

ESG REPORT 2022



**ONE PLANET.
ONE HOME.**

Prepared by

**Lamington Group
April 2024**



TABLE OF CONTENTS

1 INTRODUCTION

About Us
Message from Us
Foreword
2021 Key Moments
2022 Key Moments

2 OUR APPROACH

Governance
Materiality Assessment
Standards and Frameworks
Our Collaborators

3 PEOPLE

Employee Demographics
Diversity and Inclusion
Growth and Development
Giving Back
Culture Club: Employee Engagement
Team Planet: Sustainability Engagement

4 PLANET

Effects of Climate Change
Physical and Financial Risk
Our Commitments
Greenhouse Gas Emissions
Climate Change Risks and Opportunities
Sustainable Sourcing and Procurement Practices
Offsetting and Biodiversity

5 PLACES

Community Involvement and Partnerships
Social Impact and Responsible Tourism
Sustainable Design and Construction
room2 Chiswick Case Study

6 PROGRESS

Net-Zero
One Planet Living Highlights

7 LOOKING AHEAD

Responsible Growth and Industry Opportunities
Call to Action
Our Collaborators

8 APPENDIX

Year on Year Emissions
GHG Emissions Breakdown
Policies
Materiality Assessment: Full ESG Topics
Offsetting Quality
Policies
Assurance
Commitments
Governance Structure
Glossary of Terms
Methodology and Data Sources
GRI Index

About Us

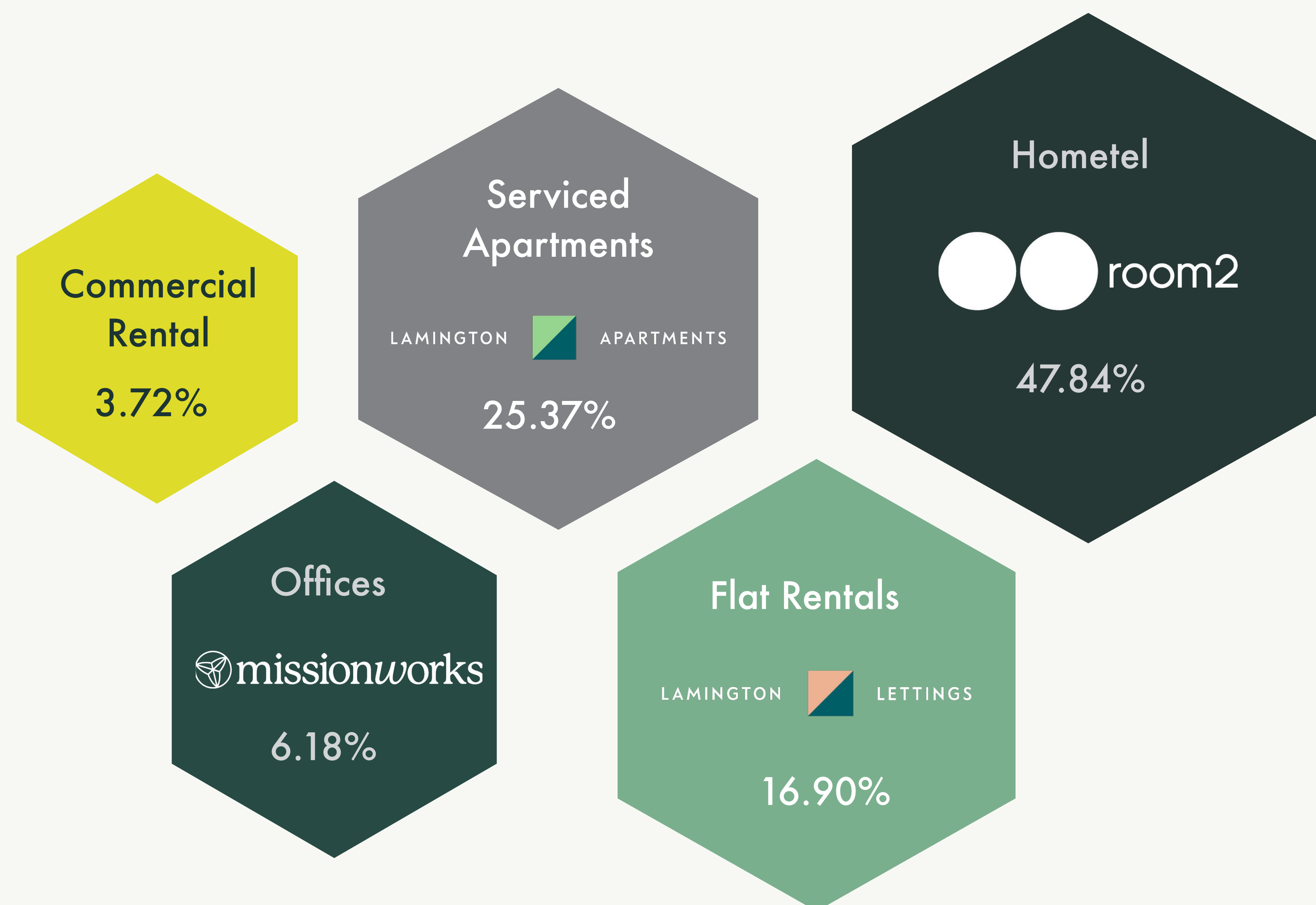
We're a forward-thinking family-owned real estate company that's been investing, developing and operating sensitively for two generations. Our headquarters and most of our operations are based in West London but we also have operations in Southampton and more sites in the UK coming soon.

We own and operate 14,000m2 of real estate.

In January 2020, there was a shift to take urgent action on the climate crisis as the Group started the journey to net zero carbon. This ESG Report goes into further detail along our sustainability journey.

LAMINGTON GROUP

portfolio by m2
2022



Combining the comfort and flexibility of home whilst offering the best bits of hotels. The world's first hometel brand.

