

supercity
APARTHOTELS



Environmental, Social & Governance Report

Financial year 2023/24



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APARTHOTELS

About This Report

This report brings together Supercity Aparthotels approach to our most material Environmental, Social and Governance (ESG) issues. It is a comprehensive overview of the work we undertake to have a positive impact on our people, local communities and environment as well as our efforts to always do business the right way.

Within these pages we report on the activity Supercity Aparthotels has undertaken in the past year in working towards integrating the positive actions the business is taking into a structured framework to measure and report on these activities.

This report includes recommendations from the Sustainability Accounting Standards Board (SASB) and Taskforce for Climate-related Financial Disclosure (TCFD). This is Supercity's second ESG report and builds on the expertise gained since researching and publishing our inaugural report last year.

Whilst the business has been striving to "do the right things consistently" it is only recently that a universal framework is emerging against which we can report and benchmark our ESG agenda.

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About Supercity Aparthotels

A focused aparthotel business, Supercity Aparthotels owns and operates 6 properties under the Supercity Aparthotels brand which comprise a total of 289 suites.

Given the scale of our business our Environmental and Social impacts are relatively modest, however, our ambition is to own and operate our properties in a responsible way that aligns with the climate objectives of the UK Government.

Our Objective



To be the most loved aparthotels in the markets in which we operate in the eyes of our customers, teams and owners.

Our Purpose



To provide good quality, flexible length of stay aparthotel accommodation for our guests and to help them live and work well and to positively impact the people and environment around us.

Our Values



Professionalism, People First, Ethical, Integrity

About Supercity Aparthotels

Our Portfolio: Current Locations

We employ all of our colleagues and have a team of c.100 across our operating locations and Head Office.



Templeton Place, London



The Rosebery, London



Q Square, Brighton



Nevern Place, London



The Chronicle, London



Church Street, Manchester

About Supercity Aparthotels

Our Portfolio: Pipeline



Leeds - Opening late 2024

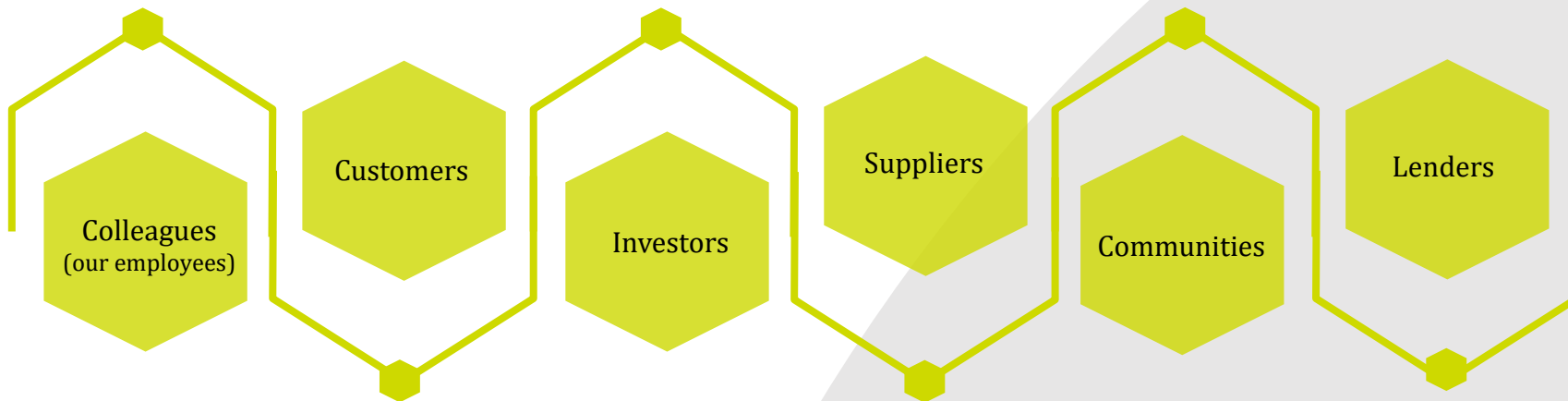


York - Opening late 2024



Edinburgh - Opening early 2025

Stakeholders



About Supercity Aparthotels

Operating Model

Since 2009, when Supercity Aparthotels opened the first location in London, ESG has been embedded across the entire business due to the principles of the founding Owners. Our operating model of owning the properties and Brand, operating the business and employing our colleagues gives us significant control over the key Environmental and Social issues.

As the business has scaled our owner: operator model means we have significant influence over how our properties are developed and operated and how we impact on our colleagues and communities.

The Board, and Senior Management team have always tried to “do the right thing”. This report updates the material components of our ESG agenda to date and ties it into SABA reporting standards going forward. This year the business has also engaged with Omnevue to provide audit grade ESG measures that align with the emerging EU Taxonomy regulation framework around ESG reporting requirements. The summary of which is share in Appendix 2.

CONTROL

Own, Operate & Employ

ACCOUNTABILITY

ESG targets embedded into team and personal targets across the business

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Credentials and Recent Achievements



Making a Difference



Philip J Houghton
Managing Director

I am very proud to introduce our second ESG report which relates to our financial year ending March 2024. Since our inaugural report our teams across the business have been making good progress on a range of projects and activities to progress our ESG objectives.

This report will detail the material progress we are making. In some areas we have made significant strides which are a source of great pride for myself and the wider team.

It is also frustrating that some of the bigger wins, particularly around our Environmental agenda and reducing CO2 emissions, are more closely tied to contractual relationships with energy suppliers. These are reviewed more periodically and as such we will not see a step change in our emissions until we recontract our utilities, favouring suppliers who use renewable sources. This will take a few years to work through into our emissions profile and support our trajectory towards nett zero.

As we have sought to deepen our understanding of our ESG metrics we have entered into a multi-year contract with Omnevue who will be providing us with audit grade data that aligns with the latest global reporting standards cascading from IFRS. The summary of their first audit is appended to this report and we have more metrics in place to understand and monitor our progress both internally and against our benchmark peers.

I'm particularly pleased with the progress we have made in supporting our teams in the business in helping them to deliver the best possible guest experience and to deliver against our wider obligations to our internal and external stakeholders. I was thrilled to learn that our teams' views resulted in our being recognised #13 nationally in the Caterer's Best Places to Work in Hospitality.

With my gratitude to our supportive Board, outstanding teams and supplier partners we will continue to build on our progress to date.

OUR APPROACH

To ensure we have an impactful, meaningful programme, we take time to understand our most material issues, working with key stakeholders as we set our targets and strategy.

