

The table below reports our progress to date against each of the disclosure recommendations of the Taskforce for Climate-related Financial Disclosure (TCFD).

While the TCFD disclosures are not yet mandatory, we are working towards meeting the recommendations in full in future reporting years. Our disclosures are currently in line with BEIS requirements.

Pillar	Disclosure requirement	Description/progress
<b>Governance</b>	Describe the board’s oversight of climate-related risks and opportunities.	The Group Board has ultimate responsibility for ensuring that our Positive Pawprint strategy is implemented and key environmental and climate risks are effectively managed. The Non-executive director, Jarl Dahlfors, has accountability for these issues on the Group Board. The Group Board reviews governance, performance against targets and risk management on a regular basis.
	Describe management’s role in assessing and managing climate-related risks and opportunities.	The Non-executive director, Jarl Dahlfors, has responsibility for climate sustainability and environmental issues at Group Board level and is supported by Chief Operating Officer to ensure that environmental initiatives are implemented at Executive Committee level. Our Positive Pawprint strategy is one of our key business initiatives and climate impact is one of the principal commitments within this. The Positive Pawprint Steering Committee meets quarterly to oversee and direct progress in delivering the Group’s environmental objectives. During the year, the Executive Committee approved key plans around climate strategy, for example the Group’s GHG targets which were agreed in September 2022.
<b>Strategy</b>	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	We continue to undertake risk analysis to build our understanding of climate-related risks and opportunities. Analysis conducted to date has highlighted short-term risks which include localised short-term weather disruption risks, for example, linked to flooding or extreme heat. Conversely, in the short-term, we also identified a potential opportunity from the holistic management of the Group’s property portfolio to maximise energy efficiency and reduce both GHG emissions and operating costs. Longer term risks identified relate to increased compliance complexity and more chronic business disruption issues including changing disease patterns and increased severity and frequency of weather-related events. Key opportunities have been identified in working with suppliers and manufacturers to develop greater resilience in supply chains and to respond to changing product needs and to reduce the carbon footprint of pharmaceutical and nutraceutical manufacture and support the sustainability of pet ownership.
	Describe the impact of climate-related risks and opportunities on the organization’s business, strategy,	Climate-related risks are a key part of the Group’s sustainability strategy. In our 2022 materiality review, climate change was identified as one of the highest priority issues for both the stakeholders and the business. This has been an influencing factor in the development of the Group’s carbon reduction strategy, as agreed by the Executive Committee in September 2022. This strategy is described on page 7 of our Positive Pawprint Report 2022.

	and financial planning	In developing this strategy, we have, where possible, considered the impact of the climate-related risks and opportunities on the Group's business, strategy and financial planning. At present, no changes were made to the Group's accounting policies, estimates or judgements, however this is something we will continue to review.
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>Our Positive Pawprint strategy sets out our commitment to achieve the highest standards of sustainability in animal care.</p> <p>Initial scenario analysis assumed that our strategy would remain unchanged in the short term and considered plausible events including localised short-term weather disruption risks, for example, linked to flooding or extreme heat and longer-term risks relate to increased compliance complexity and more chronic business disruption issues including changing disease patterns and increased severity and frequency of weather-related events.</p> <p>Following this initial analysis of climate risk carried out this year, we intend to undertake more detailed investigation of risks and opportunities to understand their full impact on the business and to ensure that these are integrated into the core strategy. This will include scenario planning exercises to consider different levels of temperature increase. The Group's strategy for growth includes organic growth through capital investment in existing and new facilities, and growth through acquisitions. This gives us the ability to adapt and respond to climate change-related events, such as increasing flooding or rising sea levels or changing disease patterns.</p> <p>In September 2022, the Executive Committee agreed to a decarbonisation strategy which will support a science-based rate of decarbonisation. Our proposed targets are, by 2030, to reduce absolute Scope 1&amp;2 emissions by 50% and Scope 3 emissions by 30% (from a 2021 base year). By 2050, we will seek to reduce Group emissions to Net Zero. These targets have been submitted to the Science-Based Targets Initiative for validation, but in the meantime, we have already started to develop the workstreams needed to deliver the goals. These initiatives include a focus on reducing the energy we use in our clinics, reducing emissions from clinical activities like anaesthesia, and a transition to lower carbon fleet and lower carbon crematorium technologies. We are working in partnership with our suppliers to deliver shared environmental objectives, notably linked to our Scope 3 carbon reduction objectives.</p>
<b>Risk Management</b>	Describe the organization's processes for identifying and assessing climate-related risks.	<p>We have undertaken climate risk focussed risk workshops with the key stakeholders, with representation from country and functional operational teams including finance and clinical specialists to identify physical and transitional risks and opportunities. In addition, we have reviewed all internal risk registers to ensure that climate risk and mitigations are adequately captured, and mitigations reflected in our operational view of risk.</p> <p>To guide and support the ongoing development of our sustainability strategy, we undertake materiality assessments every two years to ensure that our strategy continues to focus on those environmental and social issues which represent the most important risks and opportunities for the future of the Group. As part of this exercise, we consult both internal and external stakeholders. In our 2022 review, climate risk and GHG emissions were identified as the highest priority issues for both the stakeholders and the business.</p>