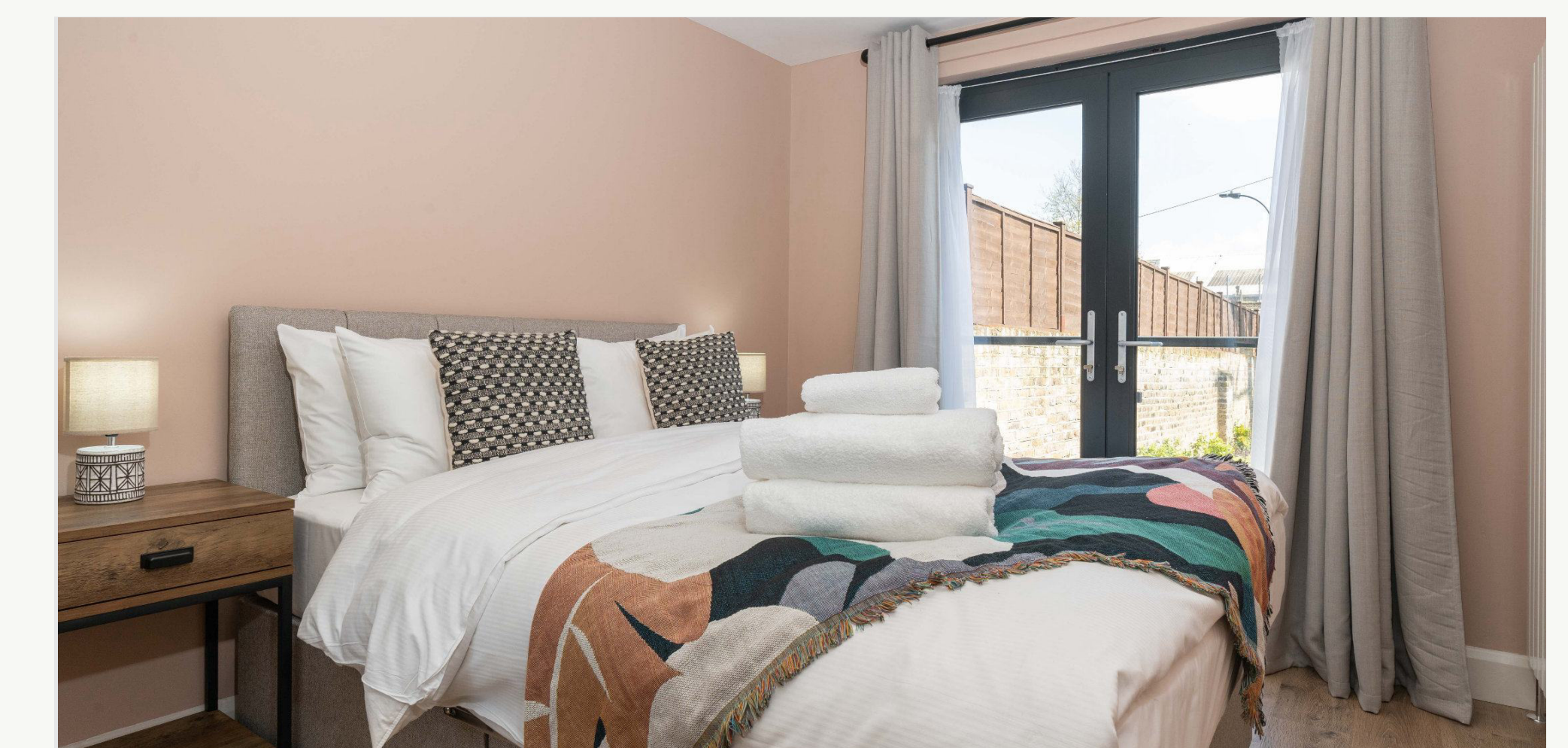


Office and Operations

This covers our office space and operations carried out by the team not falling into the hometel assets



Holistic co-working designed around the psychologist and theorist Jean Piaget



Residential lettings agency since 1978



West London's largest and most trusted serviced apartment operators since 2006



Development studio crafting inspiring spaces and delivering award-winning projects

Message from Us

In recent years, intensifying climate-related disasters have left millions of people negatively affected and cost the economy billions. Once again, the devastation evidenced the urgent need to cut greenhouse gas emissions. We have had moments of hope with COP27 and COP15 and ordinary people doing amazing things, such as the Kun- ming-Montreal Global Biodiversity Framework helping to halt and reverse nature loss.

We are compelled to shine a light on our industry and call for action to decarbonise rapidly.

With buildings accounting for 40% of greenhouse gas emissions, the real estate sector – and the hospitality industry in particular – can no longer shirk its responsibility. Our hope is that our commitment to sustainability and our journey to net zero acts as a catalyst for the global hotel sector, showing the industry what can be achieved in tackling the defining challenge of our time.

Opening our net zero room2 homotel in Chiswick, London is an outstanding achievement by the team, and a watershed moment for the global hospitality industry, with room2 Chiswick homotel holding the distinction of being the first hotel to achieve LETI Pioneer status.

Recognising the urgency of the climate change emergency, we will continue to refine the processes involved in our aspirations to deliver Whole Life Carbon Net Zero in all new constructions, and it will inform the blueprint of our 5,000 key development pipeline.



Robert Godwin
CEO



Stuart Godwin
Managing Director



Foreword

We are looking back over the last two years with fond memories and want to start by saying a massive thank you to everyone who made it a success.

To our employees, who are always innovating and living our values every day, thank you for your hard work and dedication.

To our guests, thank you for choosing us and supporting the net zero movement.

To our collaborators, thank you for pushing the economy in the right direction.

