

# 1 Our Pets People

Our colleagues are fundamentally important to us. Their knowledge and passion for pets is at the heart of the relationships we build with our customers and our clients.

## Exceptional colleague engagement

**We recognise the value of our colleagues' knowledge if we are to provide the best possible advice for our customers and their pets. We consciously recruit colleagues who share our love of pets and, recognising the correlation between colleague turnover and expertise, we aim to maintain a consistently high level of engagement with them.**

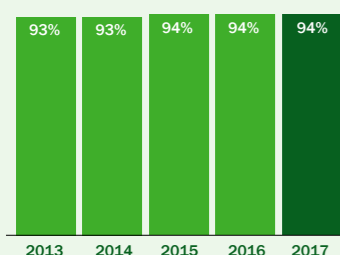
We measure engagement annually by inviting every colleague to participate in an online survey 'We're All Ears'. Now in its tenth year, this survey asks colleagues to select from a range of responses, from 'strongly agree' to 'strongly disagree', in answer to questions based on our values, vision and culture. We aim to maintain the measure of overall engagement above 90%. We also measure the percentage of 'strongly agree' responses. This was 78% in 2017 compared to 77% in 2016. Our ambition is to increase the level of 'strongly agree' responses to 80%.

In 2013 we were ranked first in the Sunday Times list of Best Big Companies to Work For. Having reached this level among UK companies, we decided it would be appropriate to challenge ourselves against a broader peer group and

entered the Great Place To Work survey which affords colleagues a further opportunity to provide feedback and allows us to benchmark Pets at Home against the best in Europe. In 2015 we were ranked 15th among larger UK companies. In 2016 we improved to 7th overall in the UK and were the highest placed retailer. In 2017, we were placed 9th overall in the UK and retained our position as the highest placed retailer.

Most of our first opinion veterinary practices are separate small business, owned mainly in joint ventures with partners from the veterinary profession. Colleagues in the veterinary practices are employed by the Joint Venture companies rather than the Group. Many of these Joint Venture companies also recognise the value of measuring colleague engagement and in 2016 we introduced a colleague engagement survey across our first opinion practices. Now in its second year, this survey has proved invaluable in helping our partners measure colleague engagement in their own practice. In FY2017 we generated practice-specific responses from 91 practices and aim to build on this with each successive year, helping our partners be the employer of choice in their community.

Colleague engagement (%)



## World-class training

**Being a specialist retailer we recognise that our colleagues need specialist knowledge if they are to engage with our customers and provide the service and advice they seek. As a result we place great emphasis on colleague development.**

At the heart of our training is our Steps programme, which we are updating from April 2017 to better reflect the career aspirations of our colleagues. We have amalgamated the two existing compulsory steps into a single new training programme after which colleagues will 'Step Up' to Pet Colleague. Colleagues can then develop their pet specialisms after which they will 'Step Up' to Pet Expert. Colleagues who stretch themselves further and develop an in-depth knowledge of pets can 'Step Up' to Pet Specialist once they have completed five years' service.

We operate an Earn As You Learn model which rewards colleagues as their training progresses and their expertise increases. On stepping up to Pet Colleague, colleagues will receive an increase in their pay of 25p per hour. For each pet specialism they add, up to a maximum of four colleagues will receive an additional 20p per hour on stepping up to Pet Expert. Pet Specialists will receive a further 20p per hour, bringing the total Earn As You Learn addition to £1.25 an hour.

**75**  
grooming apprenticeships in the year ahead

Colleagues embarking on a career in grooming now have the opportunity to follow our apprenticeship training. In the past year we have enrolled 98 colleagues onto grooming apprenticeships. From the initial cohort of 12 apprentices we have offered ten permanent roles as stylists in our Groom Room salons. We plan to offer a further 75 grooming apprenticeships in the year ahead.

Our veterinary colleagues undergo rigorous professional development as part of their ongoing professional requirements. We are committed to ensuring our vets and nurses have access to the highest quality training and have developed our own Learning Academy to support this. In FY2017 our Learning Academy delivered training to 547 colleagues and we will further expand this facility each year. We are also developing an apprenticeship programme to help train more veterinary nurses and make nurse training more accessible. We are working with a number of providers to deliver these programmes, including developing a Nursing Academy utilising the renowned teaching capabilities at our specialist referral centre Dick White Referrals.



## Keeping Our Pets People healthy and safe

**We are committed to providing a safe and healthy environment for all of our colleagues, customers and third party contractors. We actively encourage a positive health and safety Culture throughout our stores, practices, distribution centres and support offices. The safety and wellbeing of our colleagues is an important part of our colleague engagement levels.**

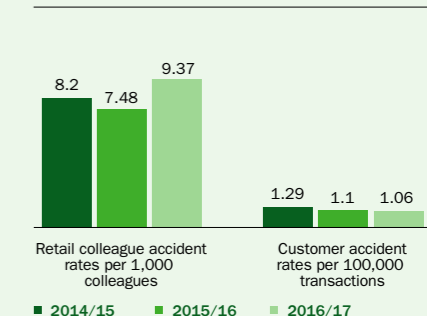
The Group recognises its responsibility for health and safety and we have robust control measures in place to minimise the risk of incidents. Our Group Chief Executive reviews and signs off our Health and Safety policy Statement every year prior to our annual Health and Safety week.

There have been no Health and Safety Enforcement Notices served on the Group.

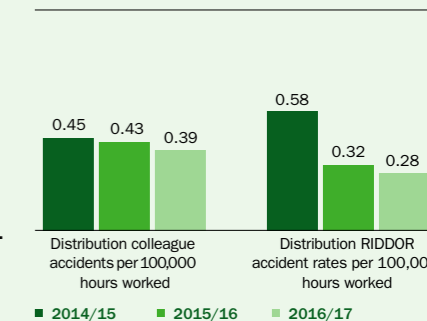
We continue to benchmark accident rates across the Group which also includes the accidents which have taken place in our joint venture veterinary surgeries and specialist referral centres. We record all incidents (including non-work related injuries) and report all accidents in accordance with the Reporting of Injuries, Diseases and Dangerous Occurrence Regulations (RIDDOR). We also classify all incidents where we are aware a customer intends to go to hospital as RIDDOR reportable, which will result in some over reporting of RIDDORs.

During the year, total accidents across the Group increased with our store and colleague growth. While our colleague accident rate increased from 7.48 to 9.37 accidents per 1,000 colleagues, we saw a reduction in Customer accidents from 1.10 to 1.06 per 100,000 transactions, while the number of RIDDOR accidents remained similar to previous year in our stores/practices. In Distribution, there was a slight decrease of 0.04 accidents per 100,000 hours worked, and a 0.04 decrease in RIDDOR accidents for the year.

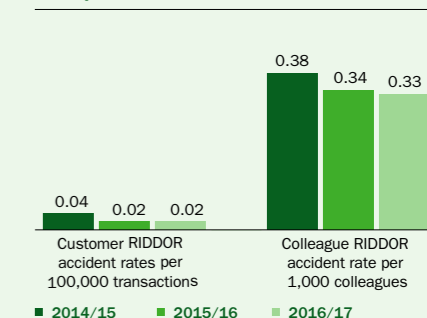
Accident rates – stores/practices



Distribution accident rates



Group RIDDOR rates



We continue to promote a "Stay Safe" culture of health and safety throughout the Group. For the third year running, our two distribution centres applied for the British Safety Council's international Safety Awards and achieved passes demonstrating our commitment to the health, safety and wellbeing of our colleagues and contractors. All Joint Venture practices open for more than a year received a health & safety audit from our In-house team. Within Retail we achieved 100% compliance for our internal audits.