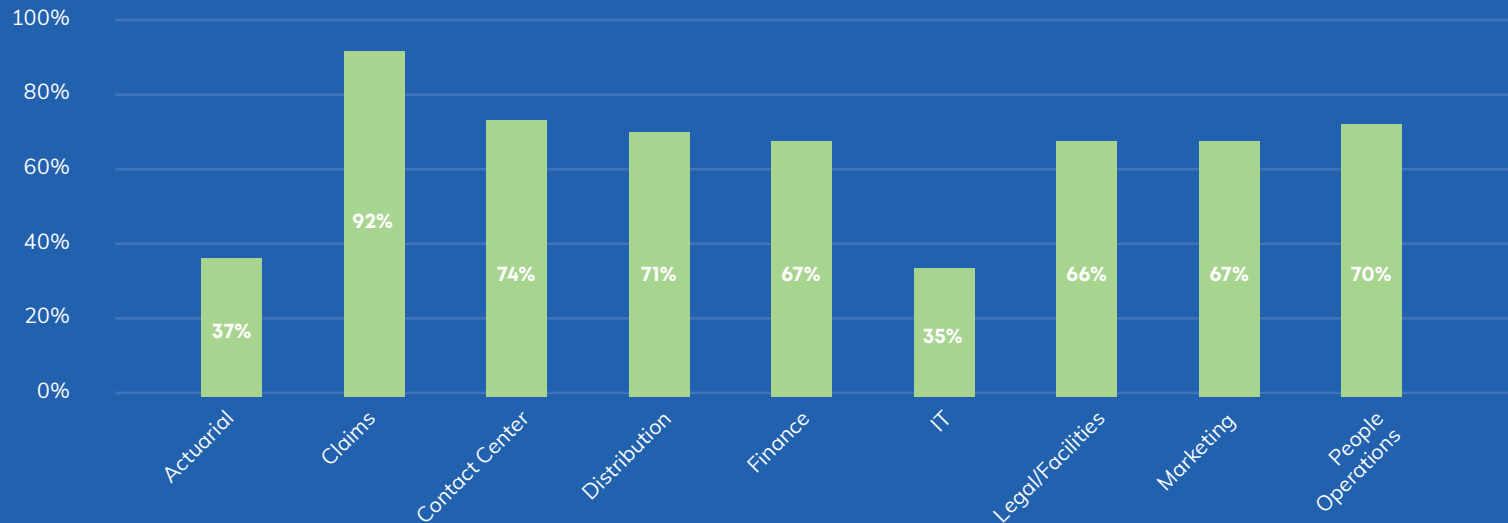


**65%**  
People Managers<sup>1</sup>



**70%**  
Female Workforce

## PERCENT OF DEPT TOTAL - FEMALE



Source: Per US full time employee data as of November 2022

<sup>1</sup>Executive leadership is C-level and EVP. Senior leadership is VP and above.

# Employee business resource groups



At Trupanion, we believe that diversity must be paired with inclusivity and a true sense of belonging. To foster an inclusive work environment, we are continuously evolving our ways of working and programs. One such element is our renewed focus on Employee Business Resource Groups (EBRG).

## Black Employee Network

Our Black Employee Network (B.E.N.) is Trupanion's EBRG for team members who identify as Black and/or of African descent and their allies. Throughout 2022, B.E.N. has hosted a number of awareness and connection events, including a Juneteenth lunch meet-and-greet, a webinar discussion featuring a guest speaker highlighting his journey and experience as a Black/African American veterinarian, as well as sharing daily stories of Black historical figures throughout Black History Month in February.

## TruAccess

TruAccess is Trupanion's accessibility-focused EBRG and a community for all Trupanion team members to discuss mental, emotional, and physical health care and related resources in a safe, inclusive space with peers. Consisting of 38 current team members, TruAccess meets quarterly and focuses on education about accessibility throughout the organization, as well as internal and external community building.

## TruPride

TruPride is made up of over 150 Trupanion team members (who are either a part of or an ally to the LGBTQIA+ community) and exists to provide support, education, awareness, and networking to Trupanion's LGBTQIA+ community by providing welcoming, safe, and inclusive spaces for meeting and discussion. TruPride aspires to ensure that the company has training, support, and policies in place to protect Trupanion team members from sexual orientation or gender identity-based discrimination. TruPride has taken an active role engaging in local communities as well, participating in Seattle Pride parades, queer-friendly job fairs, and local community cleanup events in recent years.



# Training and education

With curiosity and courage in our DNA, our team of pet-passionate individuals drives us towards our ambitious goals. We strive to create learning and development support, resources, and fulfilling opportunities within Trupanion. We are proud to have celebrated 80 internal promotions in 2022!