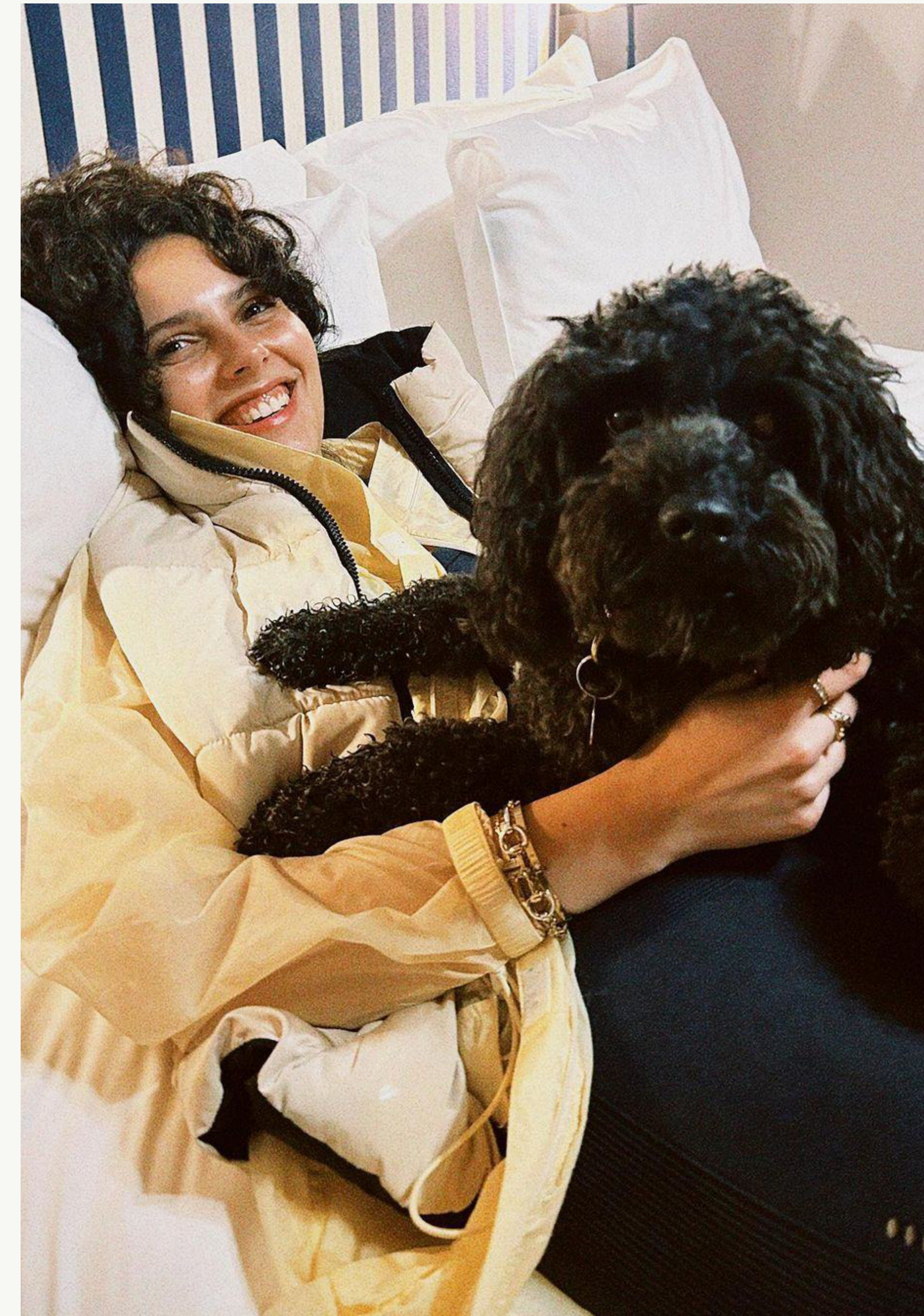
We did a lot, achieved a lot, and most importantly, we learnt a lot.

2021 was a year of many milestones for us at Lamington Group. We published our Net Zero Roadmap and set an industry first target of achieving operational net zero across our existing portfolio and Whole Life Net Zero Carbon for our new developments.

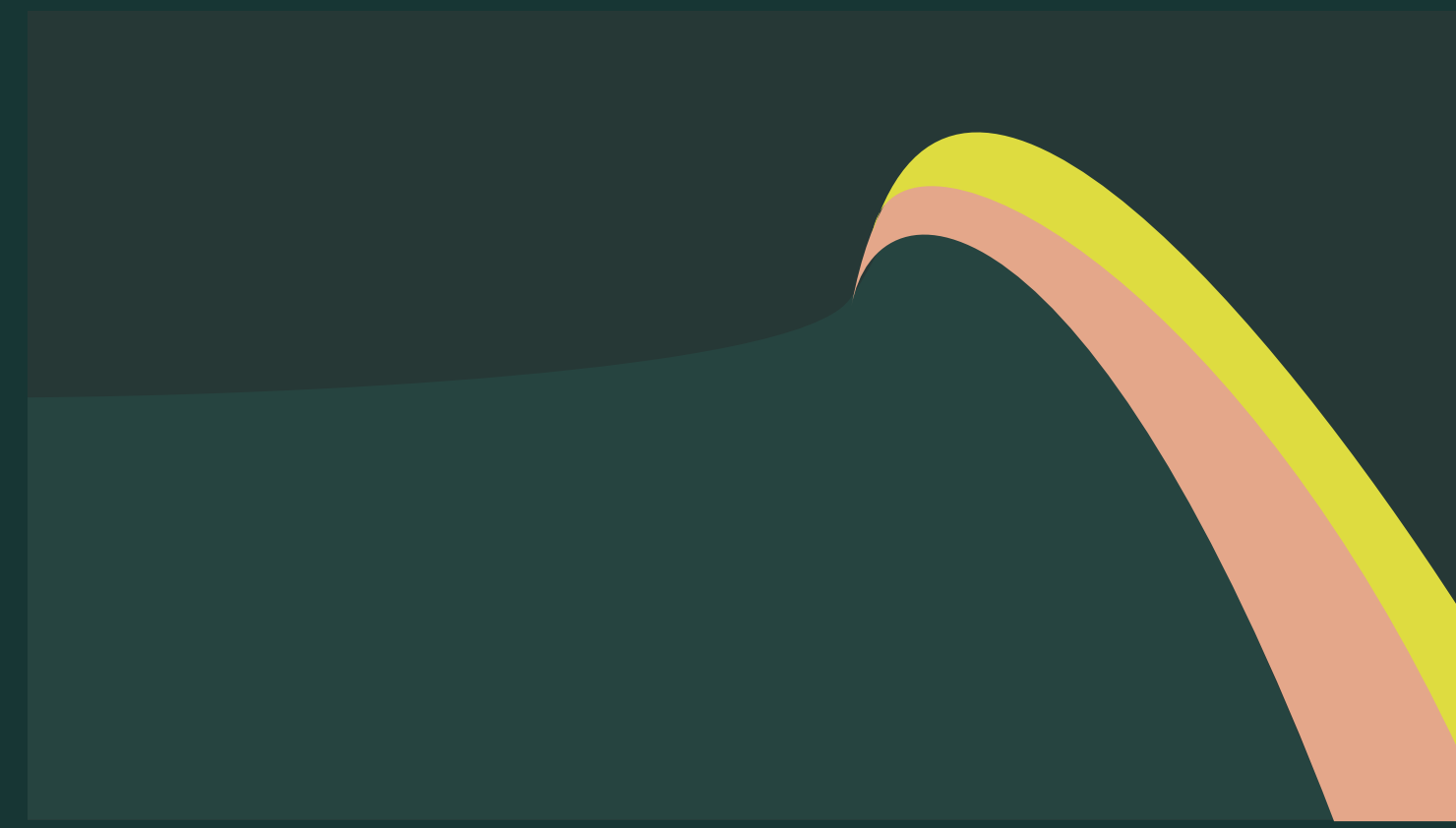
2022 was a year of progress, room2 Chiswick joined room2 Southampton at 5* on Trip Advisor and the highest-rated accommodation in the area.

We continued to push the industry by sharing thought leadership.

