



# Gender Pay Gap Report 2019

# Introduction from Louise Stonier - Chief People and Culture Officer

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At Pets at Home we have an ambitious plan, to become “The Best Pet Care Business in the World” and key to delivering this successfully and sustainably will be our most cherished assets: our People, and our Culture.

We are focused on building a diverse and inclusive culture that we can all grow and thrive in, supporting everyone in developing their amazing career. When we talk about culture we are not only describing our people culture, but also the role we play in society, and that’s why we are embedding in our vision, a social purpose strategy that covers our environmental and community activities too. For me personally, I am delighted that the importance of our culture and social purpose strategy has been reflected in the changes to my role and accountabilities this year. With my new role as Chief People and Culture Officer, we are putting culture into the heart of all our decision making.

If we have a diverse and inclusive culture, we will be a more successful one too. Our purpose is to give our people the confidence to be whoever they want to be and to reflect the wonderful diversity and inclusivity that being a pet care business brings.

Looking at pay through a gender lens is one way which we measure whether our diversity and inclusion policies are working. However, gender equality is a much bigger topic and deserves more than just facts and figures. To make meaningful progress we have to dig deeper and look at what drives the numbers.

Overall we are pleased with our numbers and the progress we made, however, there is still an imbalance. Whilst we are delighted we have over 50% female representation in management and senior management levels, our gender pay gap is caused by the factors we outlined last year; we have more men than women in the higher paying STEM careers across both support office and the veterinary specialist hospitals and more women than men in our hourly paid roles.

On the following pages, you will see our headline gender pay figures (pages 3 to 9) for our mandatory reports of Pets at Home Limited, Companion Care Services Limited, and Dick White Referrals as well as our group figure. We will explain what they mean (and what has influenced them).

We also hear from inspiring colleagues like Nerys (page 12) who is taking part in our Be Inspired programme, how we are helping new parents like Sam and Sarah (page 13) to balance work and family life, and how in our Specialist hospitals we are seeing the gender balance start to shift with colleagues like Rachel (page 11).

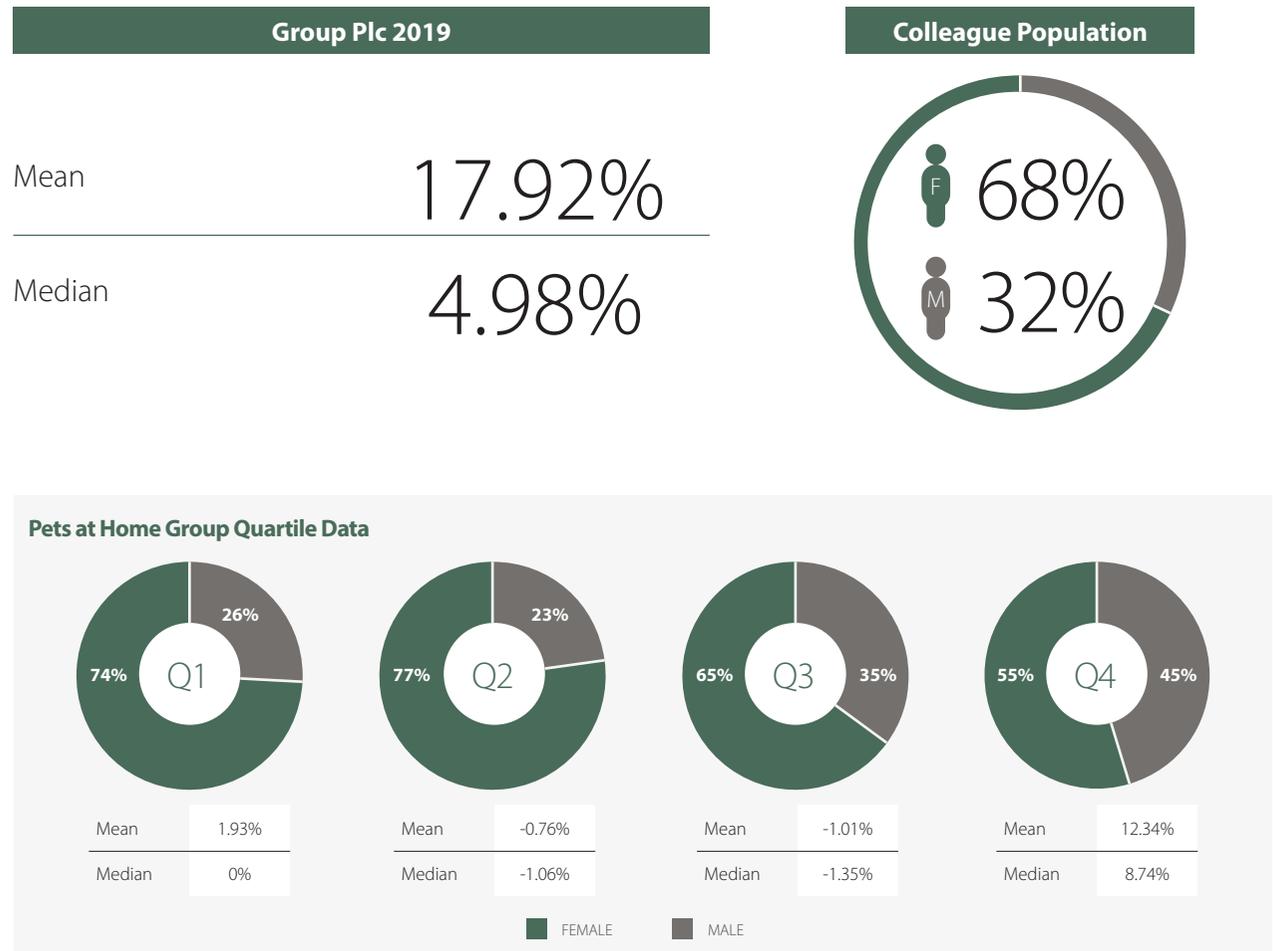
**Louise Stonier**  
Chief People and Culture Officer  
Pets at Home Group Plc