In 2022, we also expanded our Trupanion workforce training curriculum by creating a new intermediate business acumen series to compliment TruUniversity, our intensive onboarding program. These programs give our teams the ability to cultivate a deep understanding of our business, industry, and the problem we are all solving together.

From TruUniversity through later steps of their Trupanion career adventure, our team members have access to a wide array of learning opportunities. These include TruMentor, curated LinkedIn Learning libraries, monthly and annual training for production-based teams, and a curated in-house leadership development program, Leadership Unleashed, for aspiring and current leaders. In 2022, 45 leaders completed this training.

<sup>1</sup>As of November 2022  
<sup>2</sup>January-November 2022

**1,800+**

**TRU-U GRADUATES SINCE INCEPTION IN 2016<sup>1</sup>**

**~130**

**HOURS OF INSTRUCTOR-LEAD TRAINING PER NEW PRODUCTION-BASED TEAM MEMBER ON AVERAGE<sup>2</sup>**

**~\$3.8M**

**INVESTMENT IN PRODUCTION-BASED TEAM MEMBER TRAINING<sup>2</sup>**







# Health and benefits

As our team continues to grow and expand around the world, we strive to offer comprehensive and choice-based benefits to our team members and their families, providing support for mental, physical, and emotional wellbeing.

## Extended Benefits

In 2022, we updated and extended our benefits to provide our growing, diverse team additional choice, flexibility, and support where and when they need it most.

We added global medical concierge services, helping team members find the best providers through a professional medical consultation network. We also expanded our medical plans in the United States to include travel benefits for reproductive and gender-affirming care for those in states without access to these types of healthcare. Team members now additionally receive a monthly benefits choice account stipend, which can be applied toward wellness, fitness, pet care, and other areas of personal importance.

**100+**  
GLOBAL MEDICAL  
CONCIERGE SESSIONS  
ATTENDED

**~400**  
GLOBAL MEDICAL  
CONCIERGE PLATFORM  
USERS





## Family Support & Childcare

In addition to family-friendly benefits like parental leave, team members in the Seattle area have access to onsite childcare at our Seattle headquarters. From six weeks to pre-K, we subsidize 100% of the cost of onsite childcare for one child per employee. In 2022, Trupanion provided childcare support for children of over 40 team members attending the daycare.

## Flexible Workplace

At Trupanion, we thrive on flexibility and realize that providing people with a choice for where they work helps promote a better work-life balance and boosts effectiveness. We offer flexible workplace arrangements, the majority of which are hybrid or remote depending on the needs of the role, the individual, and the needs of the team as a whole.

## Time Off

Our paid time off program provides our team members with the flexibility and support to celebrate the occasions which matter most to them. In addition to four weeks of paid-time off, team members are provided eight floating holidays that they can designate as holidays most important to them. We introduced this in 2020 as a way of celebrating and recognizing the diverse nature of our team.<sup>1</sup>

<sup>1</sup> Except for countries where certain holidays are government mandated.  
<sup>2</sup> PTO maxes out at 6 weeks PTO at 10 years of employment.

**40+**  
 FAMILIES SUPPORTED  
 THROUGH ONSITE  
 CHILDCARE IN 2022

**\$880K+**  
 PROVIDED TO SUPPORT  
 CHILDCARE IN 2022

**4 WEEKS**  
 STARTING PAID TIME OFF

**+1 DAY**  
 PTO FOR EVERY  
 ADDITIONAL YEAR OF  
 SERVICE<sup>2</sup>

**8**  
 FLOATING HOLIDAYS<sup>1</sup>





# Volunteering and community

At Truppanion, caring is part of our Team DNA values, and we are proud to offer team members paid opportunities to give back to their communities. Team members have the option to take one full paid day a year to volunteer at the organization of their choice, lending their support to our communities and the causes that mean the most to them.

## Volunteering Program

Our team members donated 1,828 hours of their time over the past year through our volunteering program, supporting organizations across North America and the world.



This is my second year doing a beach cleanup at Westport, WA for the SurfRider Foundation. Running on the beach with our dog, Karmel, is a fun family activity, so we like to give back and keep the beaches clean.

–Drew Holmes, Member Experience Specialist



This year I volunteered with the Sea Turtle Preservation Society in Cocoa Beach, FL. We would constantly look for any hatchlings along the shoreline in the morning and ensure they made it to the ocean, as well as pick up trash that we saw. On the last day, we did our final walk of the beach, cleaned up all of our supplies, and met to discuss our successful season of over 500 nests. I love contributing to sea turtle conservation efforts and scientific research, and my Volunteer Day enabled me to give more time to protecting these threatened and endangered species.

