

Value Retail China Sustainability Report 2022

Sustainability Strategy

The global mission of Value Retail, creator and operator of The Bicester Collection, 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. We remain committed to reducing our greenhouse gas emissions by reducing our energy consumption, our carbon footprint and investigating low- and zero-carbon sources of energy. 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. In China, 2022 saw a decrease in our energy, water, and waste impacts compared to 2021. Both of our China villages were closed for a period of time in 2022 due 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). To reduce energy consumption, we have begun a roll-out of automated sliding doors in the boutiques alongside the installation of energy, water and indoor air quality monitoring equipment in several Villages to increase data visibility.

We continued to benchmark ourselves and improve our performance in the Global Real Estate Sustainability Benchmark (GRESB) and Building Research Establishment Environmental Assessment Method (BREEAM). We progressed the implementation of our global Sustainable Brand Contract and accompanying suite of sustainability standards documents for brand compliance. The Sustainable Brand Contract is in place to facilitate sustainable practices with our brand partners across The Bicester Collection.

Our mission is to make the lives of other better – our brand partners, our guests, our people and our communities. We aim to maximise our social impact to achieve our mission across China. We partner with governments during the COVID-19 lockdown period to provide free vaccination and nucleic acid testing services for the community. Our global charitable programme 'Do Good' continues to drive positive impact and systemic change by uniting our teams around a clear and defined vision to unlock the futures of women and children, wherever they're born, in support of the United Nations' Sustainable Development Goals. We do this through three areas of focus: charity partnerships, advocacy, and innovation. We don't have this prize programme in China, I believe the prize programme only launched in Europe. Since launching the 'Do Good' programme in 2020 (up until 2022), we have raised more than €800,000 and reached 1.6 billion people.

Our Feel Good, My Story, and Better Together programmes reinforce our commitment to well-being, career development and diversity of voices. Training for our employees, and brand and other partners has remained a key priority. Employees continued their personal development through extensive professional training in 2022, from unconscious bias and diversity and inclusion training to soft skills in people management, leadership development and cultural sensitivity. In 2022, 4,900 hours of training were provided to brand partners.

Robust governance continues to be a focus for the business. In 2022, we reviewed and updated our Code of Conduct & Ethics, alongside an annual anti-bribery risk assessment with ongoing monitoring. A Climate Change Mitigation Policy was introduced to frame the tools we are using to measure our performance in mitigating transitional climate risks. Our whistleblowing Speak Up programme continues to be promoted, and we provide regular updates to our board.

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Our 2022 Environmental Footprint¹

Total Energy
42,619 MWh (-7% vs 2021)

Landlord Energy
8,028 MWh (-16% vs 2021)

Tenant Energy
34,591 MWh (-5% vs 2021)

Total Water
333,502 m³ (-16% vs 2021)

Landlord Water
244,641 m³ (-17% vs 2021)

Tenant Water
90,861 m³ (-14% vs 2021)

Operational Waste (landlord & tenant)
3,161 tonnes (-22% vs 2021)

Diverted from Landfill
100% (as 2021)

Recycled
40% (36% in 2021)

Scope 1* GHG Emissions (Landlord Fuels)
180 tCO₂e (+311% vs 2021)

Scope 2** GHG Emissions (Landlord Electricity)
5,647 tCO₂e (-16% vs 2021)

Scope 3 GHG Emissions (Tenant Energy)
22,863 tC12e (-3% vs 2021)

¹The energy, GHG, water and waste reporting year totals for 2022 are verified by AECOM, in alignment with ISO14064-3 (2019)

*Scope 1 landlord fuels includes natural gas, liquid fuels and refrigerant gases, with a change in methodology for refrigerant gas reporting for 2022

**Scope 2 is calculated using location based emission figures

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GRESB Participation

Value Retail China increased its score in the Global Real Estate Sustainability Benchmark (GRESB) in 2022, reflecting an improvement in the sustainability performance of The Bicester Collection in China.



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 third year we have participated, and Value Retail China has improved its score by 15 points, achieving 90 and a GRESB five-star rating. We also achieved: Sector Leader-Retail Asia.