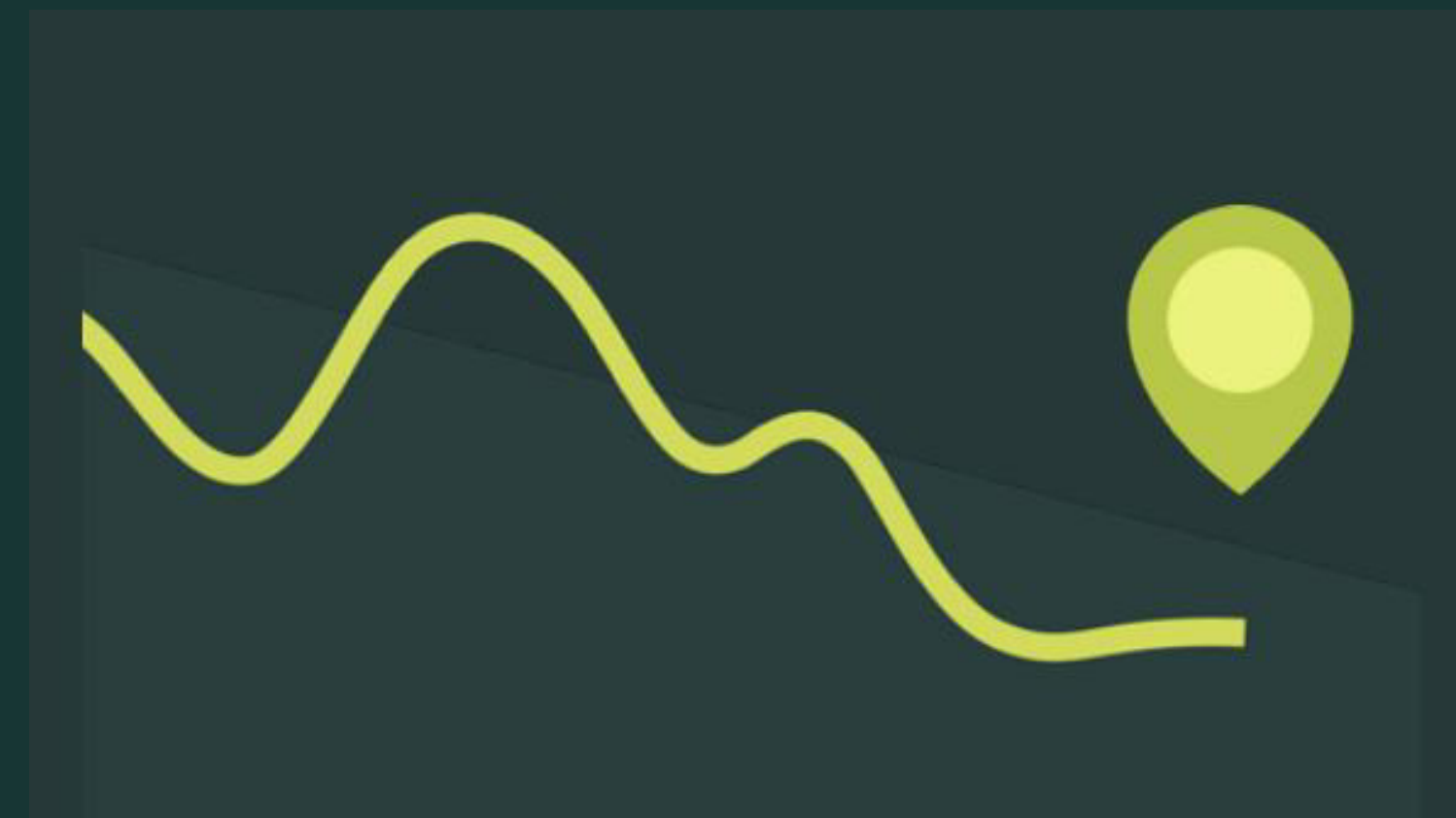
Robert Godwin, Chief Executive Officer, delivered a visionary key note at the Annual Hotel Conference (AHC). We also published our One Planet Living Action Plan, which ensures a holistic approach to sustainability across the group, and maintains our focus on reducing carbon emissions.