# Overall Group Position

Below are our Group results. These figures include eligible colleagues employed by Pets at Home Group. It does not include figures of our joint venture veterinary partnerships since these are all individual businesses owned by the veterinary partner(s).

Our quartile position is really positive with the three bottom quartiles having gaps of around 1% or less, continuing to give us certainty on the fairness of our pay systems. The fourth quartile position is driven by the gender split of the top 100 highest earning colleagues in our business and although it is encouraging that 41% of these roles are held by female colleagues, there is more we can do to increase this proportion. Our results remain heavily influenced by the fact that: there is a shortage of women in our higher paying stem careers across both support office and the veterinary specialist hospitals; and more women than men in our entry level roles.



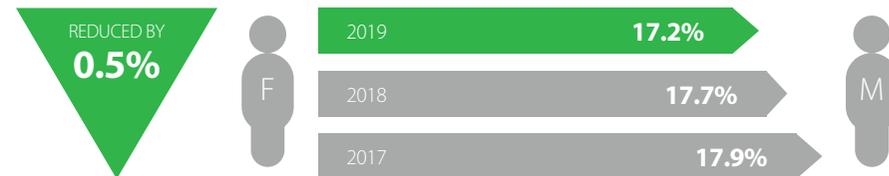
# Our Retail Division (Pets at Home)

Our Retail Division, which covers our stores, groomers and distribution centre as well as the support office, has continued to show a positive trend, with the mean gap reducing by 0.5% this year.

This group remains heavily female dominated and like many retailers we see the influence of having a larger proportion of females within the lower quartile roles. However, we have seen an increase in female colleagues within the upper quartile as we have promoted a greater proportion of female colleagues into store management and senior management roles this year.

We can also see that within the bottom three quartiles the gender pay gap is either around 1% or less or in some cases favours female colleagues. This continues to give us confidence on the fairness and equity of our pay structures.