Engaging with Stakeholders

Working closely with our stakeholders is a fundamental part of how we meet our targets. It is also how we ensure we play our part in wider industry and policy solutions where our influence means we can be a force for good.

Colleagues

We engage with our colleagues through regular team meetings and have robust internal communication tools to ensure information flows effectively through the organisation. Given the relatively small size of the business the leadership team and Board frequently attend locations and discuss matters with colleagues to gain a real understanding of any issues concerning our people. These interactions help to shape the strategy and action planning to support the ESG agenda.

Customers

Customer feedback is pivotal to the success of our business and we have put in place systems and processes to capture, track and respond to customer feedback and comments on a continuous basis. This helps us to improve our offering and underpins our approach to delivering a sustainable business that anticipates and meets evolving customer requirements.

Investors

Our chairman is in regular communication with our shareholders to listen to their viewpoints and raise any issues they may have with the leadership team. Sharing and shaping Supercity's ESG strategy with the Investors will become increasingly important.

Our Stakeholders

Suppliers

We engage with third party suppliers to assess collective solutions that will help preserve the integrity of our supply chains and ensure that we are collating data on their ESG activity to encourage essential progress on our ESG strategy.

Communities

We engage with local charities to each of our locations and offer fundraising and benefits in kind to support them to the best of our abilities. We have tended to focus on local homeless charities as a preferred cause to support. When we have new openings we engage with the local community to ensure we recruit as many local people as possible so we have a positive impact locally and minimise the carbon emissions of our colleagues who commute to our locations. Given our central locations many colleagues use public transport as their primary method of travel.

Lenders, Government and Industry Bodies

By adopting SABA guidance for ESG reporting we are supporting the direct aims of our lenders and wider industry and UK Government agenda in pursuing our common goals.

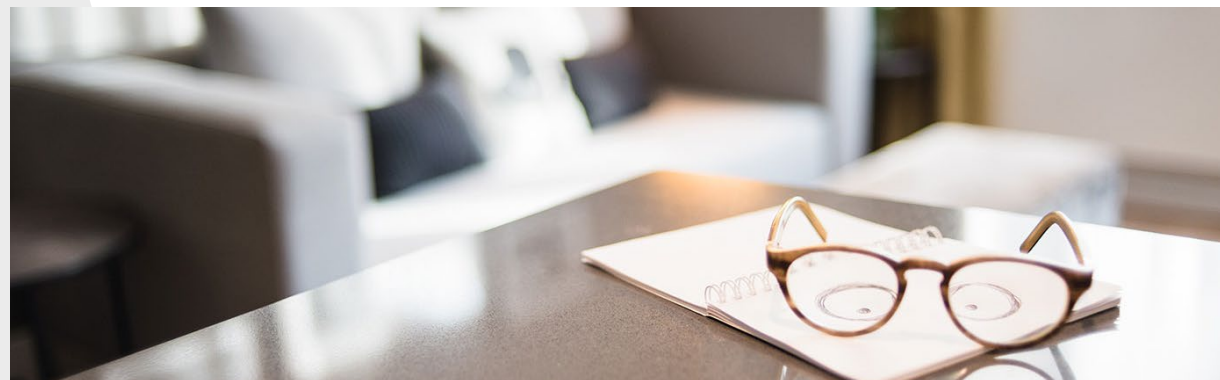
Identifying Material Issues

Each year we undertake a robust materiality assessment to inform our sustainability strategy. This ensures that we are focusing on the most pressing and pertinent issues, that our current targets are stretching yet realistic, and that we are utilising our resources in the most effective way.

Last year we undertook a process of desk-based analysis and stakeholder engagement. We spoke with team members, investors, and industry and sustainability experts to determine the most relevant issues for our business. We combined this information with peer disclosure benchmarking to create a more nuanced understanding of priority issues.

It was satisfying to see that we continue to focus on the most material issues that were identified as part of this process and are driving improvements in these areas. For example, we have a strong record in employee and customer health and safety, and we already source our waste disposal services from certified zero to landfill suppliers and are one of the first organisations in our sector to gain Secure Serviced Accommodation accreditation from GSA. The assessment also identified some areas that are slightly less well developed for us and which we will need to focus on in the coming year, such as biodiversity.

Environmental	Social	Governance & Ethics
<ul style="list-style-type: none"> Waste management Water management Biodiversity Responsible and sustainable sourcing Emissions and energy consumption Climate resilience and preparedness 	<ul style="list-style-type: none"> Colleague training and development Customer health, safety and security Colleague safety and security Community engagement, economic impact and charity work Colleague health and wellbeing Data protection and privacy 	<ul style="list-style-type: none"> Brand building Human rights Ethical business practices and regulatory compliance



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Putting Opportunities into Action

Supercity Aparthotels is making good progress in structuring workstreams and building robust measurement protocols which align with and are focussed on delivering the business ESG objectives.

These effective communication flows in the business, and lack of corporate bureaucracy, facilitate rapid decision making and implementation. A consistency of approach has built a culture in the organisation where doing the right thing is the norm and underpins day to day decision making across all functions be it HR, Operations, the Commercial team or Facilities when reviewing policies, procedures, suppliers and initiatives.

Investment has been made into providing a robust, professional business within which sustainable business activities can be supported. Internal and external audit and accreditation are embedded working practices along with the procurement of audit grade ESG data for the business. Supercity Aparthotels are proud of our accreditations, industry memberships, awards and external reports that recognise our current position and the progress made against our declared targets.

Embedding the Right Culture

Supercity Aparthotels, as a privately owned commercial business, develops a culture that is a reflection of the ownership stakeholders and in turn the senior leadership team running the business on a day-to-day basis. Since Supercity Aparthotels was founded in 2009 the owners had a very hands-on approach in the business, and this has continued through to today.

As the business has scaled this has been executed through the Managing Director and senior team in the business, however the hands-on approach of the owners has remained. As a result, the culture within the business strongly reflects the ethos of the owners who have a strong track record of both developing and operating quality real estate developments but also having a strong philanthropic agenda supporting many causes, charities, organisations and individuals.

The Managing Director and senior team at Supercity have continued to act and behave in ways that are consistent with the founding ethos of the owners. This report will detail the many initiatives and actions that have been taken which, together, build the Supercity Aparthotels culture. This culture, combined with robust reporting and decision-making processes, ensures key business decisions are made that are consistent with the culture of the business and the ESG strategy and aims that are in place.

The senior team are very present in the business and make time to engage with all colleagues to ensure there is an alignment of culture across all business departments.



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Commitments and Targets

In setting our strategy Supercity Aparthotels have considered three broad categories of activity: Opportunity, Community and Responsibility. The combined stakeholder engagement has underpinned the emerging strategies outlined here which will be both embedded into day-to-day activities and routinely reviewed to reflect any external factors that may allow the acceleration or altering of planned activity.