–Eileen Cicotello, Medical Records Reviewer



I donate to SPARC regularly (around £2k per year as I can) and encourage others to do the same, but my primary contribution has been in supporting their manager on the data side. They do hugely valuable work with teenagers and adults suffering from conditions like mental illness, trauma, anxiety, addiction, and conditions with sufficient complexity and comorbidity. Getting insurance or government-funded healthcare for these conditions can be extremely difficult.

–Cathal Sherry, Lead Implementations Consultant





### Pet Food & Supplies Drive

During our winter pet food and supplies drive, 92.5 pounds of dry food, 169 cans of wet food, 24 leashes, pet supplies, and more were donated to Union Gospel Mission, an organization dedicated to caring for Seattle’s unhoused individuals. Trupanion was proud to partner in support of these individuals’ furry companions.

### Natural Disaster Relief Efforts

Every year, teams and members experience loss and hardship as a result of natural disasters — from hurricanes and fires to severe flooding and earthquakes.

We hurt for those impacted by these recent events, and we’re committed to helping those in need. In September 2022, Hurricanes Fiona and Ian swept through regions of Puerto Rico, Atlantic Canada, and the southeastern US, devastating families, communities, businesses, and our furry friends. These natural disasters left thousands of pets and their owners displaced, with many shelters at capacity and unable to take in new pets. Veterinary hospitals and animal shelters were severely damaged — some were entirely destroyed.

As a worldwide community of pet-passionate human beings, we are stronger when we come together. Following this devastation, we partnered with local organizations and have donated \$5,000 and raised a total of \$26,379 to help those impacted.





# Sabbatical

In addition to our paid time off program, which starts at four weeks at time of hire, every team member is offered a paid, five-week sabbatical for each five-year anniversary with Trupanion. Since the program's inception, over 235 team members have enjoyed a sabbatical, with 98 of those taken in 2022. It is truly a time to give our team members a chance to travel, volunteer, or relax with family and friends. During this time, we temporarily turn off their email and work account access to ensure a completely work-free vacation!

## Jodi Hunt, Senior Manager, Compliance

I was able to return home to England and work remotely from there for a few weeks leading into my sabbatical this year, so I headed to the southern coast to spend August with my family there. The time spent with my family was priceless, and I soaked up every wonderful minute of it. My sabbatical adventures then took me to Scotland, Greece (where I jumped out of a plane in Athens), Spain and Peru. The highlight of my entire trip was hiking the 4-day Inca Trail to Machu Picchu and learning all about the history of that magical place.

## Anna Berentson, Recruiting Manager

When I took my sabbatical this summer, it was perfect timing for me to move into the house I had just bought and spend time unpacking and settling in. I didn't travel the world, but I did take a few small vacations up to Vancouver and to Lake Chelan.

## Kaitlynn Quillen, Program Manager

Thankful to have taken my sabbatical this year. I didn't go on a trip, but intentionally planned and enjoyed a staycation. The time allowed me to rest, recharge, and annoy my wife, kids and animals. I am thankful for the time as we got to enjoy our wedding and experience some fun family events — like our oldest getting to play football at the Seahawk's stadium.

## Heather Bauman, Senior Account Manager

In September 2022, I went on my second sabbatical. My husband and I went to Kenya to stay at a conservation lodge run by the Maasai. Here we got to see many animals under protection, experience the Maasai culture, and visit a school. We then went to Egypt which was a life-long dream of mine! When we came back, I used the rest of my time off to take in our first foster child!





**Diana Cross, Research and Resolution Manager, Partner Support**

For the first half of my sabbatical, I met up with my sister and we traveled through Singapore, Malasia, and Thailand for 3 weeks. We visited the Batu caves, an elephant sanctuary where we fed and swam with elephants and ate amazing food. The second half I went on a road trip in my RV with my dogs down the west coast and back home.

**Harin Greer, Senior Account Manager**

I am so grateful for the memories from my sabbatical. As I child, I was fanatic over Anne of Green Gables and LM Montgomery. So much that

my daughter’s name, Avonlea, came from the series, which is a fictional town placed in Prince Edward Island, Canada. So we went to Prince Edward Island! We were able to slow down and have meaningful conversations. I was brought to (happy) tears when I noticed that my daughter’s laugh was fuller and deeper after just a few days of us being able to connect and be present.

**Malia Prescott, Senior Data Analyst**

I spent the first two weeks of my sabbatical in the UK, visiting London, Nottingham and Edinburgh. It turned out to be quite an eventful trip, as the Queen passed away while we were there. Our AirBnB was a block away

from the cathedral for the Queen’s viewing, so we were accidentally right in the middle of a historic event. Upon returning home, I was able to knit a souvenir cardigan with the locally produced wool I bought on my trip!

