

## VUR Village Hotels Limited

### Strategic Report for the Year Ended 31 December 2020 (continued)

#### *Environmental & Social Governance (ESG)*

The Group recognises that an essential part of being a responsible business is caring for the environment. Work around environmental issues is led by the Executive Management and their role is to encourage each hotel to reduce their impact on the environment and carbon footprint and create a clear and transparent path to Net-Zero.

The Group has policies and practices in place to focus on specific operations and how the Group's current impact on the environment can be mitigated. The Group's strategy for 2020 was to fully understand our position in the market with regards to the effect of our hotel operations on the environment and our carbon emissions. The Group's future goals will be set against the background of understanding and improving our operating efficiencies to ensure that the path to Net Zero is planned, measured and clearly implemented.

The Group continues to engage a 3rd party environmental consultant, to incorporate monitoring systems onto our Building Management Systems (BMS) to evaluate energy usage and advise on actions to be taken to reduce energy consumption. The BMS system is a key component in energy management and the Group has continued to invest in BMS systems in every hotel it has developed.

An e-learning module on our staff training platform is also in development to ensure all staff are aware of energy usage and the impact of their actions and workflows, including regular communications with employees.

The Group's Streamlined Energy & Carbon Report can be found within the Director's report.

#### *New development hotels*

Village continues to improve its model for new-build hotels. For new-build hotels that are being developed, the Group's aim is to achieve a Building Research Establishment Environmental Assessment Method (BREAM) rating of "Very Good" on all hotels built from 2015 onwards.

This rating is only awarded on the basis that the development is designed and managed with the environmental impacts in mind and the award requires ecological surveys to minimise impacts on land and natural habitats, energy efficient lighting and mechanical/electrical plant, thermally efficient external envelop, natural ventilation where possible, as well as an active 'travel management plan' to understand how customers and staff will access and utilise the hotel in the surrounding local environment.

The Group also engages competent and experienced construction contractors, who have achieved the Carbon Trust Supply Chain Standard. This focuses on reducing CO2 emissions throughout the supply chain by engaging likeminded competent and experienced supply chain partners.

#### *Waste disposal and recycling*

The Group is registered with Recycle Pak, a National Compliance Scheme registered to serve companies under the Packaging Waste Regulations. The Group aims to divert the maximum amount of waste possible from landfill.

#### *General Data Protection Regulations (GDPR) Statement*

The Group is committed to ensuring that all personal data held is both necessary and relevant and is held securely in accordance with the Group's Data Protection Strategy.

The Group worked steadfastly towards ensuring compliance with the implementation of GDPR, which came into force on 25 May 2018. The Group seeks to ensure that we adopt the approach sought by this Regulation and are as transparent as possible with both customers and employees in advising on the data we are collecting from them and for what purpose. The Group has appointed internal Data Guardians who meet on a quarterly basis to reassess and reevaluate controls over data security.

The Group's privacy policy can be found at <https://www.village-hotels.co.uk/privacy-policy/>

## VUR Village Hotels Limited

### Directors' Report for the Year Ended 31 December 2020 (continued)

#### Streamlined Energy and Carbon Reporting Framework Regulations (SECR)

The Group recognises the importance of its environmental responsibilities and is continuing to build a framework of energy management strategies towards achieving a carbon neutral status.

A third party energy consultant has been engaged to advise on energy reduction strategies across the portfolio and measure the annual energy consumption and greenhouse emissions for utilities and vehicles.

Energy consumption and reporting is gathered through the use of smart building hardware and data analytics to highlight opportunities to reduce energy consumption. The shut down of hotel plant and throughout the first lockdown period of 2020 in which the hotels were fully closed and during periods of low occupancy has contributed to reduced energy consumption during the year. The Group has also implemented a programme to ensure that newly built or refurbished hotels are operating as efficiently as possible in line with the design of the newly installed plant.

During the reporting period 1 January to 31 December 2020, measured Scope 1 and Scope 2 emissions (Location based) totalled 17,229tCO<sub>2</sub>e. This comprised:

Scope – Emissions covered in the report	Total (tCO <sub>2</sub> e)
<b>Scope 1</b>	<b>9,321</b>
Natural gas	9,292
Fuel for transport	21
Other fuels	8
<b>Scope 2 - Location based</b>	<b>7,908</b>
Electricity, heat	7,908
<b>Total Scope 1 &amp; 2 – location based</b>	<b>17,229</b>
<b>Scope 1 &amp; 2 intensity per m<sup>2</sup></b>	<b>0.06tCO<sub>2</sub>e/m<sup>2</sup></b>
<b>Scope 3</b>	<b>344</b>
Business travel – reimbursed mileage or hire car fuel	344

Total fuel and electricity consumption amounted to 86,216 Mwh.

Energy consumption (MWh)	Reporting Period
Electricity	33,461
Fuels (1)	52,047
Heat (2)	708
<b>Total energy consumption</b>	<b>86,216</b>

*(1) Natural gas and transportation fuels (petrol and diesel)*

*(2) Combined heat and power*

Emissions were verified to a reasonable level of assurance according to the ISO 14064-3 standard. Emissions generated from a Combined Heat and Power (CHP) system at Village Whiston are calculated to be proportional to the share of energy generated.