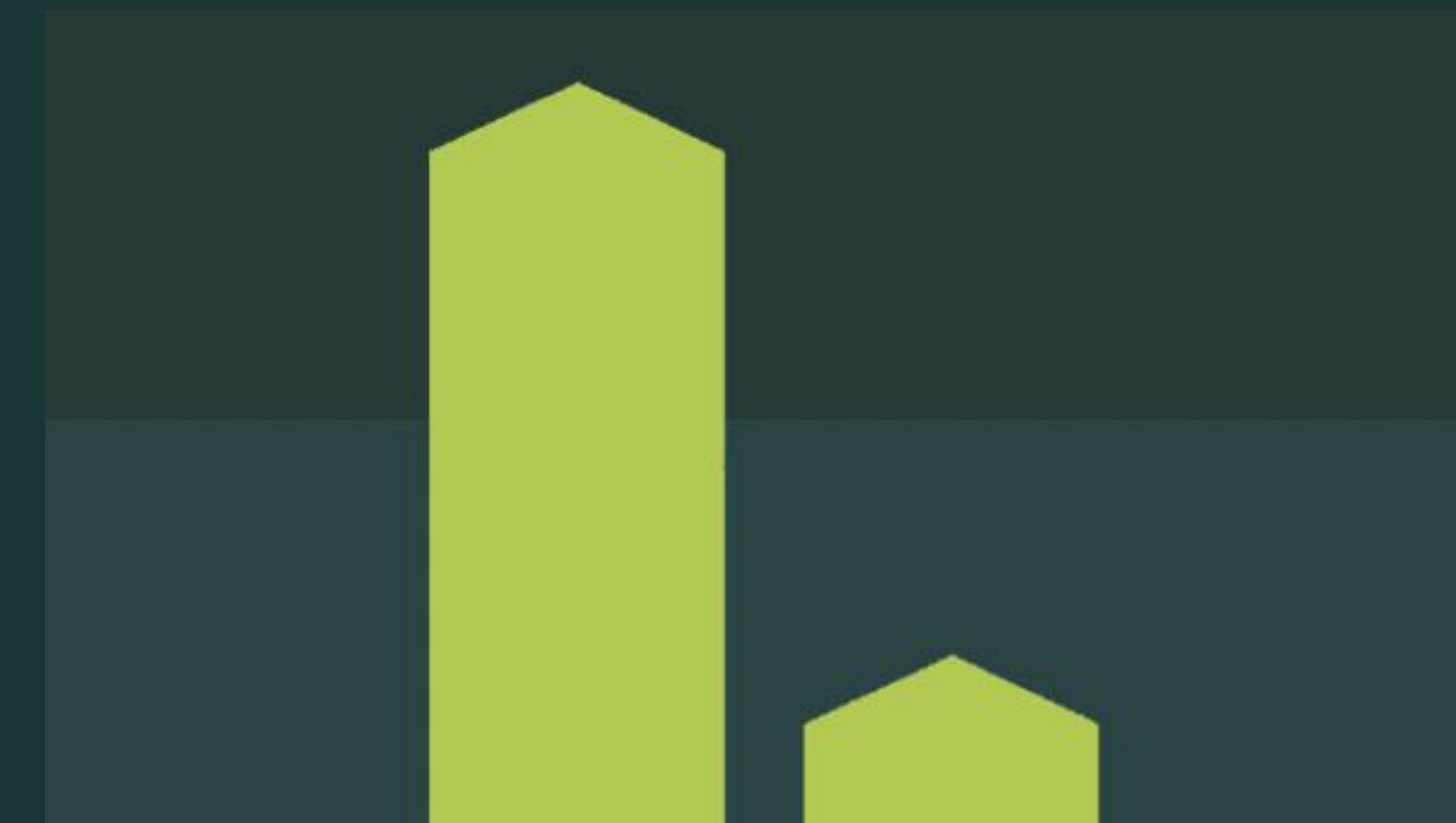
2021 Key Moments



room2 Net Zero Building specifications adopted for all new developments.



Published Net Zero Roadmap set with Science Based Targets



Signed the **Climate Pledge** Committing to reach net zero emissions before 2050



Opened first **whole life carbon hotel** room2 Chiswick with 86 keys



6.2% reduction in Scopes 1 & 2 emissions from 2019 baseline



Awarded best provider by SPEAR
29,000 rooms provided for the homeless and £3,000 raised



Best CSR Policies awarded at the Altos Awards



Sold room2 Southampton to Aberdeen Investments



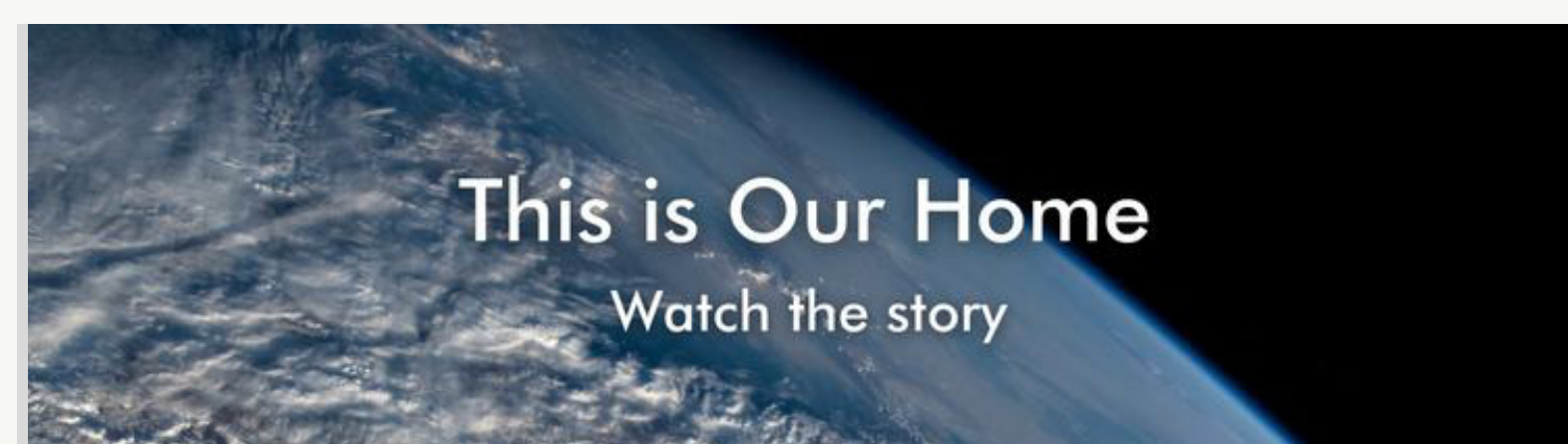
Speaker at the Annual Hotel Conference
Robert Godwin spoke at the "Serviced Living - Capturing the New Demand" session



Ranked number-one hotel in Southampton on TripAdvisor

2022 Key Moments

Three employees volunteered with Spark to inspire career aspirations



Launched 'This is our Home' video as part of our Green Friday campaign

£2,400 raised during a virtual cycle to Ukraine for Dnipro Appeal



Gold Green Tourism Certification:

- room2 Southampton
- room2 Chiswick

Silver Green Tourism Certification:

