



Gender Pay Gap Report 2022

pets at home
Group plc



Introduction

Our gender pay gap has continued to improve as year on year we increase the representation of women in senior roles.

We are delighted that women are well-represented in every quartile of our business. Since we captured the data for this report, we have increased the representation of women in our senior roles to better reflect gender balance in our wider workforce. We remain committed to supporting women to be promoted or appointed into our senior leadership positions across pay quartile 4, which will help us narrow our gender pay and bonus gaps further.



In this report we set out our gender pay gap information for 2022. This includes our hourly pay gap and our bonus gaps. We pay men and women equally to do the same role, regardless of gender. Our pay gaps reflect the distribution of men and women in different roles across our business.

First, we present our overall group position, followed by the gender pay and bonus gap information for two of our entities, Pets at Home Limited and Companion Care Services Limited. We explain the context of our gender pay gap results, our highlights and how we are looking to the future.

We are proud of the progress we have made, and our commitment to doing more. We value the breadth of diversity in the communities we live and work in and understand that this extends beyond gender. Our aim is to better reflect this diversity at all levels in our business.

I confirm that the information in this report is accurate.

Rachel Mooney
Chief People Officer
Pets at Home Group Plc

Our 2022 Strategic Approach to Diversity and Inclusion

Our Diversity and Inclusion Vision

Everyone is welcome and feels part of our group.

Our Approach

Listening to our colleagues helped us decide to focus on increasing education and awareness around diversity and inclusion, inspiring engagement amongst our colleagues and improving our policies and data.

We also work closely with external partners including the Business Disability Forum, Stonewall, the Valuable 500 and The Prince's Trust.

Our diversity and inclusion objectives help us to achieve our strategic priorities

1. We are known as thought leaders, using our insight to bring the pet experience to life for everyone
2. We break down barriers to attract and develop diverse talent
3. Our culture enables our people to be the best they can be

**Pets just see people.
So do we.**



Our Group Gender Pay and Bonus Gap

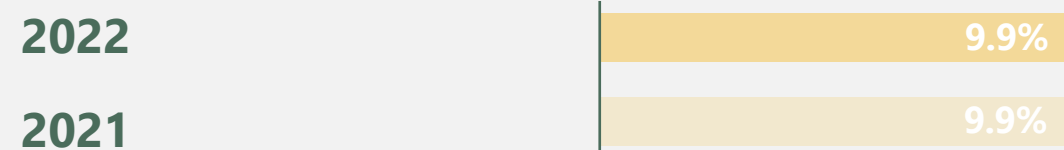
DRAFT

Pay Gap

MEAN - Our mean gender pay gap has reduced this year to 11.3%



MEDIAN - Our median gender pay gap has remained stable this year at 9.9%



Our results show that the average (mean) and median hourly pay of men in our business is higher than the average (mean) and median hourly pay of women in our business. The difference between the higher proportion of women in our lower pay quartiles (74% and 65%) compared to the lower proportion of women in our highest pay quartile (57%) has contributed to our gender pay gap.