Opportunity

A workplace where every colleague can reach their potential. No barriers to entry and no limitations to ambition.

We will be a workplace for everyone, championing inclusivity across the organisation and improving diversity.

- We will actively seek to break down all barriers to entry and be an inclusive and representative prospective employer.
- Our colleagues will feel represented and respected, no matter how they identify.

We will offer training and development to all our colleagues to help them reach their potential.

- We aim to promote internal succession ahead of external recruitment and will support our teams in this endeavour.
- We will be bold about career development, investing in training and development activity and facilitating cross-functional experience for colleagues.

Colleague wellbeing will be considered in everything we do.

- We will listen genuinely to our colleagues and take into account their views in helping to shape our decision-making.
- We will support the physical and mental wellbeing of our colleagues.



Community

Making a meaningful contribution to the customers and communities we serve.

We will strive to recruit our colleagues locally to our aparthotels, so they contribute to the local economy.

We partner with local homeless charities to raise funds and offer services in kind to support their work.

We offer our customers useful local guides highlighting local businesses and attractions they can visit during their stay with us.



Responsibility

Always operating in a way that respects people and our planet.

We will source our goods and services responsibly and with integrity.

- Human rights will be respected across our business and supply chain.
- We will work across our supply chain in order to source products compliant with internationally recognised sustainability standards.

We will reduce our environmental impact.

- We will remove unnecessary single use plastics from our business by the end of 2023
- We will not send any waste to landfill.
- We will minimise our use of water across our business.
- We will capture our business' carbon emission data from 2023.
- We will reduce Scope 1 and Scope 2 carbon emissions to achieve Net Zero by 2040 and report on our progress annually.

We will always do business the right way.

- We will always operate with integrity and respect.
- We will always support our colleagues and business partners to do the right thing.
- We will always be honest and transparent in our communication.

Commitments and Targets

Our Progress Against our Targets

PROGRESS

<p>We will actively seek to break down all barriers to entry and be an inclusive and representative prospective employer.</p>	<p>Accredited Investors in People employer with robust policies and procedures in place. Gender mix across the business is 55% female and 45% male. We will continue to monitor the diversity of our colleagues.</p>
<p>Our colleagues will feel represented and respected, no matter how they identify.</p>	<p>Senior leadership team to completed diversity and inclusivity awareness training in 2023 to underpin the importance of our positive and inclusive working environment. Robust grievance and whistle-blowing policies in place.</p>
<p>We aim to promote internal succession ahead of external recruitment and will support our teams in this endeavour.</p>	<p>Policy to advertise all internal vacancies internally before they are advertised externally.</p>
<p>We will be bold about career development, investing in training and development activity and facilitating cross-functional experience for colleagues.</p>	<p>Significant progress made in the training and development platform into 2024. A number of individuals in the business have benefitted from external training and development and the creation of the Supercity Academy is well progress with a cohort of trained trainers delivering internal training already.</p>
<p>We will listen genuinely to our colleagues and take into account their views in helping to shape our decision-making.</p>	<p>A number of tools are in place to facilitate feedback including digital and face to face sessions attended by the senior management team the HR Manager and HR Administrator.</p>
<p>We will support the physical and mental wellbeing of our colleagues.</p>	<p>The management team have private medical insurance as part of their contract of employment and all colleagues have access to an Employee Assistance Programme (EAP) funded by the company.</p>

Opportunity

Community

Responsibility

Commitments and Targets

Our Progress Against our Targets

Opportunity

Community

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PROGRESS

We will strive to recruit our colleagues locally to our aparthotels, so they contribute to the local economy.

All vacancies are advertised locally, and place of work is a consideration in the recruitment process. There is also an incentive scheme rewarding the referral of any friends or family members to fill vacancies.

We partner with local homeless charities to raise funds and offer services in kind to support their work.

We are working with the Mayor's Homeless Charity and Life Share in Manchester, Shelter from the Storm in London and Sussex Homeless Support in Brighton. The business encourages guests to contribute to these causes and undertakes a number of fundraising activities throughout the year to raise awareness and funds. Charities are being identified for the new openings in Leeds, York and Edinburgh.

We offer our customers useful local guides highlighting local businesses and attractions they can visit during their stay with us.

City guides all in place and available digitally to our customers. Recommendations are refreshed annually, and priority is given to local independent operators which have a lighter global footprint and provide more focussed support to the local economy and community.

Commitments and Targets

Our Progress Against our Targets



PROGRESS

Human rights will be respected across our business and supply chain.	We have policies around modern slavery and will undertake an audit of all our key suppliers to ensure they have similar policies in place.
We will work across our supply chain in order to source products compliant with internationally recognised sustainability standards.	All our key suppliers to certify compliance annually from 2024.
We will remove unnecessary single use plastics from our business by the end of 2023.	All single use plastics have been removed from the business effective April 2023. We will continue to work towards minimising waste across our properties.
We will not send any waste to landfill.	We partner with certified “zero to landfill” waste collection companies across 75% of our portfolio. We are on track to move this to 100% by the end of 2024.
We will minimise our use of water across our business.	We are now measuring our water consumption and have in place property champions who will push for investments and best practice behaviours to minimise usage through leaks, specifications and behaviours.
We will capture our business’ carbon emission data from 2023.	Through our membership of the Energy and Environment Alliance (EEA) we will be collating and recognising our energy usage and greenhouse gas emissions across scope 1 and scope 2 through 2023/24. This has been extended to Scope 3 along with benchmarking as a result of our partnering with Omnevue.
We will reduce Scope 1 and Scope 2 carbon emissions to achieve Net Zero by 2040 and report on our progress annually.	As we gain a better understanding of our usage and best practice, we will continue to seek energy usage reduction initiatives. Most importantly as energy contracts come up for renewal we will seek to source these from renewable only suppliers.
We will always operate with integrity and respect.	The leadership and senior management teams are expected to uphold the highest standards and behave in a manner consistent with the organisation’s commercial and ESG aims.
We will always support our colleagues and business partners to do the right thing.	The relative size and culture at Supercity Aparthotels allows us to “do the right thing” and do so without delay.

THE ENVIRONMENT

Our Environment work sits under our Responsibility section and covers our carbon emissions, reducing waste and ensuring our goods and services are sourced in an ethical and sustainable way.

Carbon Emissions Scope 1 and 2

Reducing our carbon emissions is the single most important thing that we can do to help to slow down global warming. Despite our relatively small size we are striving to do what we can to contribute to this global issue.