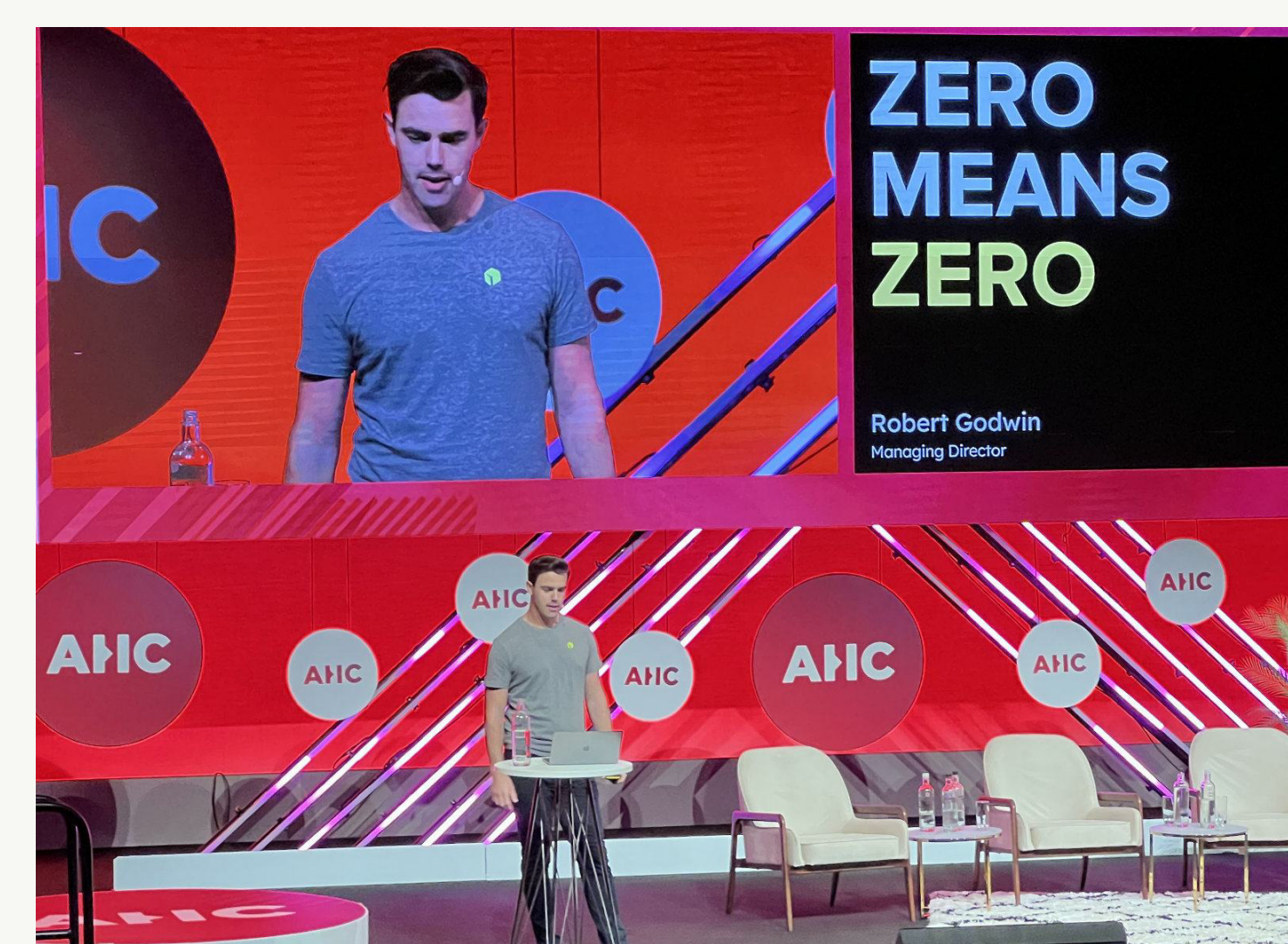
- Missionworks
- room2 Hammersmith



Lamington Group became a member of the UKGBC



Signed the Glasgow Declaration



Lamington Group's CEO, Robert Godwin, participated as a keynote speaker at the Annual Hotel Conference, addressing the topic of achieving net zero.

AWARDS

Green Race to Zero - West London Business Awards

Sustainability for Serviced Apartment Awards

Net Zero Strategy of the Year & Energy Efficiency Project of the Year at Business Green Leaders Awards

Engagement Campaign of the Year at Global Good Awards

Best Green Business at West London Chambers Awards

Low Carbon Award at the Energy Institute

AHEAD Awards: Sustainability

Most Innovative Use of Technology at Altos Awards

Runner-up in the Good Egg category for the National Geographic Hotel Awards

Best Places to Work in Hospitality - The Caterer



“Sustainability is
both an obligation
and an opportunity”

Robert Godwin



Chief Executive Officer
Lamington Group



Governance

Communication and Collaboration

Achieving the commitments in our roadmap is going to be challenging and we will not be able to do it alone. It requires working closely with all our stakeholders to take urgent action. We want to set an example for the rest of the industry and we will share our understanding of best practice and the lessons learnt along the way. We will also communicate progress against our commitments annually, being open and transparent about the areas in which we need to improve, as well as in areas where we are succeeding.

Ownership

The accountability for achieving the commitments set out in our Net Zero roadmap sits with us. Our sustainability team have a taskforce dedicated to delivering actions on our roadmap, who are representatives from across the organisation. The taskforce have started reviewing the status of each of the actions set out in our roadmap along with collecting and reporting the data. They will drive the actions on our roadmap, ensuring our management and development teams provide the resources required. We are regularly reviewing our roadmap against new industry guidance, regulations and technologies, as well as our growth plan to ensure our actions and commitments are aligned.

Green Finance and Carbon Accounting

We are working to incorporate carbon accounting into our financial appraisal. This will ensure that the strategic moves in our business plan align with our roadmap.

Sustainability Team



Angeliki Krania
Senior Sustainability Manager



Kaylie Charland
Sustainability Officer

Innovation

Experts have given us guidance on best practice. We are leading the industry and will continue to innovate. Lab rooms have now been installed in room2 Southampton and room2 Chiswick to sub-meter energy use at room level, monitor water consumption and air quality. This data will be used to pilot technology and direct behavioural change to inform interventions in 2023. We will also actively encourage collaboration with partners to test new, and learn from, low carbon technologies.

Independent Assurance

Transparency is very important to us across everything we do. Our environmental data and progress against our commitments will be audited annually and independently verified by a third party. Carbon emissions were calculated by BSI in accordance with ISO 14064-1:2018, excluding Guest Travel emissions, at a 10% materiality level and reasonable level of assurance.

Sustainability Taskforce



Stuart Godwin
Managing Director



Charlotte Hammond
People and Culture Manager



Michael Liverman
Head of Development



Jo Webb
National Key Account Manager



Natalia Rakowska
Group Marketing Manager



Zoe Woodhall
Procurement Manager

Materiality Assessment

We completed a materiality assessment in collaboration with Savills Earth in 2020.

We followed a structured process to determine material topics for our organisation. Firstly, we defined the purpose and scope of our assessment. We then identified potential material issues through internal analysis and external research. To gain valuable insights from our stakeholders, we conducted a stakeholder survey. The survey allowed us to understand the stakeholders' perspectives and concerns. We carefully prioritised and weighted the responses, with a particular focus on our key stakeholders. Lastly, we engaged in discussions to thoroughly analyse stakeholder feedback and incorporated their insights into our decision-making process. This systematic and inclusive approach ensured that we identified and prioritised the most relevant issues for our organisation. This has helped to drive our targets and initiatives within the business.

The materiality assessment results are based upon stakeholder importance and the significance of economic, environmental and social issues to the organisation, helping to determine which aspects are material and matter most to Lamington Group's stakeholders.

High Priority issues comprise those receiving the highest scores by both the Senior Management and all stakeholders. Amongst the issues included in this section are "climate change mitigation and energy efficiency, waste management & circular economy and community engagement".