**Charlotte Sim-Warner, Corporate Paralegal**

My sabbatical took me back home to Hawaii where my pandemic babies got caught up on quality time with grandparents, their 90-years young great grandmother, and the rest of my family. We spent lots of time at my favorite beaches, hiked, picked flowers and made lei, celebrated my daughter’s 1st birthday, and made memories for life.

**Tara French, Data Analyst**

During my sabbatical I was able to take a trip I had been dreaming about, going to Italy and Greece. I started in Rome, went to Florence and Venice, then flew to Athens. Over the six weeks I was able to really relax and unplug, it was like a reset button. It was an amazing thing to be able to do, I’m already counting down to my next one!

**Stephanie Lash, Retention Manager**

I wish I could tell you I did some amazing world travels, but I did not. Instead, I chose that time to spend with my parents who recently relocated back to WA after 20 years. My mother and I went on many adventures around her new area of the Olympic Peninsula and spent time catching up.



# Understanding our footprint

A person with long hair, wearing a dark blue jacket, sits on a grassy mountain peak. A large, fluffy brown dog sits next to them, looking towards the person. They are both looking out over a vast mountain range. The mountains are rugged, with some snow patches and rocky outcrops. The sky is filled with large, white, fluffy clouds, and the overall lighting suggests a bright but slightly overcast day. The foreground shows some green grass and small plants.

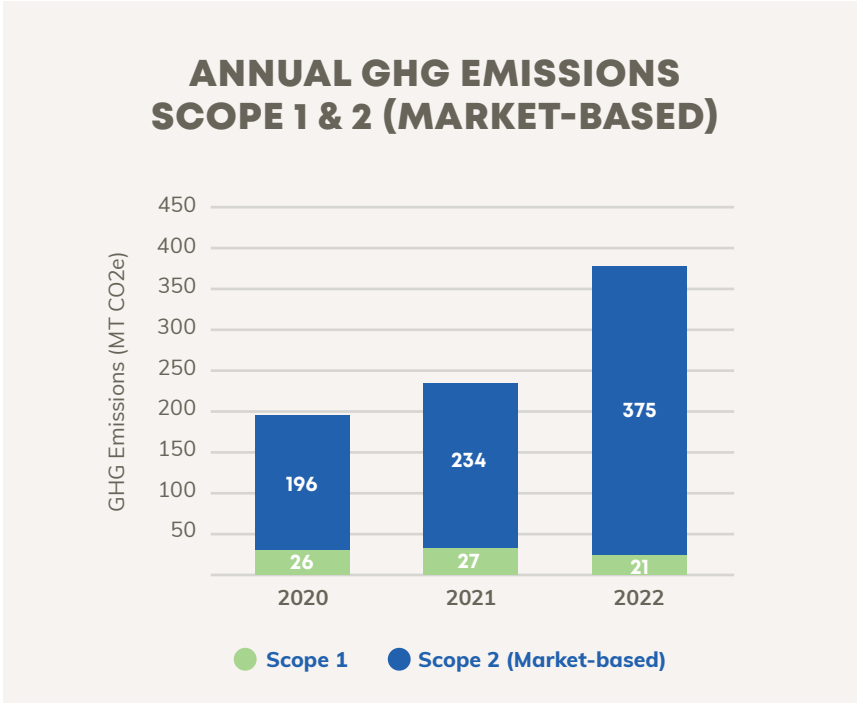


# Commitment to sustainability

## Scope 1 & 2 Emissions Study

In support of sustainable and environmentally conscientious business practices, we have set a goal for ourselves to become carbon neutral in our own operations ten years ahead of the Paris Climate Agreement 2050 target. To further inform our path towards carbon neutrality, over the past year we engaged a third party to help us conduct a GHG emissions inventory of our Scope 1 and 2 emissions that will be used as a baseline for future target setting.

For our Scope 1 and 2 emissions calculations we applied the operational control boundary, which accounts for 100 percent of emissions from activities over which Trupanion has operational control. Specifically, this boundary included emissions from our global offices in Canada, the United Kingdom, Germany, and our headquarters in the United States. Due to the nature of our business, emissions were driven by our corporate facilities. Trupanion does not have a company-owned vehicle fleet, so the only sources of Scope 1 emissions sources included onsite natural gas and combusted fuels.



The emissions inventory calculations were conducted in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. We include calculations for both market-based and location-based methodologies as defined by the World Resources Institute and the World Business Council for Sustainable Development.