That is why our net zero carbon target for Scope 1 and 2 emissions is 2040 (as opposed to the global aim of 2050) and we will move as quickly as we can to achieve this. We wish to be aligned with a 1.5 degree centigrade pathway and ensure our efforts, as a minimum, support this aim.

We have committed to start to measure our footprint from 2022/23 and the report on it annually to disclose our progress against these targets.

It is likely that we will enrol as a business to the Science Based Targets Initiative (SBTi) and set a target to reduce our Scope 1, 2 & 3 emissions going forward once we have a better understanding of our current position.

**We are committing to be Scope 1 and
Scope 2 carbon emissions Net Zero by
2040**

Scope 1 and 2

Scope 1 emissions includes those from the fuels we use in our apart-hotels, and offices, such as natural gas as well as the F-Gases used in air cooling and refrigeration. Scope 2 emissions relates to the indirect emissions associated with the generation of the electricity consumed in our sites.

We are pursuing three primary strategies to reduce our Scope 1 and Scope 2 emissions.

01

To purchase energy from renewable sources as our existing contracts come up for renewal.

02

Pursue energy efficiency activity across the business. We are now measuring and reporting our usage regularly and have on-site champions taking ownership for energy reduction activity.

03

Investing into and maintaining energy efficient plant and equipment. The facilities team and on property champions are ensuring we are getting the maximum benefit from our investments in CHP, solar and other on property technologies including upgrading Building Management Systems where necessary.

Carbon Emissions Scope 3

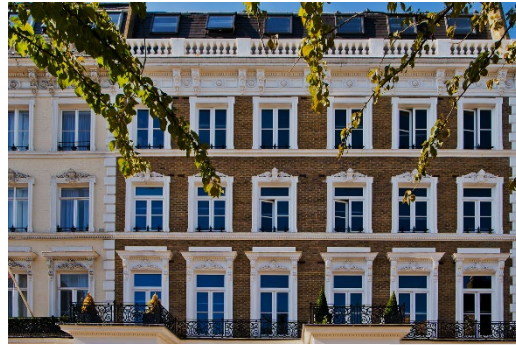
We have completed an assessment of our Scope 3 emissions for the year 2023/24 and have a template to gather data annually from our key suppliers to track their, and subsequently, our overall emissions.

This data capture and reporting allows us to identify the organisations we partner with who have the largest environmental impact. We can then focus our management activity to seek the largest improvements in our overall emissions profile. As a business we share many suppliers with other hospitality operators, and we are certain that the combined focus of their internal agenda and their client ambitions will sustain momentum in key tier one suppliers to deliver against their own emissions targets.

Our ambition is that by working together, we can share learnings and data, and ensure we are capturing all the progress already achieved.



Carbon, Our Buildings



Improving the energy performance of our existing and new-build estate.

The sustainability performance of new-build Supercity Aparthotels is driven by two important factors: our development specification for our new-build hotels and the sustainability requirements placed on these new buildings by the planning system.

We use the BREEAM certification system to assess the sustainability performance of new-build Aparthotels where specified by the planning authority. We do so as BREEAM is independently assessed, deeply embedded in the development industry in the UK, and enables comparability between projects. BREEAM ratings range from Acceptable to Pass, Good, Very Good, Excellent and Outstanding for the most sustainable buildings.

During the 2021/22 financial year, we developed the Brighton aparthotel which achieved a BREEAM rating of Excellent. We are taking this best practice forward into our new projects in ensuring our pipeline of Supercity Aparthotels are developed in sympathy with commercially viable best practice for each individual project.

We are also working with the Energy and Environment Alliance to help BREEAM develop an assessment tool for BREEAM In Use assessment of our existing portfolio of aparthotels. This will allow us to benchmark our energy efficiency with similar properties and accelerate the adoption of best practices to close any apparent gaps this assessment identifies.

Responsible Sourcing of Suppliers & Services

We purchase goods and resources from all over the world and manage truly global supply chains.

From the wood and fabrics used in our room furnishings to the cotton in our linen and the wines we offer and serve in our suites, it is incredibly important to us to know where our products come from, not only so we can ensure they are sourced sustainably, but also so we know the people producing them are being treated with dignity and receive a fair wage.

We have undertaken due diligence on all our tier 1 suppliers during 2023 and risk assessed them for human rights and sustainable business practices.

However, we know that audits alone are not enough, and we will strive for ongoing meaningful engagement with our key suppliers in sectors of high risk.

Eliminating Single-Use Plastics

We know how much our guests and our teams care about single-use plastics and want to work for a company that is working hard to reduce the amount it uses.

We made a commitment in 2022 to do just this and set ourselves the target to eliminate unnecessary single-use plastics in our business as soon as possible.

Since setting this target in 2022, we have taken bold steps forward to meet it, stopping the use of plastic cutlery, straws and stirrers, and the use of miniature shower products.

We are pleased that through focussed sourcing and a will to “do the right thing”, we have now removed all single use plastics from Supercity Aparthotels.

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SOCIAL

At Supercity, we recognize that we have a social responsibility to positively impact the communities where we operate. We believe that social commitments are an integral part of our ESG strategy, and we are committed to creating lasting and meaningful change through our social initiatives.