Bonus Gap

MEAN - Our bonus pay gap mean has increased this year to 69.24%



MEDIAN - Our bonus pay gap median has increased this year to 56.82%

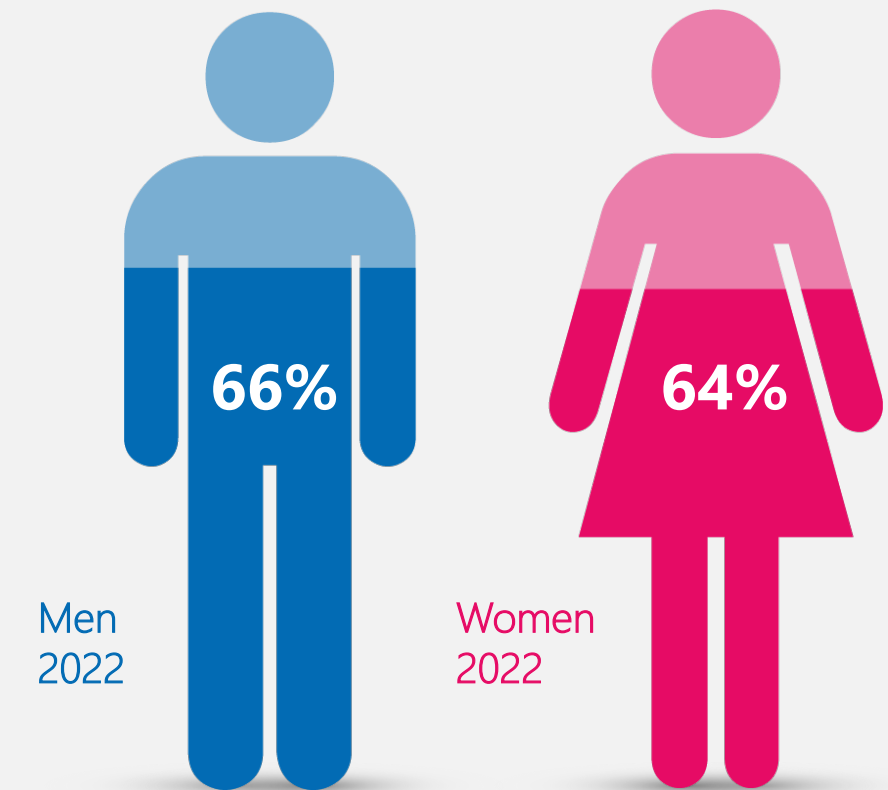


Our results show that the average (mean) and median bonus payments to men in our business are higher than the average (mean) and median bonus payments to women in our business. One of the reasons for our median pay gap is that we are required to calculate our bonus pay gap from actual bonus payments paid and pro-rating is not taken into account. In practice, we do pro-rate bonuses to reflect hours worked and more women than men in our business work part-time and therefore receive lower bonus payments overall.

% of colleagues receiving a bonus

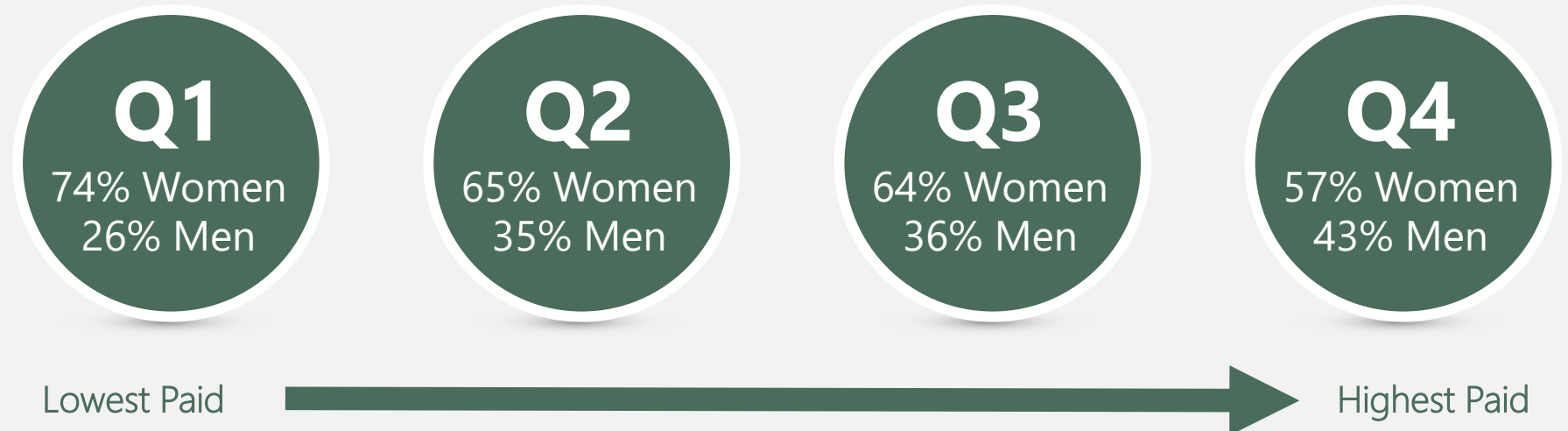
The percentage of men who received a bonus in 2022 was slightly higher than the proportion of women who did so. Overall, a smaller percentage of colleagues received a bonus than in 2021.