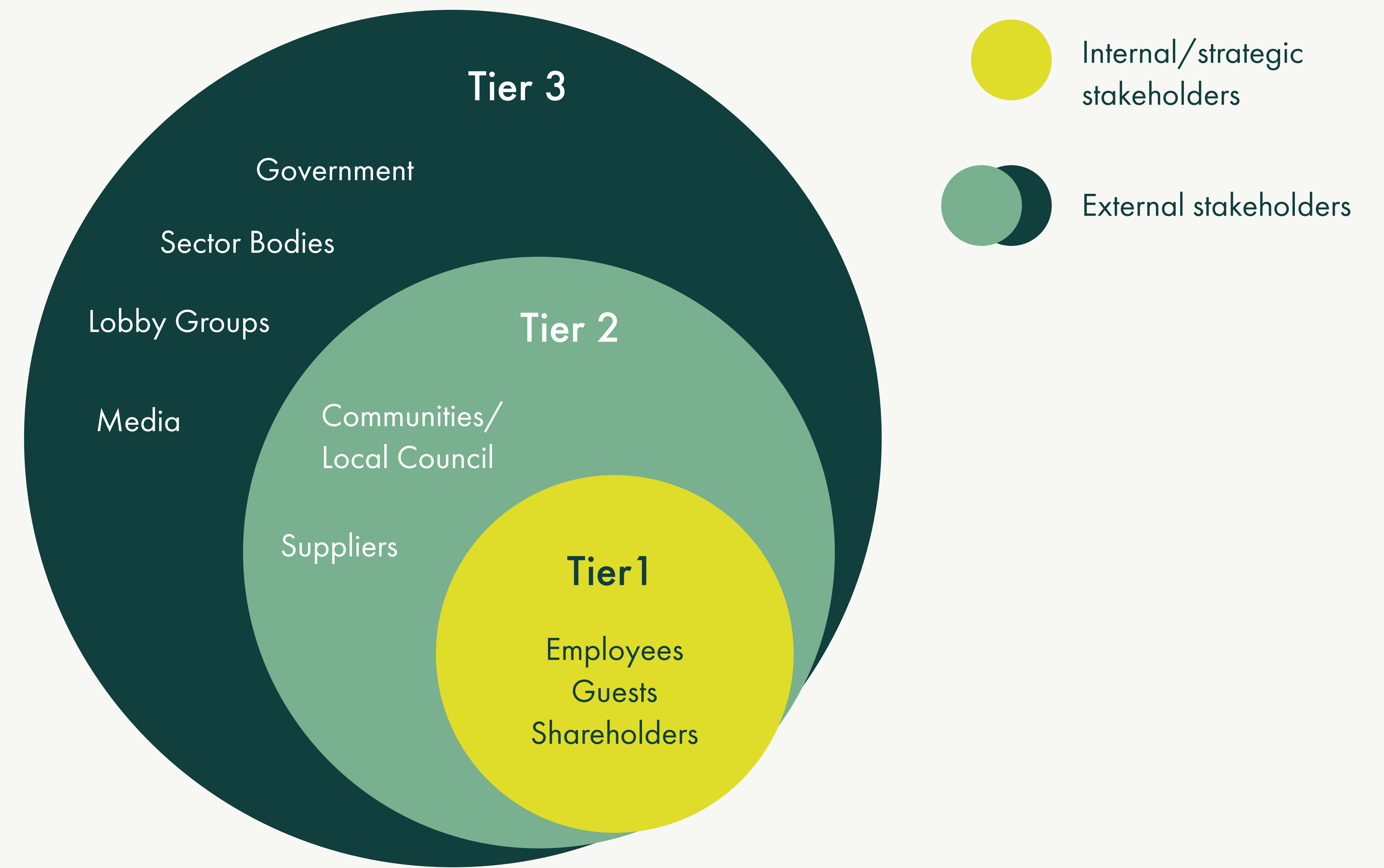
The identification of high priority issues has been used to inform the company-wide Sustainability Strategy and is reflected in our One Planet Living Action Plan. Please see the appendices for the full list of ESG topics that were assessed.

High Priority:

Climate change mitigation and energy efficiency

- Renewable energy
- Sustainable building design
- Waste management & circular economy
- Use of materials
- Climate change adaptation and resilience
- Building certifications
- Healthy built environment
- Community engagement
- Sustainable procurement

Stakeholder Map



Stakeholder Group	Surveys Issued	No. of Responses	Response Rate	Weight %
Employees	80	42	53% ²	5%
Senior Management	77		100%	30%
Guests	5364	272	5%	10%
Shareholders	33		100%	25%
Suppliers	35	13	37% ⁵	%
Communities/Local Council	n/a	n/a	n/a ⁵	%
Total	5479	337	6%	100%

Standards and Frameworks

We are reporting our environmental, social, and governance (ESG) performance in accordance with the GRI (Global Reporting Initiative) Standard. This allows for a comprehensive overview of the organisation’s sustainability performance and impact. These disclosures reflect our dedication to transparent and comprehensive reporting on our sustainability performance in line with internationally recognised standards.

This ESG report provides an in-depth analysis of the Lamington Group’s commitment to sustainable development and outlines the organisation’s progress in meeting its environmental, social and governance targets, as defined in our Net Zero Roadmap and One Planet Living Action Plan. By utilising the GRI framework, the report offers stakeholders a transparent and reliable overview of the organisation’s sustainability performance. The report highlights Lamington Group’s achievements, challenges, and future goals in sustainability, demonstrating the organisation’s dedication to responsible business practices and its contribution to a more sustainable future.

Please refer to our GRI Index Table, Net Zero Roadmap and One Planet Living Action Plan.



[Link to Net Zero Carbon Roadmap here](#)



[Link to One Planet Living Action plan here](#)

Our Collaborators

Throughout the development of this roadmap and through the steps we have already taken, we have been collaborating with industry experts to deliver and set ambitious goals. We are now aligned with leading industry initiatives as we continue our journey to Net Zero.

Who we're working with



Introba, previously known as Elementa, is our strategic partner helping us develop our net zero building standards and Net Zero Roadmap.



Climate Partner is helping us to build and deliver an effective carbon offset strategy for 2021 and 2022 emissions.



EVORA has assessed room2 Chiswick and completed a Net Zero claims verification for the 2022 reporting period.



EEA aims to help hotels and other hospitality businesses tackle the challenge of climate change and we sit on the advisory board to lead the way to this brighter future, in the most effective way possible.



British Standards Institution completed our carbon emissions audit in order to ensure we are reporting as accurately as possible in alignment with ISO 14064-1:2018.



Verco is helping us to assess and recommend ways to reduce the embodied carbon in our construction and developments

Who we align with



UN SGDs
Our goals and targets focus on supporting progress towards all 17 UN Sustainable Development Goals.