Diversity And Inclusion

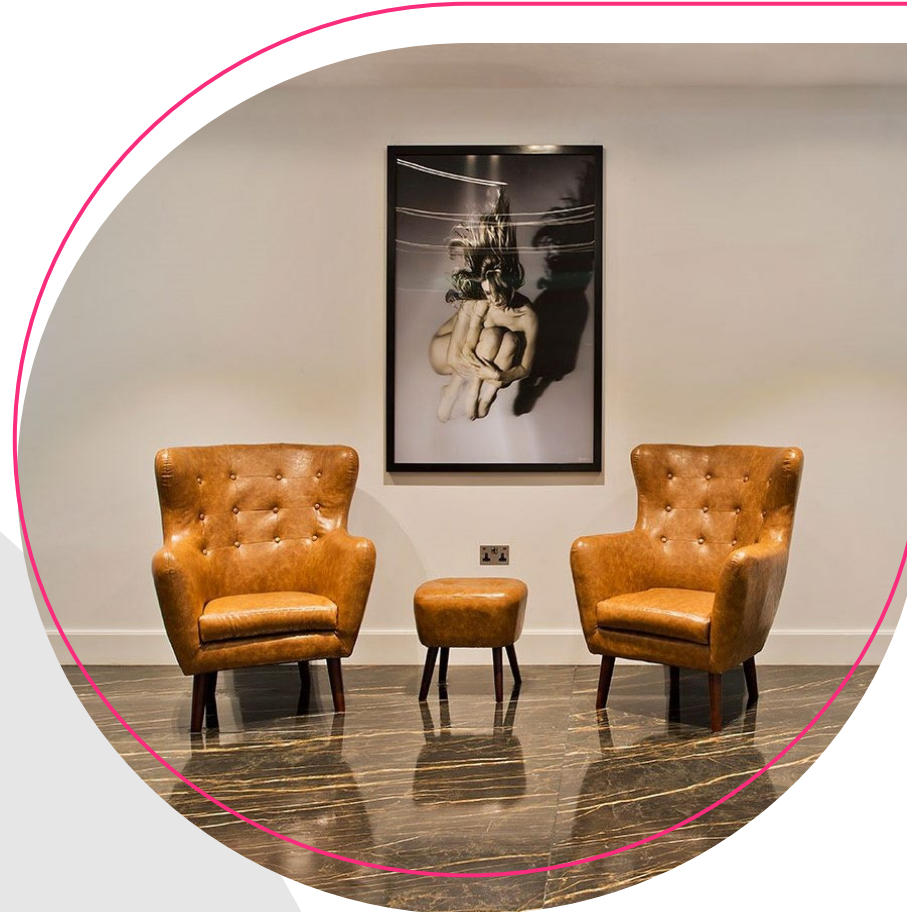
We believe that supporting a diverse workplace is not only the right thing to do, but also a key driver of our success. We understand that diversity, and inclusion are critical components of a thriving workplace culture, and we are committed to fostering an environment that values and celebrates differences. We strive to create a workplace where all team members feel respected, valued, and included, and where their unique perspectives and experiences are recognized as a source of strength.

Diversity in people creates diversity of thought, and diversity of thought leads to new ways of thinking and doing. So we aren't just accepting of difference, we value it and we welcome it with open arms.

As a smaller business it is essential we work harder to ensure diversity and inclusion underpin our key colleague initiatives spanning recruitment, training and development, objective setting, personal development plans, reviews and progression.

We are proud of the diversity in our business and make efforts to accommodate any requests colleagues may have. Examples include flexing working hours during Ramadan, offering vouchers as an alternative to attending festive team celebrations, facilitating faith rituals that can be undertaken in a respectful setting and adapting our policies to not just include but embrace neurodiversity within our team.

We are sensitive to the needs of individuals and the collective and try to improve how we engage with our colleagues to make sure everyone feels they have a voice and can reach their potential with us.



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Our Diversity Commitments

Through 2023 we delivered diversity and inclusivity awareness training to our senior team and ensure our policies, procedures and behaviours are reflective of best practice in this regard. We are the proud recipients of the Investors In People accreditation and will be focused on developing our current practices ahead of our 2024 audit.

To support our understanding of this agenda improvements have been made to data collection and reporting to ensure we have good insights into our colleagues and are adapting our approach to keep improving.

We recognize that creating a diverse and inclusive workplace is an ongoing process, and we are committed to continuously improving our efforts in this area. By valuing and celebrating differences, we believe that we can create a stronger, more innovative, and more successful company for all of our wider team and guests. We believe that diversity is an integral part of who we are and how we provide exceptional hospitality experiences to our guests.



Diversity Targets

- Achieving gender and ethnic pay equity by conducting regular pay gap analyses and monitoring.
- Focusing on providing tools and resources to support neurodivergent colleagues, such as assistive technology, flexible work arrangements, and accommodations for sensory sensitivity
- Measuring and reporting progress on diversity and inclusion goals regularly to hold us accountable and demonstrate a commitment to creating a diverse and inclusive workplace.
- Providing diversity and inclusion training for all team members to build awareness, understanding, and cultural competency.
- Continue to develop and implement diversity policies and practices that support a truly inclusive workplace. We recognize the importance of equal opportunities and will work to prevent discrimination and harassment in all its forms.

Training and Development

Over the past two years Supercity Aparthotels have been building a Human Resources platform to support our ambitions to recruit and develop the best talent possible to support our business and ESG objectives. Our successful accreditation with Investors in People in 2021 was validation that we were making good progress and the systems and processes we had in place were considered best in class when compared to our industry peers.

Since then, we have continued to invest into our HR platform through the recruitment of a focussed HR professional and the securing of expert support from an external provider to ensure our policies, processes and procedures keep pace with the changing landscape within which we operate.

We are proud that every one of our colleagues have a clear job description and personal objectives and they have regular reviews with their line manager to both monitor performance but also support any training and development needs they may have to help them both perform their role to the best of their abilities but to also support their wider career aspirations.



supercity *Super Academy*

Through the latter half of 2022 it was agreed to increase the capability of the business to induct and train colleagues in-house to improve the existing requirements but to also ready the business for the growth planned through the new openings in York, Leeds and Edinburgh scheduled for 2024.

This work was completed through 2023/24 and in-house training materials are now in place and a number of colleagues have been trained to train giving us the resources to deliver the training and support these projects require. These resources are accessible to both new starters and our existing colleagues.

We have also given diversity and equity training to our existing senior management team which covers a range of topics, including unconscious bias, cultural competence, and inclusive communication.

As new team members join the business they will also receive this training and support which will strengthen our delivery around this key aspect of our Social agenda.