Men receiving a bonus 2021: **95%**
 Women receiving a bonus 2021: **89%**



Our pay quartiles

In each quartile in our business overall, the proportion of women is higher than the proportion of men.

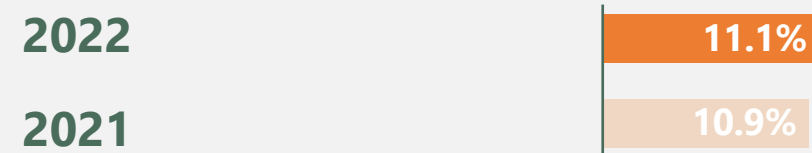


Pets at Home Limited Gender Pay and Bonus Gap

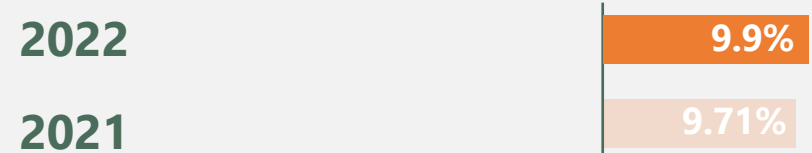
The majority of our colleagues are employed by Pets at Home Limited

Pay Gap

MEAN - Our mean pay gap has increased slightly this year to 11.1%



MEDIAN - Our median pay gap has increased slightly this year to 9.9%



Bonus Gap

MEAN - Our mean bonus pay gap has increased significantly this year to 71.64%

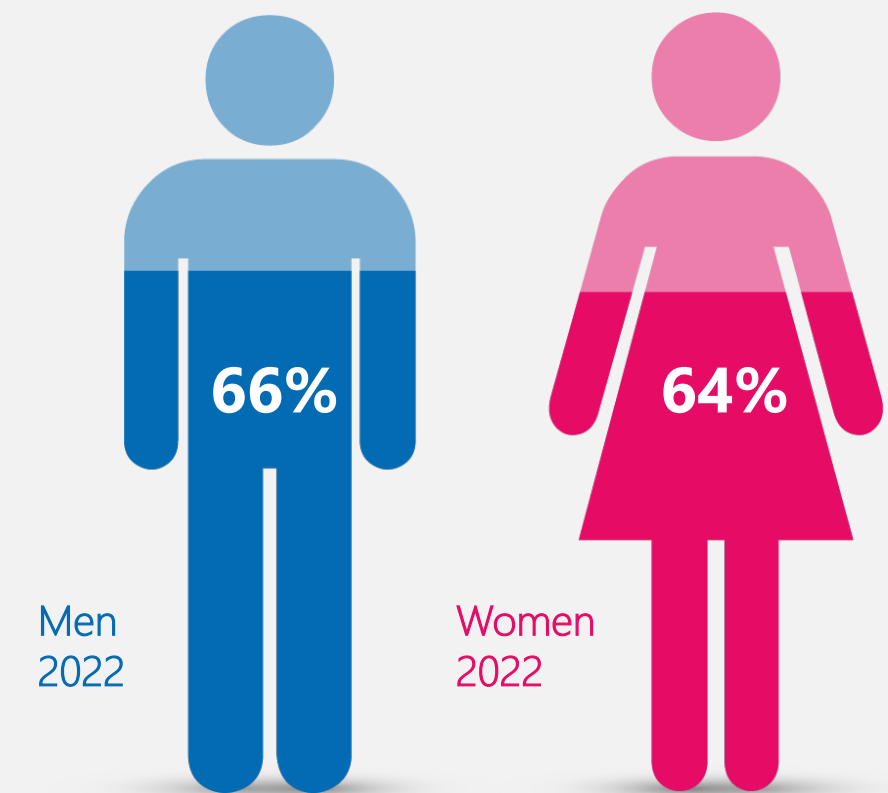


MEDIAN - Our median bonus pay gap has increased significantly this year to 56.56%