Two sites did not have usage data for November and/or December 2022 at the time of calculation. These values were estimated based on average seasonal usage from previous years. Additionally, one office facility in the Czech Republic was introduced to the organizational boundary through an acquisition in late 2022. Usage data for this site was not available at the time of calculation, so this site has not been included in the 2022 inventory. These estimates and gaps will be updated with actual usage data when the 2023 calculations are completed, but we do not expect a significant difference.

As illustrated in the graph on page 40, from 2020 to 2022 we saw

a 78% increase in Scope 1 and Scope 2 market-based emissions, driven largely by a 90% increase in electricity usage at our Seattle Headquarters. The increase in 2021 was driven by a 31% expansion in office space at our Seattle Headquarters, while the increase in 2022 is due to larger than average electricity consumption during the summer months. Scope 1 emissions declined by 21% from 2020 to 2022 due to decreased natural gas usage.

Given the significant revenue growth in our business from 2020 to 2022, we have also included an intensity ratio for emissions per \$M revenue which can be found in the chart below. This ratio shows that although our absolute emissions have increased from 2020 to 2022, our emissions intensity has decreased over that same period.

We intend to engage a third party to conduct a baseline assessment of our Scope 3 emissions by 2025 and are in the process of evaluating different solutions, such as carbon capture, to arrive at carbon neutrality.

GHG Emissions Source	2020 GHG Emissions (MT CO2e)	2021 GHG Emissions (MT CO2e)	2022 GHG Emissions (MT CO2e)
Scope 1 Emissions	26	27	21
Scope 2 Emissions (Location-Based)	200	248	396
Scope 2 Emissions (Market-Based)	196	234	375
Total Scope 1 & Scope 2 Emissions (Market-Based)	222	261	395
Emissions Per Total Revenue (\$M)	0.443 MT CO2e/\$M	0.374 MT CO2e/\$M	0.437 MT CO2e/\$M



# Sustainability in action

## SEATTLE HEADQUARTERS

Team member education and sort guides at waste stations



~430 cubic feet of styrofoam recycled in 2022



100% Seattle area metro transit subsidized



80% remote or flex workforce



High percentage of power at Seattle HQ building is carbon neutral



310,000+ water bottles saved to date

<sup>1</sup>The ENERGY STAR score is a 1-100 assessment of a building's energy efficiency as compared with similar building's nationwide, adjusting for climate and business activity. For the twelve month period ending March 31, 2022

A close-up photograph of a young woman with long, wavy brown hair kissing a beagle puppy on the cheek. The woman's eyes are closed, and she has a gentle expression. The puppy is looking towards the camera. The background is a soft-focus green, suggesting an outdoor setting. The word "Governance" is overlaid in white text on the left side of the image.

**Governance**





# Corporate governance

At Trupanion, trust, transparency, and accountability are the tenets of good corporate governance.

We seek strong alignment across our team, board of directors, and stockholders. All of our team members are stockholders, and our board is predominately compensated in equity. We believe this fosters a long-term mindset and drives strong alignment with all of our stockholders. As of December 31, 2022, our board of directors held approximately 5% of our outstanding shares. Including our team members, we estimate team and board ownership at approximately 10% of our total shares outstanding.

In 2023, Darryl Rawlings, our founder and CEO, assumed the additional role of Chairperson, in alignment with long-term succession plans and his intention to support a smooth CEO succession in 2025 and, if amenable to stockholders, to serve as Chairperson of the board until 2035. Murray Low, the prior Chairperson, assumed the role of Lead Independent Director.