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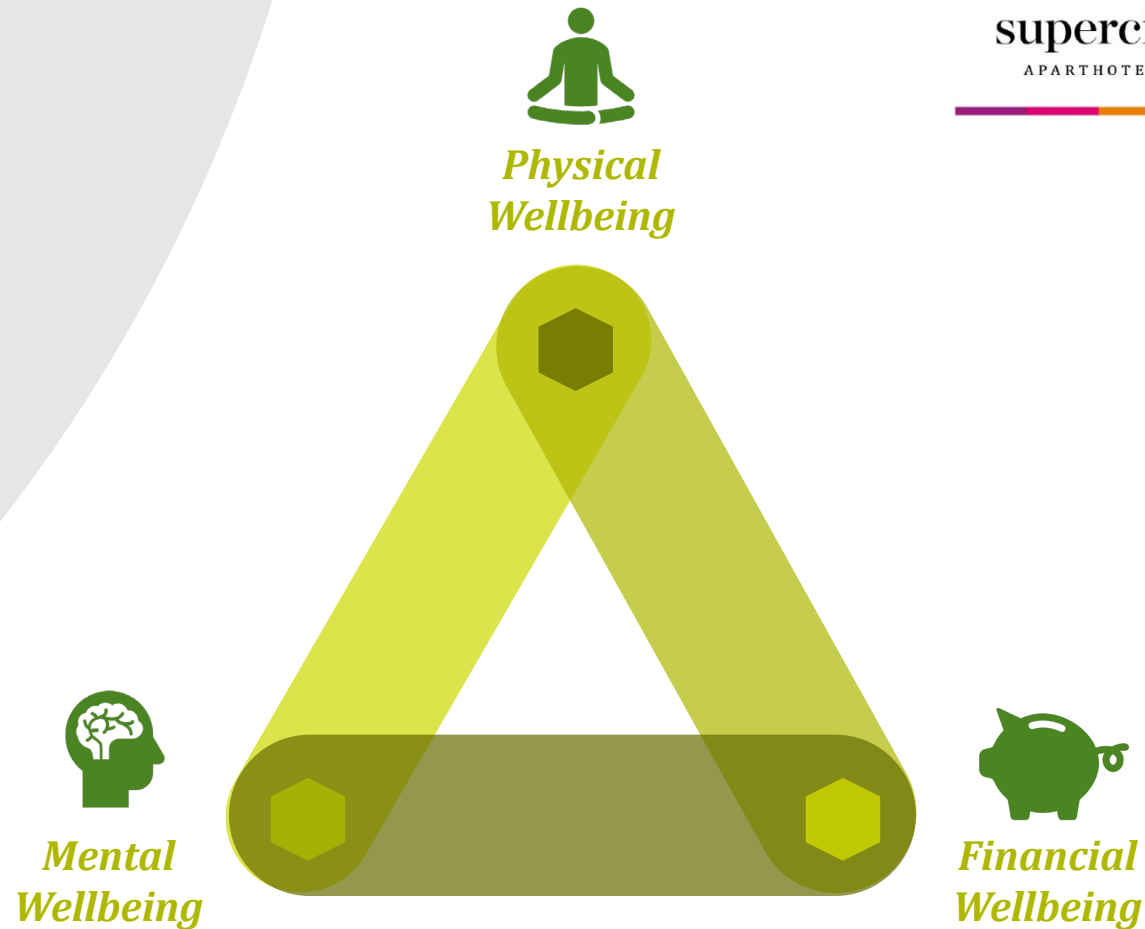
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Colleague Wellbeing & Listening To Our Teams

Team member wellbeing will be considered in everything we do.

At Supercity, we prioritize the physical, mental, and financial wellbeing of our team members. We believe that by supporting our colleagues' wellbeing, we can help them feel happy and engaged at work, provide excellent service to our guests, and create an environment where everyone feels supported and cared for.

We are proud to be Investors in People accredited, a member of the Living Wage Foundation and were awarded #13th nationally in the Caterer Best Places to Work in Hospitality.



Supercity Wellbeing Triangle

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Colleague Wellbeing & Listening To Our Teams

Physical wellbeing



In the coming year, we will continue to prioritize the physical wellbeing of our team. We will take steps to ensure that all our colleagues have the necessary tools, equipment, and skills to undertake their work duties safely and effectively. This includes regularly reviewing and updating our risk assessments to identify and mitigate any potential hazards in the workplace.

In addition, we will continue to support the physical wellbeing of our team members who are working remotely. We will provide any necessary equipment to help them create a safe and comfortable work environment at home. We will also encourage them to take regular breaks and move around throughout the day to prevent a sedentary lifestyle.

Finally, we will strive to create a culture of openness and communication around physical wellbeing. We will encourage colleagues to share their concerns or feedback related to physical wellbeing and provide opportunities for them to do so. This will enable us to address any issues quickly and effectively, and to continuously improve our approach to physical wellbeing for the benefit of our teams and the wider community.

Financial wellbeing



Supercity is committed to providing fair compensation to our valued team members. As a proud member of the Living Wage Foundation, we have a proven track record of paying our colleagues ahead of the market average for their respective roles. Moreover, we offer an annual discretionary bonus scheme, which allows every colleague in the business to receive up to 10% of their pay as a bonus, depending on our financial performance.

As cost-of-living pressures have intensified we brought forward the pay review date in 2021 by six months to increase the incomes of the majority of our colleagues earlier and help them absorb the increased costs they were experiencing.

Our pay awards have been keeping pace with inflation and Living Wage guidance, which is ahead of the wider market position, reinforcing our ambition to be among the upper quartile of employers regarding the pay rates our colleagues earn with us. It is worth noting that the additional 10% bonus potential is not included in these pay rates.

Mental wellbeing



We recognize that our colleagues face various pressures in their personal and professional lives. We value and support our colleagues as integral members of the Supercity family.

We have implemented an Employee Assistance Program (EAP) which is a confidential support service that provides colleagues with access to trained professionals who can assist them with a variety of personal or work-related issues. Our EAP service offers counselling, referrals to community resources, and other types of support to help our team members manage stress, improve their mental health, and address other challenges that may impact their well-being.

Our leadership team has undergone awareness training and is actively engaged in listening to and supporting our colleagues. We aim to ensure that our colleagues can perform their duties to the best of their abilities by offering help and support when necessary and feasible.

Looking After Our Guests

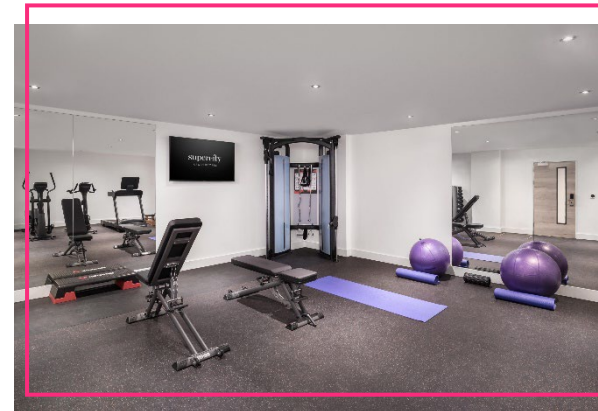
At the very heart of our business is the provision of high-quality suites for our guests to stay in so they feel comfortable, rested and safe. Over the past two years we have been gathering post-stay feedback from our guests measuring:

- Location
- Service
- Apartment/suite
- Cleanliness
- Comfort
- WiFi/TV
- Value for money
- Overall satisfaction
- Tendency to recommend
- Net Promoter Score

This data helps our teams to continually drive improvements and adapt our products and services to keep pace with the evolving expectations and requirements of our guests.

We have traditionally enjoyed very strong customer satisfaction scores and for the most recent measurement window (90 days to June 2024) our **overall satisfaction sits at 91%** and **Net Promoter Score at 83.**

These are consistent and very positive scores that reinforce the quality of our product and the standards and service our colleagues deliver to our customers day after day.



