

Sustainability Linked Revolving Credit Facility

Performance update FY23

Pets at Home Group Plc's revolving credit facility is linked to specific sustainability targets aligned to our sustainability strategy, Our Better World Pledge.

The interest payable on the facility being determined, in part, by our ability to meet three Sustainable Performance Targets (SPTs). The table below summarises the performance against these three SPTs during FY23.

SPT	ESG Topic	SPT description	Measurement	FY23 target	FY23 actual	Achieved
SPT 1	Scope 1 and 2 carbon emissions performance	Carbon emissions (Scope 1 and 2 tCO ₂ e) intensity	Tonnes CO ₂ e divided by Group Statutory revenue	18.3	17.2	Yes
SPT 2	Lifelines pet charity scheme	Monies raised through the VIP lifelines scheme	£m	£2.85m	£3.07m	Yes
SPT 3	Community volunteering	Total hours donated through "Better World Pledge Days" programme	Hours	10,065	11,649	Yes



Selection criteria for SPTs

The SPTs selection has been based on our sustainability strategy "Our Better World Pledge". The strategy has three pillars of planet, pets and people so each target covers an important activity and commitment within each of these pillars.

SPT1: Planet

We are committed to reducing our environmental impact and regarding carbon in particular. We have science-based target initiative approved near term (2030) and long term (2040) carbon reduction targets across scopes 1,2 and 3. We have been investing in carbon reduction in our operations over many years and since 2016 we have reduced our absolute scope 1 and 2 CO₂e tonnes emissions by 41%, while growing our group revenue by 80%. SPT1 outlines our target to reduce our emissions intensity as we continue to grow our business. This will require continued investment in infrastructural improvements and behavioural change.

For more information regarding the data methodology please see page 14 of our sustainability report.

SPT2: Pet

Turning to our pet pillar we have selected the monies raised through our consumer loyalty scheme, the Group's 'VIP Lifelines' Scheme, as our target area. Being there for pets when they are in need is a key element of our sustainability strategy and our goal of our pet pillar to improve the life of every pet in the UK. Our unique rewards mechanism converts our VIP consumer purchases into "lifelines" that are donated to local and national pet charities. SPT2 outlines our target to continue to donate in proportion to our revenue growth.

The SPT performance is measured by the £m donated into the VIP lifelines scheme during the financial year. This donation is directly linked to consumers who are members of the VIP lifelines scheme transacting in our pet care centres, vet practices or online.

SPT3: People

Our final pillar of people recognises the role we play in the heart of our communities and how this impact in turn is an important engagement and retention tool for our colleagues in our business. We launched "Our Better World Pledge Days" to colleagues in 2021 to enable them to support a planet, pet or people activity in their local area. SPT3 reflects our commitment to continual growth of this program as we extend to more colleagues and encourage participation.

The SPT performance is measured by the total number of volunteering hours donated by colleagues during the financial year.

Assurance statement

The assurance statement related to the three SPTs is available on our investor website.