<sup>1</sup>As of January 1, 2023

**5%**

**BOARD OWNERSHIP**

**6**

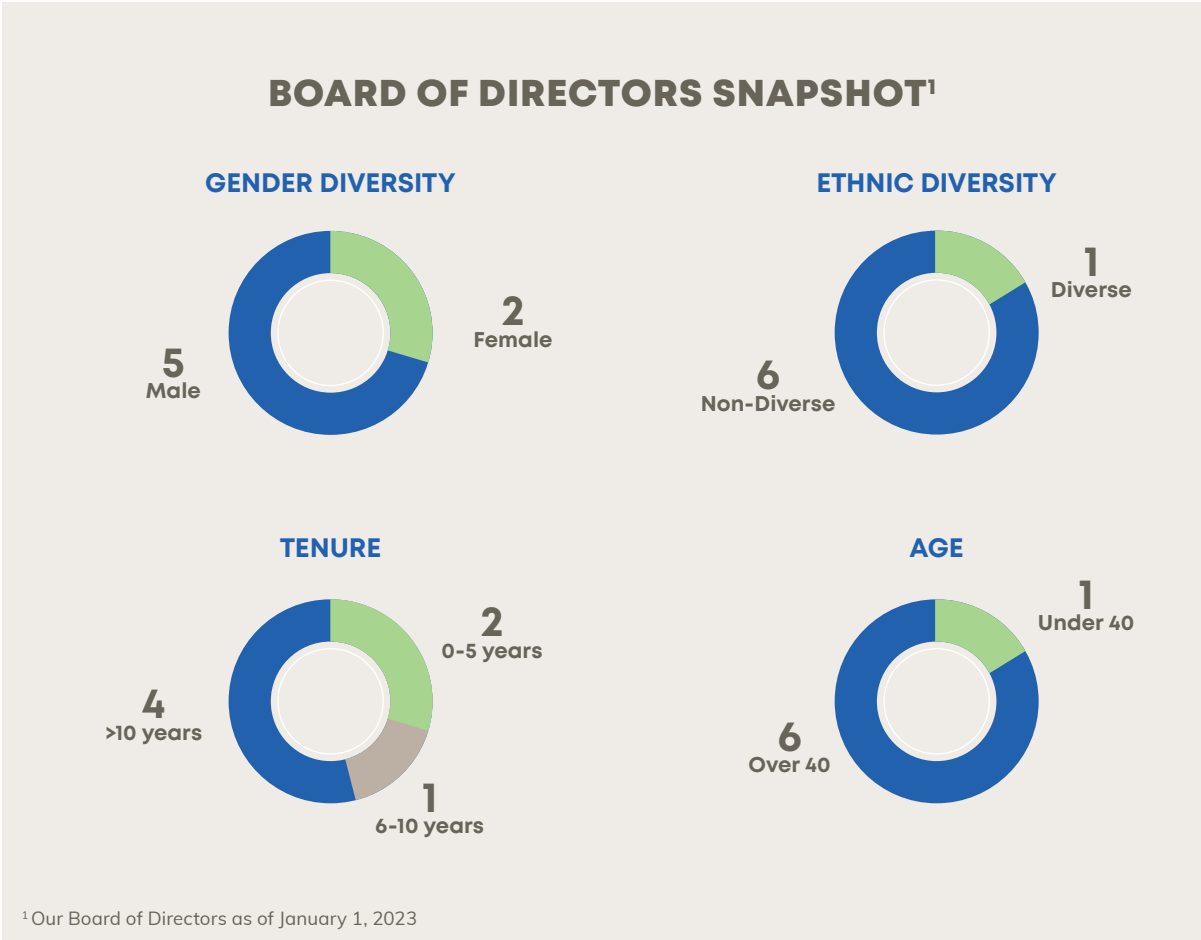
**INDEPENDENT DIRECTORS<sup>1</sup>**





Dr. Low will assume all the duties and responsibilities of that position, including presiding over executive sessions of independent directors, leading the CEO evaluation, and serving as a liaison between the Chairperson and the independent directors. In addition, the board has appointed Dr. Low as chair of the Nominating & Corporate Governance Committee. Mr. Howard Rubin has been appointed chair of the Compensation Committee, and Ms. Jackie Davidson remains chair of the Audit Committee.

Following engagement with stockholders and evaluation of best practices, in 2023 we intend to put to a stockholder vote at the 2023 Annual Shareholder Meeting a proposal to eliminate our staggered board.



## BOARD COMPOSITION FOR 2023

Audit Committee
Jackie Davidson, Chair
Michael Doak <sup>2</sup>
Howard Rubin
Compensation Committee
Jackie Davidson
Howard Rubin, Chair
Zay Satchu
Nominating & Corporate Governance Committee
Michael Doak
Murray Low, Chair, Lead Independent Director
Zay Satchu

All directors listed above are independent

<sup>2</sup> Per our 8-K filing on April 27, 2023, Mr. Doak will not be standing for election at the 2023 Annual Shareholder Meeting. Mr. Doak's decision follows the appointment of two new qualified board members, Paulette Dodson and Betsy McLaughlin, also announced on April 27, 2023.



# Board oversight

Trupanion's board of directors is responsible for CEO oversight, including monitoring performance and compensation, and ensuring that the company operates in a legal and ethical manner.

The board also seeks to promote an effective, ongoing risk oversight dialogue with management, including ensuring appropriate risk management and mitigation support systems are in place. At the board level, this includes actively and regularly monitoring key corporate risk factors and action plans for risk mitigation and response.

## Key areas of oversight include:

- Financial controls
- Information & data security
- Data privacy
- Corporate culture
- Weather-related risk
- Other material risks outlined in the company's recently filed Form 10-K

Trupanion's risk committee reports quarterly to the Audit Committee and has oversight over risk management governance and procedures as well as risk control infrastructure for the company's business and operations.

