

Gender Pay Gap Report 2023

About this report

In this report we share our gender pay information relating to the April 2023 reporting period. We have started with a summary of our diversity and inclusion strategy, followed with an explanation of the results and finished by signposting our future diversity plans.

Introduction

We are delighted to share that we have seen significant improvements in our gender and bonus pay gap positions following an increase in the number of women in our most senior positions.

Our aim is to represent the diversity of the communities we operate in and in relation to gender we've achieved this across our business from our Executive Committee through to our store colleagues. Women represent 63% of our colleagues overall, although in common with many retailers, the proportion of women in lower paid roles is significantly higher (72%) than the proportion of women in higher paid roles (56%) and this difference contributes to both our gender and bonus pay gaps. To help address this, we are committed to providing opportunities for women to join us at every level and to progress and develop in our business.

We understand that diversity extends beyond gender and this year for the first time as part of our Sustainability Strategy we have set goals for diverse ethnic representation of colleagues. In future we aim to publish our ethnicity pay gap alongside our gender pay gap.

Lucy Williams Chief People and Legal Officer Pets at Home Group Plc

Our 2023 Strategic Approach to Diversity and Inclusion

Our diversity and inclusion vision: To reflect the diversity of the communities we operate in **Our approach** Pets just see people. They aren't biased and they don't discriminate. We take our inspiration from pets, and we value and respect difference in all its forms. Our aim is to reflect the diversity of the communities we operate in, and every colleague can help us achieve this. We encourage our people to be themselves, to understand diversity and to practice inclusion. Our four strategic priorities **Diversity data** Inclusive Colleague Inclusive capture and leadership engagement recruitment transparency

Organisations we work with







Pets at Home Ltd Gender Pay Gap position

Our Pay Gap 2023 **Our Bonus Gap 2023** % of colleagues receiving Mean Mean a bonus 2023 62.3% 7.8% Men $(\mathbf{0})$ 2023 2023 Z1.6% 2022: 66% 2022 2022 Median Median 9.7% 39.7% Women 2023 2023 2022 2022 56.6% 9.9% 2022: 64% **Our Pay Quartiles:** 72% Women 65% Women 59% Women 56% Women 28% Men 35% Men 41% Men 44% Men Lowest Paid Highest Paid For reference: the overall gender split across this population is 63% women and 37% men.

Celebrating progress on our gender pay gap position

The scope of our reporting

Most of our colleagues are employed by Pets at Home Ltd. Historically, colleagues working for our vet business were employed by Companion Care Services Limited (CCSL). As our two businesses integrate, new support office colleagues are no longer employed by CCSL support office, and the total number of full-pay relevant CCSL support office colleagues has now dropped below 250.

As a result, in line with the reporting requirements, from this year we are only including colleagues employed by Pets at Home Ltd in our reporting. As in previous years we have also not included colleagues employed by the Vet Connection, colleagues employed in Hong Kong, Isle of Man of Guernsey or our colleagues in veterinary practices, who are employed by many different employing entities.

Gender Pay Gap

Within our highest paid quartile we are delighted that the proportion of women across our most senior, and therefore highest paying roles increased in this reporting period to 75% in our Executive team and 47% in our next level of leadership, which has helped reduce both our pay and bonus gaps.

In line with our reporting for last year, the continuing difference between the proportion of women in our lowest pay quartile (72%) and the proportion of women in our highest pay quartile (57%) is contributing to our gender pay gap.

Bonus Pay Gap

More women than men in quartile 4 were new to role, or promoted during the reporting period and this has impacted our bonus pay gap.

Our increasingly strong representation of women in Senior Management positions is an achievement we are really proud of and demonstrates our commitment to continuing to improve gender diversity from an already strong position. During the reporting period many of these women were new to role so either did not receive a bonus or received a prorated bonus (reflecting time spent at different levels). This contributed to our bonus pay gap.

The number of women working part-time impacts our bonus gap:

As we reported last year, more than half of our colleagues work part-time and significantly more of these part-time colleagues are women. As the gender pay gap is calculated on hourly pay, the part-time status of women does not contribute to our gender pay gap. The bonus pay gap however is calculated from actual bonuses paid, and bonuses are pro-rated, and therefore lower, for part-time colleagues. A greater proportion of these part-time colleagues receiving lower bonuses are women and this especially impacts our bonus pay gap.

Sharing our broader diversity progress and ambitions

Progress this year

- We have achieved our target of 80% diversity data completion across our business enabling a greater understanding of a range of diversity characteristics and how these intersect.
- For the first time we have included a strategic goal in our sustainability strategy to reflect the ethnic diversity of the communities we operate in by 2028.
- 18 colleagues from our Change Team working in technology and IT focused roles have attended the Springboard course for women.
- We took part in the Princes Trust In-Work Support Programme providing support to 22 young people starting retail roles with us. 55% of colleagues supported were women and 25% were from diverse ethnic backgrounds.

- Our Leadership Team, People Team and Area Managers have all benefitted from our Conscious Inclusion education session.
- We have participated in the Diversity in Retail EDI Maturity Curve benchmarking to help us focus our activities for 2024 and beyond.
- We've incorporated inclusive recruitment principles into a learning module on best practice in talent acquisition in our newly launched Passport to Managing Excellence module for managers.
- We continue to celebrate strong representation of the LGBTQ+ community amongst our colleagues.

Looking ahead

- Diverse colleague representation and working towards our goal will remain a business priority.
- We'll offer colleagues the opportunity to become Inclusion Advocates, supporting and celebrating diversity and inclusion across our business.
- We'll continue to focus on listening and understanding to progress diversity and inclusion and we'll formalise this for our leaders through a reverse mentoring programme.
- We'll relaunch our family-friendly policies and guidance to support our colleagues at this important life milestone.