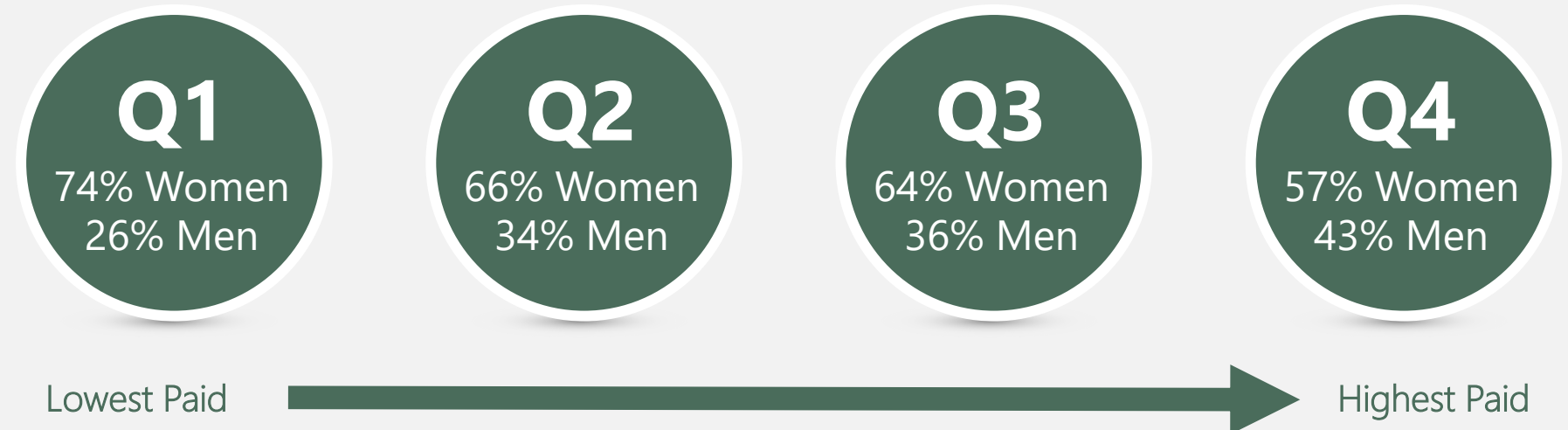
% of colleagues receiving a bonus

The percentage of women receiving a bonus was slightly lower than the proportion of men receiving a bonus.



Our pay quartiles

The proportion of female colleagues is greater than the proportion of male colleagues in every quartile.