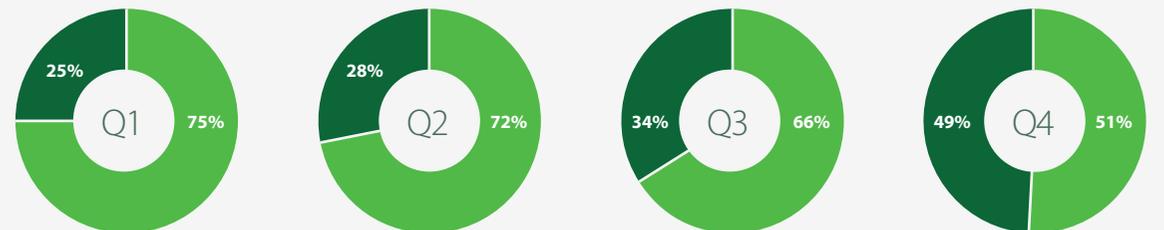
## Mean Pay Gap



## Median Pay Gap



## Quartile Data



	2019	2018	2017
Mean	1.69%	1.10%	-0.10%
Median	0%	0%	0%

	2019	2018	2017
Mean	-0.23%	0.10%	0.20%
Median	-1.31%	0.60%	0.20%

	2019	2018	2017
Mean	1.14%	0.50%	0.40%
Median	1.35%	0.10%	0.30%

	2019	2018	2017
Mean	29.42%	6.60%	10.40%
Median	0.28%	6.20%	12.90%

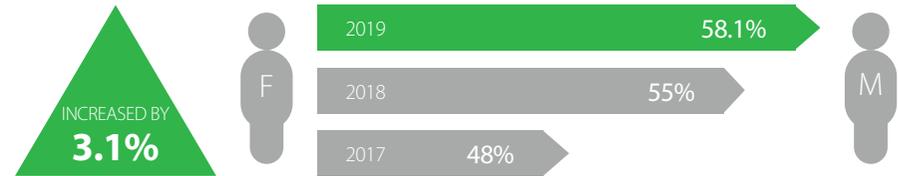
■ FEMALE ■ MALE

# Our Retail Division - Bonus Gap

Our positive store performance is creating more bonus opportunities within store. The number of colleagues receiving a bonus this year grew and more of our female colleague population received a bonus than male.

The median bonus gap therefore reduced significantly, whilst the mean bonus gap has grown. The growth is again driven by the higher proportion of males in the upper quartile roles where bonus is typically a percentage of salary and schemes are based on overall divisional and group financial measures, as well as individual performance.

## Mean Bonus Gap

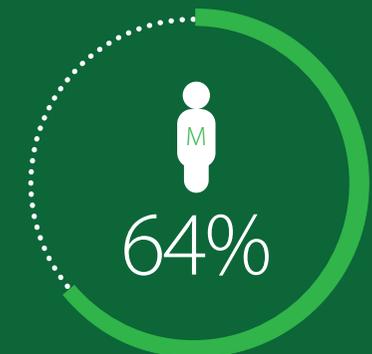
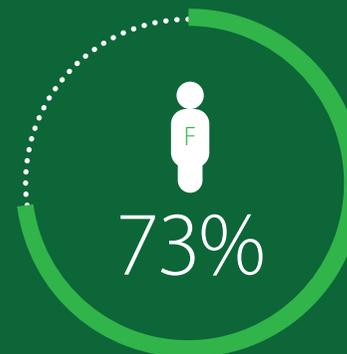


## Median Bonus Gap



## Colleagues receiving a bonus

	2019	2018	2017
Female	73%	68.4%	82.7%
Male	64%	62.3%	80.1%



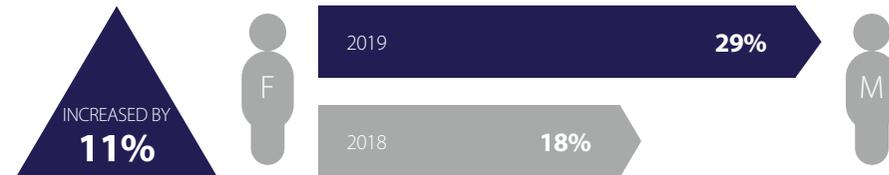
# Our Vet Division (CCSL only)

Within our Veterinary division the Companion Care Services Ltd (CCSL) business employs all of our support office colleagues. This business is reporting for the second time and the gender pay gap has grown this year at both the mean and median levels.