Today, we do not believe that our products present significant catastrophic risk across the entire book and climate change carries very little underwriting or catastrophic risk. We are also not meaningfully exposed to climate-related risks with any investments. As of December 31, 2022, Trupanion had \$222.4 million cash, cash equivalents, and short-term investments held in US government securities and investment-grade fixed-income securities.

## Stockholder Engagement

Our board conducts annual meetings with our largest stockholders. In addition, we regularly gather stockholder feedback on matters of corporate governance, compensation, succession plans, sustainability, and ESG reporting and risk oversight.

# Privacy and data security

## Our Commitment

We are committed to protecting the confidentiality, integrity, availability, and privacy of our members' personal data, as well as providing clear and transparent information regarding how we manage and protect that information. Our [privacy policies](#) are readily available on our public-facing websites and include information on what personal data is collected, how it is used, and any local data rights provisions.

## Monitoring, Validation & Training

At Trupanion, we continually monitor, assess, and evolve our privacy and security programs, policies, and practices to ensure the data entrusted to us is safeguarded from current and anticipated threats. Trupanion's safeguards are assessed each year for alignment and compliance with data security requirements — like those outlined in the Payment Card Industry Data Security Standard (PCI DSS), the New York Department of Financial Services (NYDFS) Cybersecurity Requirements for Financial Services Companies (23 NYCRR § 500), and National Institute of Standards and Technology (NIST) Cybersecurity Framework.

In addition to continuous internal monitoring and testing of our safeguards, at least once a year we employ external third-party security experts to conduct penetration testing. This helps identify potential vulnerabilities as well as drive enhancements to our Information Security Program. Trupanion requires all employees, contractors, and partners at hire to complete security training at least annually or following any significant policy changes. Our training program was updated in 2022.

Should any information security incident occur, we have implemented response plans that enlist the support of highly trained security, privacy, and forensics experts. To test the robustness of our plans, we undertake 'Red Team' exercises. These drills help to further inform enhancements to our policies, practices, and safeguards.





## Safeguards

We utilize industry-leading security technologies to secure and protect all our systems and data, including next-gen firewalls, advanced intrusion detection and prevention systems, malicious code protections, multi-factor authentication, and continuous monitoring systems. Our facilities and data centers that house confidential information comply to strict security standards, including ISO 27001, AICPA Service Organization Controls, and the Payment Card Industry Data Security Standard (PCI DSS).

Trupanion follows a “least privilege” access model for all systems that handle member, claim, and veterinary practice information. Additionally, all employee, partner, and contractor access must be explicitly authorized and limited to the permissions needed for each user’s role. We employ activity logging and access controls to track the use of personal data, and we regularly review these to ensure compliance with our procedures and [privacy policies](#).

## Data Governance

Trupanion’s board of directors maintains oversight of the company’s data security and privacy programs. At least once a year, the board also receives a detailed report by the Chief Technology Officer on cybersecurity resiliency, risk and threat assessments, incidents, and in-progress and planned security initiatives.

On a quarterly basis, Trupanion’s Risk Committee — comprised of executive leadership responsible for overseeing most departments — receives a report from the Information Security team, comprised of information technology leaders. The report includes relevant topics on strategic planning and current data threats, as well as any material audit findings and incidents should they arise. A summary of the Risk Committee’s quarterly meeting is provided to the Audit Committee.



# 0

**INFORMATION SECURITY  
OR DATA BREACHES IN THE  
LAST FOUR YEARS**

A woman with dark curly hair, wearing a white and grey striped sweater, is smiling warmly while holding a small, white, fluffy kitten. The kitten is looking down. The background is softly blurred, showing a dark metal stand and a window with curtains.

# Appendix

# Sustainability Accounting Standards Board (SASB) Index

## INSURANCE INDUSTRY

### Sustainability Disclosure Topics & Accounting Metrics

The data and information below is for the year ended December 31, 2022 unless otherwise noted.