GOVERNANCE

Our corporate governance structure underpins all that we do and we are determined to do business in the right way. An ethical and transparent approach, a fair and open culture, and mitigating risks is key to the long-term success of our ESG programme, and our business.

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Corporate Governance and The Board

Our corporate governance framework is integral to delivering our strategic priorities and creating long-term value for all stakeholders.

Supercity Aparthotels' corporate governance reflects the Company's commitment to monitor the effectiveness of policy and decision making both at the Board of Directors and executive level.

In this context, Supercity approaches governance with a view to enhancing long-term Owner value.

Creating this value is facilitated by embedding our sustainability strategy across everything we do.

Our sustainability strategy focuses on the positive impact we have on our colleagues, communities, and the environment. ESG plays a key role in every decision we make.

Our ESG Governance Framework

REGULAR BOARD OVERSIGHT

Monthly reviews supporting by regular dialogue over key business decisions.

EXECUTIVE FOCUS

Senior leadership team co-ordinate to ensure ESG objectives are integral to business decisions and actions. Senior team have functional leadership responsibility as well as wider strategic input.

ROBUST POLICIES AND PROCESSES

Ensuring our colleagues, suppliers and partners are coordinated and working towards our ESG objectives.

MEASUREMENT AND REPORTING

Continuing to identify and report on key metrics to ensure stated targets are being worked towards and resources properly focussed.

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Doing Business, The Right Way

At Supercity Aparthotels we know that while culture must and should be set at the top, it is the front-line colleagues who create and live our culture every day.

Being in the hospitality industry our **colleagues** are the face of Supercity Aparthotels. They bring our properties to life, supported every day by their colleagues in head office.

Our culture is very much about **hospitality**, based around **cooperation & collaboration**, rooted in driving **excellent performance**, and **servicing** and **delighting** our guests.



The Supercity Aparthotels Code of Conduct

The Supercity Aparthotels Code of Conduct, setting out required levels of ethics and behaviour, is communicated to all colleagues and training is provided to ensure they are both understood and reinforced. A whistleblowing policy is also available.

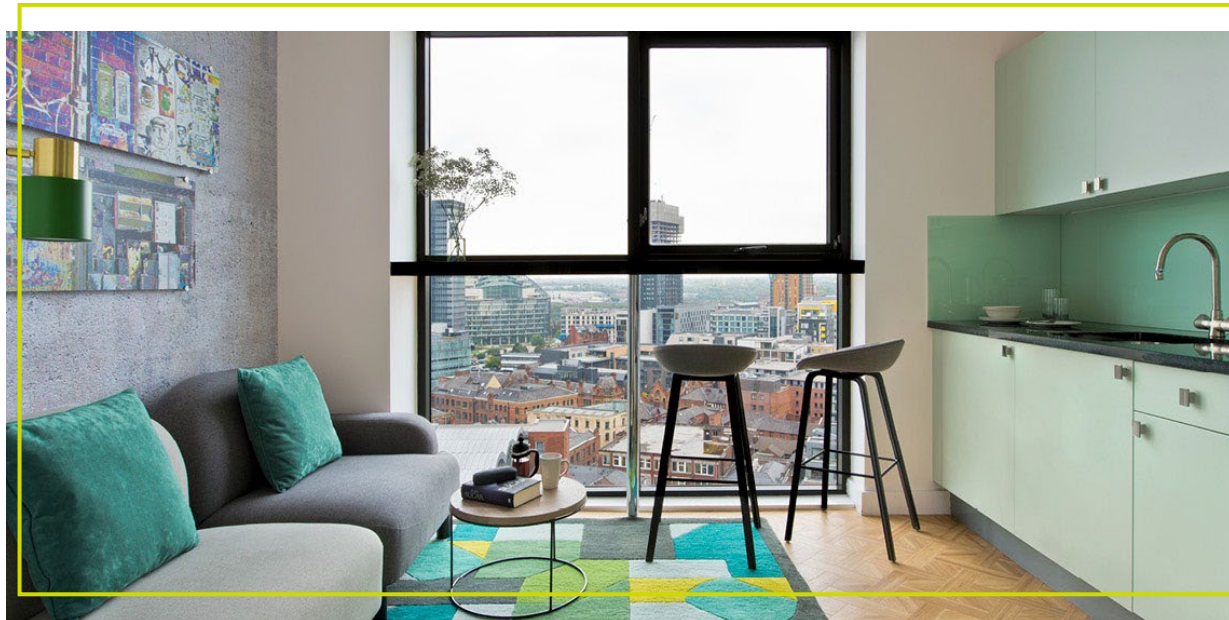
The Code of Conduct refers to specific policies and procedures which must be followed. Our teams are required to undertake tailored training on risk areas including information security, data protection, anti-bribery and anti-trust law.

Anti-corruption and anti-bribery

Supercity Aparthotels is strongly opposed to any form of corruption and bribery. We recognise that it impacts societies in many negative ways.

Our reputation is built on trust: the trust of our customers, our colleagues, our partners and suppliers, our investors and the communities we serve.

Our anti-corruption and anti-bribery policies apply our strict standards worldwide and are reinforced through training and our day-to-day conduct. We encourage anyone who has a concern to speak out.



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Risks And Uncertainties

We know that we live in uncertain times. From social economic factors or conflict in other parts of the world, to changing regulatory requirements, or the cost of living, there are numerous risks that can impact our business.

We work hard to understand and prepare for risks and have a clear risk management framework in place.



Our Risk Management Framework

Identify Risks

Board and Senior Leadership Team

Take mitigating actions where possible

Senior Leadership Team

Review

Senior Leadership Team

Monitor and Measure

Functional Leaders and key external partners

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LOOKING TO THE FUTURE

Whilst we have achieved a lot over the last year, there is still much to do. We have started to gather data and setting ambitious targets. We have a strong foundation and now must focus on measurement and delivery. We must also continue to assess the regulatory environment and material issues and keep abreast of innovative solutions and new opportunities to drive our programme forward.

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Looking To The Future

Our materiality assessment identified the key issues, risks and opportunities that we should be addressing, responding to what our key stakeholders care most about, and what matters and impacts us most as a business.



As anticipated, **carbon and energy reduction** were identified as key issues. We are measuring our impact in these areas and are focused on **Scope 1 and 2** carbon reduction aligning with a **Net Zero ambition by 2040**.

Communication and engagement of our ESG strategy is also an area we will be focusing on over the next year. We know our stakeholders care about our ESG performance and we believe building a strong track record here is both the right thing to do for our business but also for the planet, our colleagues, our customers, and supplier partners.