The gender profile within the office has more female than male colleagues and this year we were pleased to appoint Jane Balmain as Chief Operating Officer to lead the division. In addition over 48% of the upper quartile roles are held by female colleagues.

As we continue to grow and evolve our Group, the structure of our business changes and brings a level of people change. Our gender gap has been driven by some turnover within the senior leadership team following the structural changes over the year as we transform our retail and vet divisions into a pet care business.

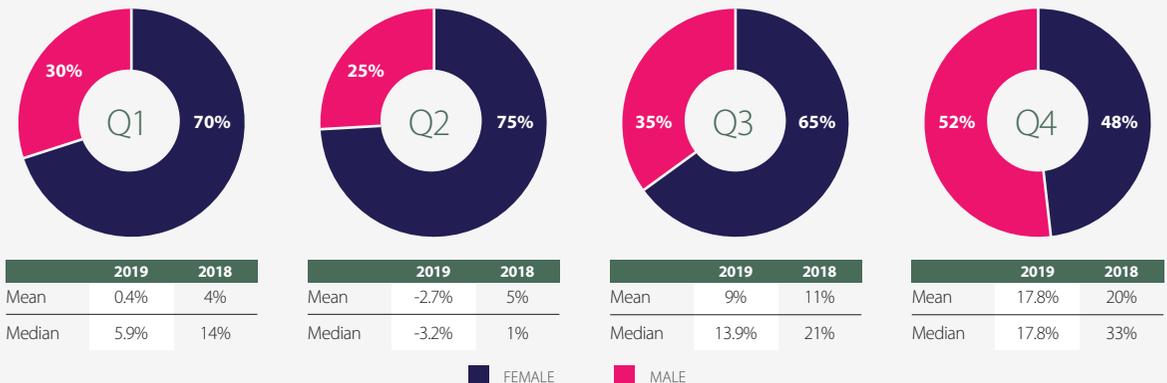
## Mean Pay Gap



## Median Pay Gap



## Quartile Data



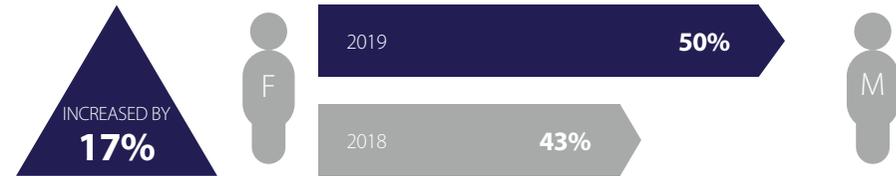
# Our Vet Division (CCSL only) - Bonus Gap

Our bonus gap will fluctuate year on year depending on our level of bonus pay out. The change in the bonus gap this year is partly due to this.

This year we saw a significant movement in the bonus gap, with an increase at the mean and a reduction at the median level. However, the divisional performance this year resulted in fewer of our colleagues both male and female receiving a bonus.

Our bonus structure is aligned to our pay grades and we remain confident that the differentials remain a factor of the fewer female colleagues within the upper quartile roles within the division.

## Mean Bonus Gap

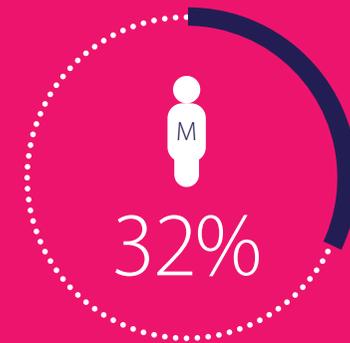
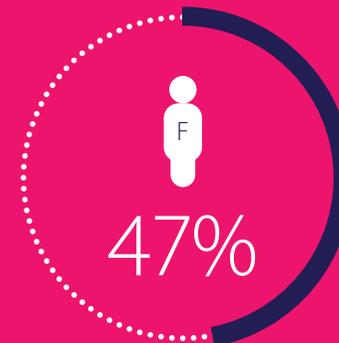


## Median Bonus Gap



## Colleagues receiving a bonus

	2019	2018
Female	47%	69%
Male	32%	78%



# Our Specialist Division - (DWR only)

Dick White Referrals (DWR) is the largest of our specialist hospitals and remains unique in being the only specialist referral business of a scale to report its gender pay gap independently.