	Describe the organization's processes for managing climate-related risks.	<p>Climate related risks are considered within the context of our enterprise risk universe and discussed as part of regular risk review processes with country and functional leadership teams.</p> <p>Climate risks are also reviewed as part of our sustainability governance framework, which is led at Executive level by our Chief Operating Officer.</p> <p>In depth climate risk assessment is now underway as part of the wider risk programme to determine specific risk responses and mitigations.</p>						
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	<p>Climate risk is considered as part of our enterprise risk universe and is considered in the context of risk to our strategy and both the impact of and impact on our operational activity.</p> <p>All country and functional risk registers are subject to regular review and reporting to the Group Board through Audit &amp; Risk Committee.</p> <p>The impact and likelihood of climate risks identified are assessed using our Group risk methodology.</p> <p>In addition, climate focussed risk workshops have been undertaken to form the basis of a Group climate risk register which will be used to inform more detailed climate risk scenario analysis and in the continuous development of our sustainability strategy.</p>						
<b>Metrics &amp; Targets</b>	Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.	As part of our assessment of climate risk, we map climate considerations into 3 broad categories: Transitional risk, Physical risk and Opportunities. For each category, we assess whether the impact is short, medium or long term. The risks are then scored as part of our standard risk approach.						
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<p>Group Greenhouse gas emissions for 2021/22</p> <table border="0"> <tr> <td>Scope 1</td> <td>34,887 tCO<sub>2</sub>e</td> </tr> <tr> <td>Scope 2</td> <td>11,010 tCO<sub>2</sub>e</td> </tr> <tr> <td>Scope 3</td> <td>1,387,310 tCO<sub>2</sub>e</td> </tr> </table> <p><i>Methodology</i></p> <p><i>The Group has calculated our Greenhouse Gas (GHG) emissions in line with the Greenhouse Gas Protocol. We report emissions where the Group has operational control and report emissions in tCO<sub>2</sub>e.</i></p> <p><i>Scope 1 includes direct emissions from sources owned or controlled by the Group. It includes emissions associated with our managed locations including natural gas and kerosene and fuel utilised by our vehicle fleet. Data is collected from invoices, telematics, fuel cards and other documentation for UK, Netherlands,</i></p>	Scope 1	34,887 tCO <sub>2</sub> e	Scope 2	11,010 tCO <sub>2</sub> e	Scope 3	1,387,310 tCO <sub>2</sub> e
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		<p>France, Sweden and Finland and logged in an Emissions Reporting Tool. DEFRA Greenhouse Gas Reporting: Conversion Factors 2022 are used to covert to CO<sub>2</sub>e.</p> <p>Scope 2 includes indirect emissions associated with the purchase of electricity which is consumed at our locations. Data is collected from invoices and other documentation. Where data is not directly available, extrapolations are made based upon the average electricity consumption per Full Time Employee (FTE) and allocated (at a country or global level).</p> <p>Scope 3 includes indirect emissions associated with our value chain. IVC Evidensia utilises company data from several different sources to facilitate the calculation of Scope 3 emissions. Category 1 Purchased Goods and Services, Category 4 Upstream Transport and Distribution, Category 5 Waste Generated in Operations and Category 6 Business Travel are calculated using a spend-based approach and the associated Quantise emission factors. In some instances, Scope 3 data for the Canadian market has been extrapolated based on known European data.</p>
	<p>Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>In September 2022, the Executive Committee agreed to a decarbonisation strategy which will support a science-based rate of decarbonisation with proposed targets as follows:</p> <ul style="list-style-type: none"> <li>• By 2030, reduce absolute Scope 1&amp;2 emissions by 50% and Scope 3 emissions by 30%</li> <li>• By 2050, reduce Group emissions to Net-Zero</li> </ul> <p><i>Note: Scope 1 and 2 targets are aligned with a 1.5°C science-based rate of decarbonisation and have been submitted to SBTi for validation. Targets measured from a 2022 base year.</i></p> <p>We will report on progress against these targets from 2023 onwards.</p> <p>In addition, to support this strategy, the Group has a further target by December 2023 for 85% of electricity to be from renewable sources. As at 30 September 2022, 65% of electricity was from renewable sources.</p>