Companion Care Services Limited Gender Pay and Bonus Gap

Companion Care Service Limited employs colleagues supporting our vet business

Pay Gap

MEAN - Our mean pay gap has reduced significantly this year to 23.2%

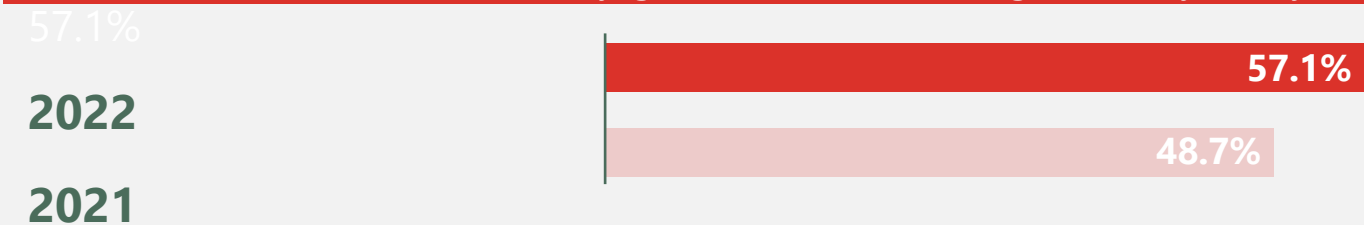


MEDIAN - Our median pay gap has reduced significantly this year to 28.9%

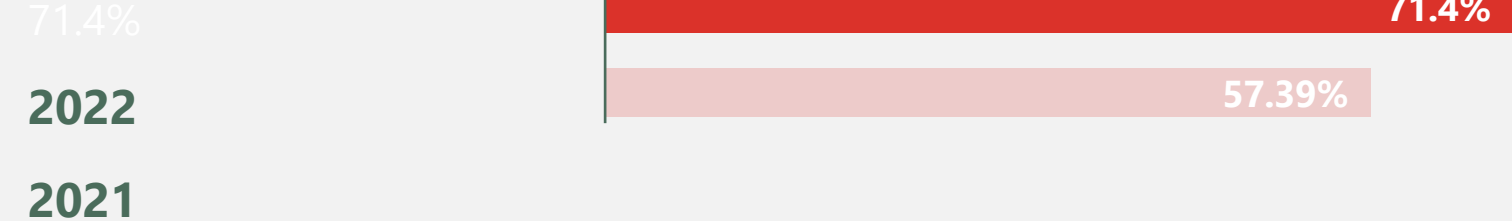


Bonus Gap

MEAN - Our mean bonus pay gap has increased significantly this year to 57.1%

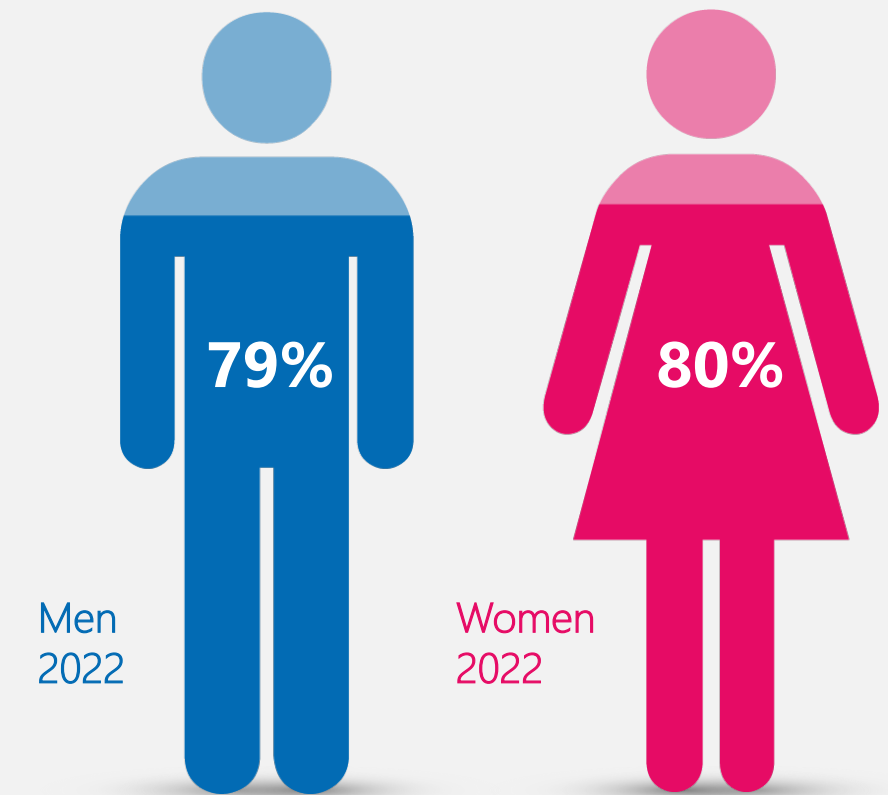


MEDIAN - Our median bonus pay gap has increased significantly year to 71.4%



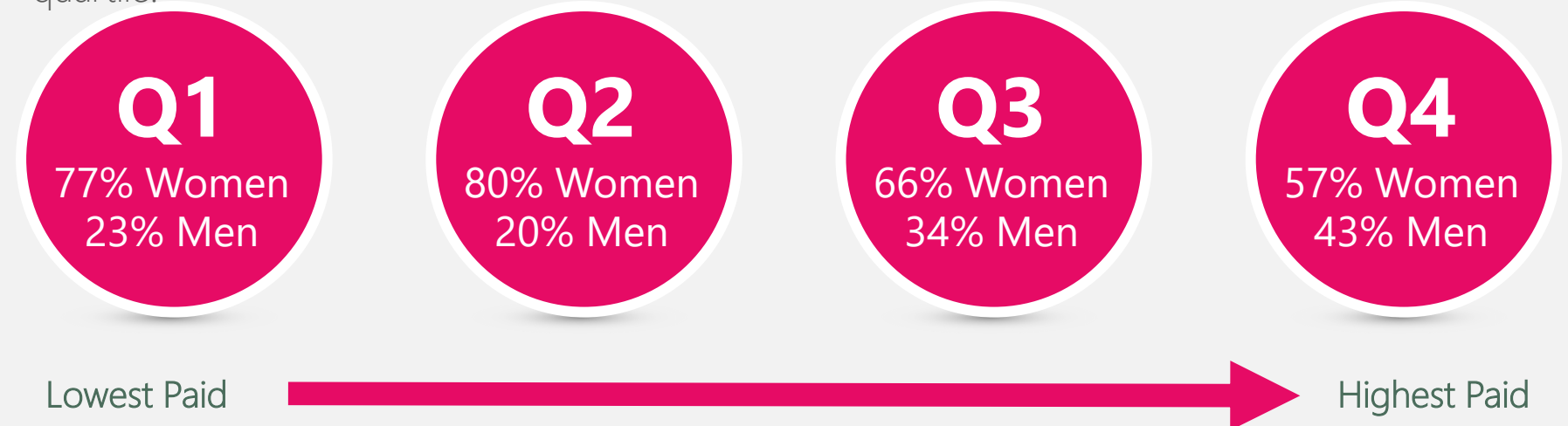
% of colleagues receiving a bonus

The percentage of women receiving a bonus was slightly higher than the proportion of men receiving a bonus.



Our pay quartiles

The proportion of female colleagues is greater than the proportion of male colleagues in every quartile.



Understanding our gender pay gap position

We pay our people equally for the roles they perform, regardless of gender. We are delighted that women are well-represented in every quartile of our business. Since we captured the data for this reporting period, we have appointed more women into leadership roles. Representation on our Executive Management Committee has increased to 75% women, which better reflects gender balance across our wider workforce.

We are committed to support women to be promoted or appointed into our senior leadership positions across pay quartile 4, which will help us to reduce our gender pay and bonus gap further.

How we're reporting our overall Group results this year.

Most of Pets at Home Group PLC colleagues are employed by Pets at Home Limited, and all these colleagues are included in this report. Some colleagues who support our vet business are employed by Companion Care Services Limited and this report also includes these colleagues. As in previous years, we have not included our colleagues in our veterinary practices, who are employed by several different employing entities, colleagues employed by the Vet Connection, or colleagues employed in Hong Kong, Isle of Man or Guernsey.

Gender Pay Gap

The difference between the proportion of women in our lowest pay quartile (74%) and the proportion of women in our highest pay quartile (57%) in this reporting period is contributing to our pay gap.

As a result of this difference, although there are more women than men in all our pay quartiles, the median pay figure for women, used to calculate our median pay gap, reflects the pay rate for a store colleague role, and the median pay figure for men used for this calculation, reflects the pay rate for a more senior and therefore better paid deputy store manager role. Despite this difference, our overall mean pay gap reduced again this year and our median pay gap remained stable.