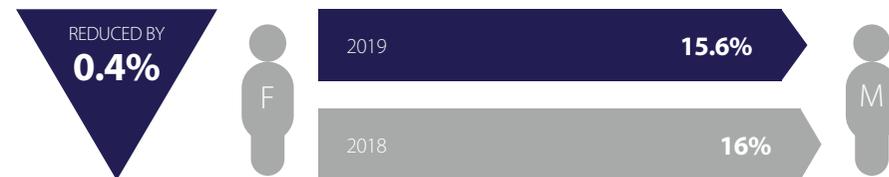
The colleague population within DWR, like the rest of our Group, is heavily female dominated and we are proud of the fact that within our talent pipeline we continue to see more female colleagues progressing in the specialist field.

However, we have seen the pay gap grow this year as the skills gap is creating market pressure on pay within the senior specialist professions. The fact that currently more male colleagues occupy these roles results in the gap worsening. Although, the gaps within quartiles have reduced at both the mean and median level.

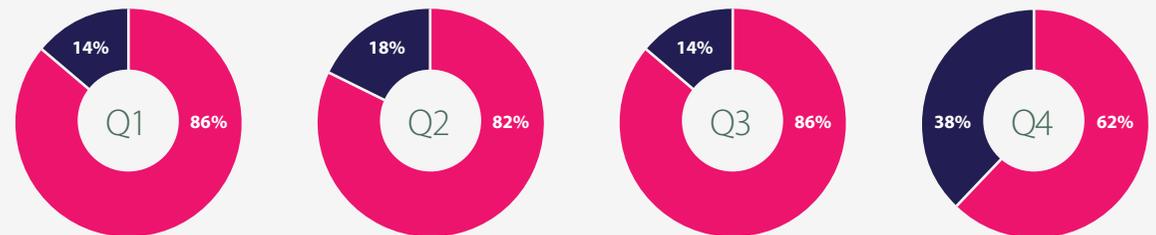
## Mean Pay Gap



## Median Pay Gap



## Quartile Data



	2019	2018
Q1 Mean	2.62%	3%
Q1 Median	-3.27%	4%
Q2 Mean	2.64%	3%
Q2 Median	4.35%	3%
Q3 Mean	-1.37%	3%
Q3 Median	0.84%	5%
Q4 Mean	37.6%	41%
Q4 Median	65%	58%

■ FEMALE ■ MALE

# Dick White Referrals (DWR) - Bonus Gap

In the reporting period no bonuses were paid in DWR and therefore the bonus gap reduced to zero.

This also results in the % of colleagues receiving a bonus being zero for both genders.

We have reviewed and updated our bonus plans for DWR over the next reporting period. Our new structure is based on standardised fixed payments and therefore we do not anticipate any gaps being created due to gender.

## Mean Bonus Gap

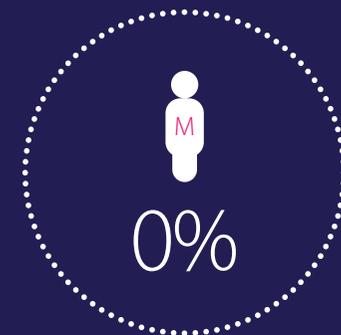
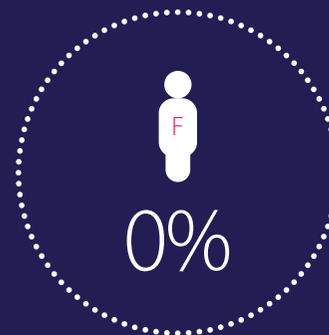


## Median Bonus Gap



## Colleagues receiving a bonus

	2019	2018
Female	0%	56%
Male	0%	65%



# So what are we doing to promote gender balance?

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1.