Topic	Accounting Metric	Code	Response/Location
Transparent Information & Fair Advice for Customers	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	FN-IN-270a.1	<p>Trupanion does not have material legal proceedings related to marketing and communication of insurance product related information to new and returning customers.</p> <p>Further information regarding any legal proceedings in general can be found in 2022 <a href="#">Form 10-K</a>, Item 3 Legal Proceedings, page 32 and 76.</p>
	Complaints-to-claims ratio	FN-IN-270a.2	Trupanion calculates this metric as total complaints to claims processed. Please refer to Increasing Access to Care, Coverage Transparency section on page 19 of this report.
	Customer retention rate	FN-IN-270a.3	<p>Trupanion measures retention with average monthly retention rates, measured as the monthly retention rate of enrolled subscription pets for each applicable period averaged over the 12 months prior to the period end date. We monitor average monthly retention because it provides a measure of member satisfaction and allows us to calculate the implied average subscriber life in months.</p> <p>Information regarding retention in 2022 can be found on page 18 of this report in the Increasing Access to Care section. Average monthly retention rates for the past 3 years for our Trupanion product can be found in Key Operating Metrics in 2022 <a href="#">Form 10-K</a>, page 39 as well as details on how it is calculated.</p>
	Description of approach to informing customers about products	FN-IN-270a.4	<p>Please refer to the Changing the Pet Health Paradigm (pages 9-25) section of this report.</p> <p>Additional information with regards to Trupanion's marketing, distribution, and sales channels can also be found in Part 1: Our Business, Strategy, and Sales &amp; Marketing sections in the 2022 <a href="#">Form 10-K</a>, pages 3-5 as well as Trupanion's 60 Month Plan found in <a href="#">Trupanion's 2020 Shareholder Letter</a>, pages 17-33.</p>



Topic	Accounting Metric	Code	Response/Location
<b>Incorporation of Environmental, Social, and Governance Factors in Investment Management</b>	Total invested assets, by industry and asset class	FN-IN-410a.1	Please refer to Corporate Governance, Board Oversight section on page 46 for information regarding cash, cash equivalents, and short-term investments. Additional information can be found in 2022 <a href="#">Form 10-K</a> page 72-76.
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	FN-IN-410a.2	ESG factors are integrated throughout our investment process. Our investment portfolio integrates financially material ESG factors as part of the investment decision making process (“ESG Integration”). ESG Integration is the systematic inclusion of ESG issues in investment analysis and investment decisions. ESG Integration is dependent upon the availability of sufficient ESG information. ESG determinations may not be conclusive and securities of companies/issuers may be purchased and retained, without limit, by the adviser regardless of potential ESG impact.
<b>Policies Designed to Incentivize Responsible Behavior</b>	Net premiums written related to energy efficiency and low carbon technology	FN-IN-410b.1	<p>Trupanion does not calculate this metric at this time as it is not currently applicable or material to its sector or type of policies offered.</p> <p>Information regarding how Trupanion is taking steps towards reducing its operational footprint can be found in the Commitment to Sustainability section on pages 40-42.</p>
	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	FN-IN-410b.2	Please refer to the Changing the Pet Health Paradigm (pages 9-25) section of this report for more information on how Trupanion is increasing access to care for pets, helping the veterinary industry, and supporting responsible breeding practices.

Topic	Accounting Metric	Code	Response/Location
Environmental Risk Exposure	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	FN-IN-450a.1	<p>Trupanion does not currently measure the PML of insured products from weather related catastrophes as it does not have a material impact on its business at this time. The Company will continue to assess and monitor in case this should change in the future.</p> <p>Please refer to Corporate Governance, Board Oversight on page 46 for information regarding weather related risks.</p>
	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	FN-IN-450a.2	<p>Trupanion does not currently measure this metric as it does not have a material impact on its business at this time. The Company will continue to assess and monitor in case this should change in the future.</p> <p>Please refer to Corporate Governance, Board Oversight on page 46 for information regarding weather related risks.</p>
	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	FN-IN-450a.3	Please refer to Corporate Governance, Board Oversight on page 46 for information regarding weather related risks.
Systemic Risk Management	Exposure to derivative instruments by category: (1) total potential exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives	FN-IN-550a.1	0 USD
	Total fair value of securities lending collateral assets	FN-IN-550a.2	0 USD
	Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	FN-IN-550a.3	<p>Trupanion does not engage in any systemic non-insurance activities that are defined as investment and funding or other capital market activities that result in maturity or liquidity transformation, leverage or imperfect transfer of credit risk, such as repo and securities lending or the writing of derivatives contracts that are not used to hedge risk or do not closely match the underlying exposure.</p> <p>Information regarding risk management in general at Trupanion can be found in the Corporate Governance, Board Oversight section on page 46 of this report.</p>

## ACTIVITY METRICS

Activity Metric	Code	Response/Location
Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance	FN-IN-000.A	(1) Please refer to Increasing Access to Care section on page 17 for 2022 metrics.  Metrics for total pets enrolled for the past five years can be found in the <a href="#">2022 Form 10-K</a> , Item 6 Selected Financial Data section on page 35.  (2) None  (3) None



**For questions, please contact:**

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