In quartile 4, there are more men in the most senior, and therefore highest paying roles. In this reporting period, which is historical and therefore does not reflect the gender balance of roles in the business today, 70% of the colleagues on our Executive Management Committee were male and 72% of colleagues at the next level of leadership were male. This has impacted our mean pay gap.

Bonus Pay Gap

- **Bonus payments received by men in our highest paying roles impact our mean bonus pay gap.** There are more men in the highest paying roles in quartile 4. Bonus payments paid to colleagues in quartile 4 vary significantly, reflecting the salary variations in this quartile. In our lower pay quartiles, which capture a greater proportion of women, there is much less variation, reflecting the standardised pay/bonus brackets that apply to roles in these quartiles.
- **Significantly fewer colleagues overall received a bonus this year** because many of the colleagues included in this report joined the business between February 2021 and April 2022. There were more women new joiners than men. No bonus payments for these new colleagues were captured within the relevant data collection period and as a result our results show that a lower percentage of colleagues overall received a bonus payment than in 2021.
- **The number of women working part-time impacts our bonus gap** because the bonus gap is calculated from the actual bonus payments we paid. In practice, our bonus payments are pro-rated to reflect hours worked, but this is not taken into account in the bonus pay gap calculation. We have more women working part time, who therefore receive a smaller, pro-rated bonus. Our median bonus pay figure for women is for a store colleague working part-time and our median figure for men is for a store colleague working full-time. We predicted the increase in our bonus gap last year and expect flexible working opportunities, which are more frequently taken-up by women, to continue to impact this.

Our Highlights and Progress

Progress this year

Achieving our 2022 commitments

- We launched our Inclusion Commitments to all colleagues setting out our expectations and aspirations for and from our managers, colleagues and business overall.
- We made significant progress in capturing colleague diversity information enabling us to analyse and report meaningfully on demographics other than gender for the first time. We have also shared our diversity data with the BRC for inclusion in their retail dashboard.
- We asked all colleagues to include a commitment to inclusion in their objectives agreed through Great Conversations with line managers.
- We have released a new e-learning training module, 'Recognising and Overcoming Bias' aimed at our managers and leaders.
- Our diversity and inclusion leadership forum continued to steer our activities until Summer 2022. Our Executive team have overall accountability and our leadership teams are committed to diversity and inclusion progress in each business area.
- We use a range of online job boards aimed at diverse groups to advertise our roles and continue to take part in the Digital Her programme from Manchester Digital.

Highlights

- In the FTSE Women Leaders Review 2023, we have been ranked 7th (up from 22nd the previous year) of FTSE 250 companies for representation of women on our Board/direct reports
- We won HR Impact Award 2022 at the Personnel Today Awards
- To complement our relationship with existing membership organisations, we have joined Diversity in Retail, enabling us to share our experiences and learn from others to ensure retail continues to have a positive impact on diversity and inclusion.

Looking to the future

We are continuing to increase the representation of women in our most senior leadership positions in pay quartile 4. Since the 'snapshot' data for our 2022 report was captured;

- Our CEO, **Lyssa McGowan** joined the business, succeeding Peter Pritchard.
- **Lisa Miao** was appointed as Chief Operating Officer (retail) and **Kathryn Imrie** as Chief Consumer Officer.
- The role of Chief People Officer role, which previously was also accountable for legal was split, and **Lucy Williams** was appointed as Chief Legal Officer and **Rachel Mooney** as Chief People Officer.
- **Louise Stonier** previously our Chief People & Legal Officer was appointed Chief Operating Officer (vets).
- The gender split on our Executive Management Committee is now 75% women, 25% men and 44% of colleagues at the next level of leadership are women. We are confident that these steps will positively impact our 2023 gender pay gap.

Our ongoing commitments

- Diverse colleague representation across our business will remain a business priority
- We will make our new diversity data dashboard available to our leadership teams
- Our leaders and managers will attend workshops on inclusive recruitment