**Championing clear career and reward pathways.**



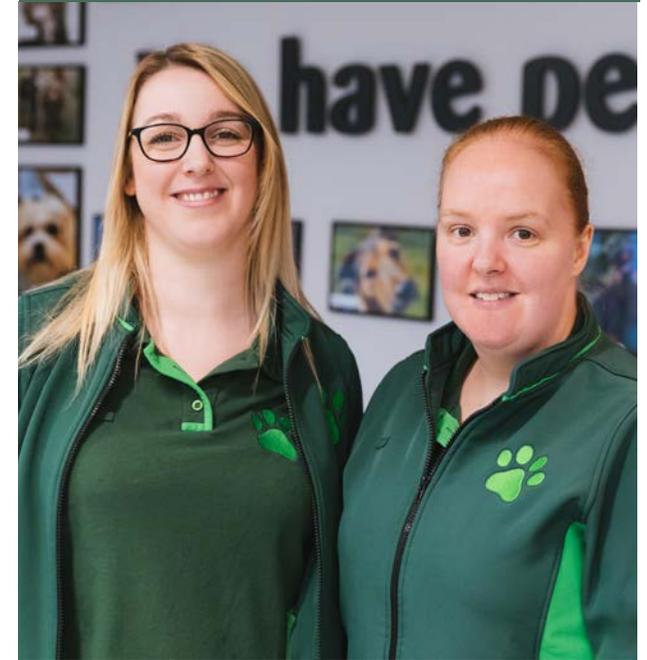
2.

**Empowering more women into leadership positions.**



3.

**Supporting dynamic working.**



# Championing clear career and reward pathways

Through our extensive colleague listening and pulse surveys, our colleagues asked for more transparency around our job and career framework as well as standardised and clear reward structures so for the past two years we have focused on putting in place these important foundations.

Our new standard pay and benefits structure now helps us ensure that all our colleagues are aware of what is available to them. We now have a structure which guides consistency in our pay decisions, based on our job levels and grading structure.

We are also embedding our grading structure within our newly designed colleague and leadership capability framework. This framework not only provides an indication to all colleagues and leaders as to what is expected of them in their role, but it also provides direction on how to develop and strengthen their capabilities within their bands and for upwards progression. Going forward, all our learning

and development plans will now be built on our capability framework, such as our rising stars, fast track and leadership development programmes. Our current development programmes are open to all, and as a result, we are seeing a good representation of females due to our 68% female colleague population on our programmes.

Within the Veterinary sector the Dick White Academy is helping to develop the Specialist Nurses and Veterinary Surgeons of the future and our graduate Veterinary programs and residencies have a larger proportion of female participants than male. Rachel Miller's story is just one example.



After joining 'DWR' in 2012, as part of their residency programme in the 'Department of Internal Medicine', I completed my residency and my fellowship; before sitting my European Colleague of Internal Medicine exams in 2016. The Residency and Fellowship stages to become a qualified consultant take a lot of dedication and commitment; however, at 'DWR', I was given the support and guidance via a residency supervisor, as well as access to other experienced specialists that enabled me to learn and develop at my own pace. 'DWR' supported me financially and professionally to ensure I could continue to progress in my career.

I now Co-Direct the Internship programme and get to support the new talent that we have coming through. I already see improved diversity in our profession as the gender mix of Senior Consultants within 'DWR' has changed, with more female Consultants in role now than when I started my own Internship. With the residency pipeline having more female colleagues within it, this trend is set to continue into the future.

**Rachel Miller**

BVSc CertVA Dip ECVIM-CA MRCVS

# Empowering more women into leadership positions

We need far more female leaders, and from different backgrounds. It's the neon sign message our pay gap figures are telling us. It's also the right thing to do – and it makes business sense too.

We've teamed up with Retail Week to support their female leadership development programme, Be Inspired.



Retail Week set up the Be Inspired programme a few years ago to promote gender balance at all levels in organisations, and to encourage women to fulfil their career aspirations. It connects them with those who can help propel their careers, inspires them through the stories of others, opens eyes to career opportunities, and fosters a culture of career confidence. It is not just limited to the Retail division and is open to all colleagues across the Group.

Our CEO, Peter Pritchard, our Chief People and Culture Officer Louise Stonier, and our COO for Retail, David Robinson, have all signed up to be ambassadors in supporting and promoting the programme both internally and externally.