Over the next year we look forward to building on this and driving forward our reduction programmes. We will also focus on **Scope 3 emissions** and will start working with our suppliers to understand and **reduce emissions in our supply chain**.

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APPENDICES

Supercity Aparthotels SASB Report 2023/24

Omnevue ESG Report

Supercity Aparthotels SASB Report 2023/24

The aim of the Sustainability Accounting Standards Board (SASB) Foundation is to establish industry-specific disclosure standards across environmental, social and governance topics, facilitating communication between companies and investors about useful financial information to aid decision making.

This is Supercity Aparthotels' second-time disclosing sustainability information aligned to the recommendations of the SASB Hotel & Lodging and Restaurant Standards.

SASB Code	Accounting metric	2022/2023		2023/2024	
SV-HL-130a.1	Total energy consumed (GJ)	10,110		13,030	
	Percentage grid electricity	51.93%		45.77%	
	Percentage renewable electricity	26%		19% (Omnevue measured)	
SV-HL-140a.1	Total water^ withdrawn (thousands of m3)	47,737.3		27,350 (Omnevue measured)	
	Total water^ consumed (thousands of m3)	47,737.3		27,350	
	Percentage of each in regions with High or Extremely High Baseline Water Stress	100%		100%	
SV-HL-160a.2	Description of environmental management policies and practices to preserve ecosystem services	Supercity Aparthotels' Energy, Water and Environmental Policies in place and reviewed annually.		Unchanged from previous year	
SV-HL-310a.1	Voluntary turnover rate for lodging facility employees	2021 - 37.2% 2022 - 40.4%		2023 - 18.6 % 2024 - 17.3 % (Jan-July 2024)	
	Involuntary turnover rate for lodging facility employees	2021 - 3.7% 2022 - 7.9%		2023 - 8.2 % 2024 - 1% (Jan-July 2024)	
SV-HL-310a.3	(1)Average Hourly wage (2)Percentage of lodging facility employees earning minimum wage	£ 11.75 per hour 0%		£ 14.22 per hour 0%	
SV-HL-310a.4	Description of policies and programme to prevent worker harassment	There are many policies in place to prevent worker harassment. These policies are wide-ranging and cover everything from explaining what bullying, harassment and victimisation are, and their impact, to what is expected and the potential interventions. Supercity Aparthotels has the following policies in place: Anti-Bribery Policy, Child Protection Policy, Bullying and Harassment Policy, Domestic Abuse Policy, Employee Substances Policy, Religion and Belief Observance Policy, Equality and Diversity Policy, Menopause Policy, Modern Slavery Policy, Neurodivergence Policy, and Reasonable Adjustment Policy.		Unchanged from previous year	
SV-HL-000.C	Total area of lodging facilities (sqft)	221,812		221,812	

Omnevue ESG Report

STATEMENT OF ESG PERFORMANCE
YEAR ENDED 31 MARCH 2024

Supercity have engaged with Omnevue to provide these audit grade ESG disclosures.

The data detailed here is independently measured in accordance with International Standard on Assurance Engagements (UK) 3000. Assurance Engagements other than Audits or Reviews of Historical Financial Information ("ISAE (UK) 3000") issued by the Financial Reporting Council, which requires that they obtain sufficient, appropriate evidence on which to base their conclusions.

Environmental						
Metric	What is it?	What is the benchmark?	FY2024	Benchmark	Benchmark Achieved (%)	Benchmark Met
CO2e (Scope 1)	Direct CO2e emissions from owned or controlled sources	Paris Agreement to reduce CO2e emissions in line with the 1.5°C pathway, factoring in revenue growth	347,930 kg	0 kg	0%	
CO2e (Scope 2)	Indirect CO2e emissions from the generation of purchased energy	Paris Agreement to reduce CO2e emissions in line with the 1.5°C pathway, factoring in revenue growth	298,150 kg	0 kg	0%	
CO2e (Scope 3)	All indirect CO2e emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions	Paris Agreement to reduce CO2e emissions in line with the 1.5°C pathway, factoring in revenue growth	294,510 kg	0 kg	0%	
Waste Recycling	Percentage of waste recycled	65% of waste generated to be recycled	72%	65%	110%	✓
Water Usage	Total water withdrawal	UN target to reduce water usage by 25% by 2030	27,400 m ³	0 m ³	0%	
Energy Efficient Vehicles	Percentage of energy efficient vehicles operated	100% of feet to be energy efficient	0%	100%	0%	

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Metric	What is it?	What is the benchmark?	FY2024	Benchmark	Benchmark Achieved (%)	Benchmark Met
Salaries and Dividends	Average value of salaries and dividends paid to all employees and offers	Upper quartile of remuneration by industry and location	£30,981	£25,000	124%	✓
Employee Support	Average employee support (healthcare, pensions, leave over statutory)	employee data Employee support provided above local statutory requirements	£4,332	£5,319	81%	
Employee Training	Investments in external training per employee	Local market average spend on employee training	£148	£622	24%	
Gender Diversity	Percentage of female and non-binary employees	50% of employees to be female or non-binary (±5%)	57%	45% to 55%	96%	
Ethnic Diversity	Percentage of BAME employees	Local ethnic diversity of working age individuals	0%	36%	0%	
Gender Pay Gap	Percentage difference in average earnings between male employees and female and non-binary employees	Gender pay gap to be no greater than ±5%	17%	-5% to 5%	29%	
Executive Pay Gap	Highest employee remuneration expressed as a multiple of average employee remuneration	Executive pay gap to be no greater than 7x	6x	7x	120%	✓
Supply Chain ESG	Percentage of material suppliers by value assessed for their ESG performance	100% of material suppliers to be assessed for ESG performance	0%	100%	0%	
Customer Complaints	Number of customer complaints as a percentage of sales volume	Customer complaints to be lower than local market average	0.0%	8.0%	9,638 %	✓

Governance

Metric	What is the benchmark?	FY2024	Benchmark	Benchmark Achieved (%)	Benchmark Met
External Board Directors	Majority of Board members to be independent	0%	>50%	0%	
Board Gender Diversity	50% of Board members to be female or non-binary (±5%)	50%	45% to 55%	100%	✓
Tax Interventions	Nil prompted disclosures from tax authorities	0	0	100%	✓
Management of Personal Data	Existence of a GDPR log	No	Yes	0%	
Anti-Slavery Policy	Existence of an anti-slavery policy	Yes	Yes	100%	✓
Whistleblower Policy	Existence of a whistleblower policy	Yes	Yes	100%	✓
Net Zero Plan	Existence of a net zero plan	Yes	Yes	100%	✓
Biodiversity Plan	Existence of a biodiversity plan	No	Yes	100%	

END

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