

Value Retail Europe Sustainability Report 2021

Sustainability Strategy

Value Retail's global mission is to create flagship retail destinations that deliver positive impact socially, economically and environmentally within our local and global communities, to our brand partners, and to our guests. These aims are integrated into the business strategy and our Five Guiding Principles:

- Experience is everything
- Double-digit growth
- Joined-up thinking
- Differentiation adds value
- Keep raising the bar

We take action to minimise the environmental impacts of our business and continuously improve our environmental performance to support our long-term strategy. 2021 saw an increase in our energy, water, and waste impacts compared to 2020, as Villages returned to a more normal trading pattern. However, these impacts continue to appear low in relation to our historical averages, as Villages continued to be closed for some periods in compliance with government restrictions in response to the Covid-19 pandemic. We continue to monitor progress against targets and are on track to reduce our landlord energy consumption by 12% (saving around 290 tonnes of CO₂e) and increase the proportion of recycled waste by 13% by 2023 (set against a 2018 baseline). At the end of 2021 we were diverting all operational waste from landfill and had moved all landlord electricity supplies onto green tariffs.

We continue to use building certification schemes to ensure we achieve high-quality, sustainable outcomes from our assets. The La Roca Village remodelling project and Kildare Village Phase 3 both opened in 2021, and achieved, or are on track to achieve, BREEAM New Construction ratings of 'Excellent'. We have applied the BREEAM In-Use framework to all of the Villages and are using the findings to support continual improvement. We also launched our Green Brand Contract and accompanying suite of supporting sustainability documents for brand compliance. These elevate our ongoing efforts at all Villages to improve the environmental performance of the boutiques.

We aim to maximise our social impact for the benefit of our employees, brands, supply chain, local communities, and guests. In 2021 the safety and wellbeing of all these stakeholders continued to be particularly important, as the business responded to the Covid-19 pandemic. Our suite of Shopping Protocols supported the brands to trade safely, and we provided clear guidance and training for employees returning to the office. In 2021 we also completed an employee satisfaction survey and a brand satisfaction survey, which both received very high response rates. Various actions have been taken in response to these surveys, including initiatives taken as part of our Feel Good and Better Together programmes, which continue to raise awareness of health & wellbeing and diversity, respectively.

Our philanthropic 'Do Good' initiative continues to engage staff across our business to enhance our social impact by focusing our charitable support around a single strategic theme: the empowerment of women and children. To date, it has helped to raise significant sums for our charitable partners and achieved considerable press and social media reach.

Robust governance continues to be a focus for the business. In 2021 we reviewed our organisational policies and launched our employee Code of Conduct and Handbook to support their implementation. Aligned to this we continued to raise awareness and reinforce our Speak Up programme, which provides regular updates to our board.

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Our 2021 Environmental Footprint¹

Total Energy
64,850 MWh (+12% vs 2020)

Landlord Energy
8,960 MWh (+11% vs 2020)

Tenant Energy
55,890 MWh (+12% vs 2020)

Total Water (excl. tenant water at 1 Village)
327,840 m³ (+11% vs 2020)

Landlord Water
300,810 m³ (+12% vs 2020)

Tenant Water (3 of 4 Villages where tenants procure)
27,030 m³ (+6% vs 2020)

Operational Waste (Landlord & Tenant)
7,130 tonnes (+18% vs 2020)

Diverted from Landfill
100% (95% in 2020)

Recycled
75% (70% in 2020)

Scope 1 GHG Emissions (Landlord Fuels)
125 tCO₂e (+4% vs 2020)

Scope 2 GHG Emissions (Landlord Electricity)
1,810 tCO₂e (-4% vs 2020)


Scope 3 GHG Emissions (Tenant Energy)
12,220 tCO₂e (-4% vs 2020)

¹Energy, GHG, water and waste 2021 reporting year totals verified by AECOM, in alignment with ISO14064-3 (2019)

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GRESB Participation

Value Retail increased its score in the Global Real Estate Sustainability Benchmark (GRESB) in 2021, reflecting an improvement in the sustainability performance of The Bicester Collection in Europe.



G R E S B[®]
★ ★ ★ ★ ★ 2021

GRESB is the most highly regarded sustainability assessment in the real estate sector. A strong score helps demonstrate good corporate governance and shows that we are managing our environmental and social impacts. This is the eleventh year we have participated, and Value Retail has improved its score by 8 points, achieving 92 and a GRESB five-star rating.