We have also nominated four high potential female colleagues from across the Group to join the Senior Leadership Academy of the Be Inspired programme who will then act as mentors within our wider business, bringing back their learnings to support our internal programmes. Information will then be cascaded and accessible for all regardless of gender via our new collaborative working and social media tool, SAP Jam.

We have already had a fabulous response to this programme across the Group with significant numbers of colleagues asking to get further involved and attend workshops. We are excited to see the positive long term benefits this will bring to both internal development and external talent attraction.



I am delighted to have joined the Retail Week Be Inspired Senior Leadership Academy. Since joining Pets at Home in 2012 as an Area Manager I moved through a variety of roles including working in Support Office as Head of Retail Operations, before taking up my current position of Retail Operations Director North in 2019. The Be Inspired programme will give me the opportunity to network and learn from some of the most senior people within our sector. However, I am most excited about the opportunity to share best practice and to support in the development of the great talent across the Group.

**Nerys Lyne**  
Retail Operations Director – North

# Supporting dynamic working

Our culture is known for being flexible and supportive in ensuring a balance between work and home, and the many competing demands that our colleagues have on their time.

In our stores, wherever possible we have invested in creating an agile population, recruiting key time colleagues who have the ability to work flexibly to meet the needs of our customers, whilst benefiting from working hours that fit around their lifestyle.

Another available option is job sharing. This is an arrangement where typically two people are employed part time to cover one full time position. It's suitable for a wide variety of people and particularly appeals to parents of young children, carers, and those who have other responsibilities in their lives where they need to carefully balance their working life and personal circumstances.

But our current flexible working processes are mainly designed to support formal contractual changes in hours and terms, and our colleagues have told us that by their very nature they can be time consuming and off putting.

Often colleagues who need flexibility want a decision quickly so they can adjust to a change in their lifestyle. There are already a number of people in our organisation who are working dynamically, having proactively negotiated arrangements with their line managers. We are exploring how we can refine and empower this attitude and confidence across every aspect of our business. This will be underpinned by the right technology and environment so our colleagues can make sensible decisions about when and where they work.

This new form of working has been shown to be especially important to those in the digital and data space which are key drivers in supporting our strategic vision. It will help our colleagues achieve an optimal work/ life culture and will be a fundamental enabler in creating a diverse, inclusive and engaged culture that works for everyone.



to look across the regions stores for a potential job share arrangement.

Sam and Sarah were introduced and have been working successfully as a partnership in running Brighthouse store. When asked what the key to a successful job share is, both agree, "its communication and sharing of information. We both do two and a half days but ensure we keep in touch regularly."

Sarah joined Pets at Home in 2003 and has worked in a variety of roles until becoming a Store Manager. She has been working flexibly in a job share since 2014. In 2019 she was in need of a new work partner to team up with.

Sam joined in 2013 as a Deputy Manager and through our fast track management development programme progressed to becoming a Store Manager in 2017. In 2019, whilst on maternity leave, she realised that working full time and becoming a new parent was going to be a challenge, so she discussed her options with her Area Manager, who agreed

The Pets at Homes values of Courage, Honesty, Respect, Integrity and being Supportive (CHRIS) are embedded in our unique culture and all colleagues know that whether they want to use the formal flexible working policy or just have an open discussion around their needs and aspirations they will be listened to. Whilst job share is not new to our business we hope to see more of it in the future to support talent retention in working parents.

**Samantha Symonds & Sarah Gibbins**  
PAH Retail Division

# Our commitment

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Throughout this report, we've tried to talk openly about more than just our Gender Pay Gap figures. The numbers are important. They help us identify where we're doing well, and where we need to improve. But they are just a starting point. The way we work is changing for good. A key aspect in ensuring we remain relevant as a business and employer is our commitment to creating a diverse and inclusive culture, empowering all of our colleagues to work in the way that suits their lives, and supporting our business to better serve our pet care customers.

We hope that our progress so far and the commitments we've made encourage all of our people because we believe that we should give our people the confidence to be whoever they want to be so that they have the fulfilling career they deserve.

**Peter Pritchard**  
Group Chief Executive Officer

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We confirm the gender pay gap data in this report is accurate

A handwritten signature in black ink that reads "Pritchard".

**Peter Pritchard**  
Group CEO