Living Wage
We are a Living Wage employer, which means we pay your staff a Living Wage to support the wellbeing of our team members.



B Corp
We began our certification process in 2022 which was completed and verified in November 2023.



Science Based Targets drives ambitious climate action in the private sector by enabling companies to set science-based emissions' reduction targets. This roadmap and our targets align to the most ambitious 1.5-degree SBTi scenario.



UK GBC has published a Net Zero Whole Life Carbon Framework to achieve net zero carbon in construction and operation. Our building standards and reporting templates align to their framework.



The Glasgow Declaration is a catalyst to accelerate climate action in tourism and to secure strong actions to support the global goals to halve emissions over the next decade and reach Net Zero emissions before 2050.



One Planet Living is a framework by Bioregional that uses 10 principles to have a holistic understanding of sustainability. Backed by science and many years of hands-on experience, it's a highly flexible framework that is helping organisations around the world to achieve their vision.



London Energy Transformation Initiative (LETI) is a network of over 1000 built environment professionals who are working together to put the UK on the path to a zero carbon future. room2 Chiswick is the first LETI Pioneer hotel and we align to their Whole Life Net Zero definition and principles as part of our growth plan future developments.



The Climate Pledge (TCP) calls on companies to commit to net zero by 2040. We are committing to reach this target by 2030. This includes measuring and reporting greenhouse gas emissions on an annual basis, implementing decarbonisation strategies in line with the Paris Agreement, and neutralising any remaining emissions.



GRI - Global Reporting Initiative provides a template on how to communicate impacts on issues such as climate change, human rights, and corruption.

One Planet Living

The One Planet Living (OPL) framework, created by Bioregional, was chosen to support our sustainability decision-making. Its holistic approach means that environmental, social and economic aspects are aligned with the United Nations Sustainable Development Goals (UN SDGs). Our progress is monitored internally on a quarterly basis with focus on the priority principles.

The company has been aligning to OPL's principles since 2021 with the goal of publishing our OPL Action Plan in 2023.

Our priority principles:

- Zero carbon
- Zero waste
- Sustainable materials
- Local economy

Please read about our progress in the following pages of the report regarding UN SDGs and OPL.

	Health and happiness
	Equity and local economy
	Culture and community
	Land use and wildlife
	Sustainable water
	Local and sustainable food
	Sustainable materials
	Sustainable transport
	Zero waste
	Zero carbon

PEOPLE

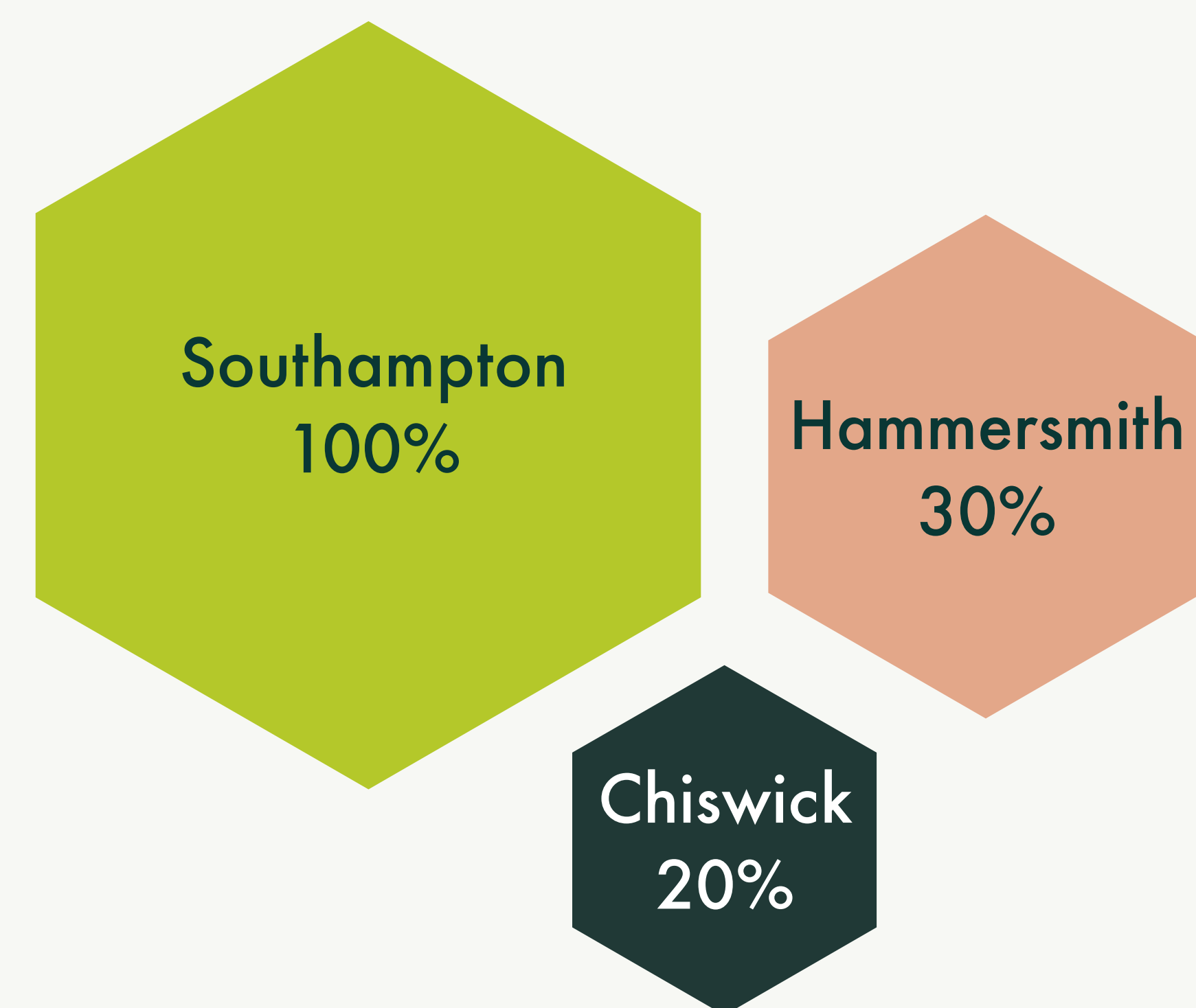
Our people are at the heart of everything we do. Discover our innovative approach to employee diversity, health and wellbeing, and training and development.





A team of **132** creators, designers, builders, decision makers and experience generators.

Senior management hired from the local community*:



5 new policies implemented

Including:

- Modern Slavery
- Anti-bribery
- Sustainable Business Travel

Employee overall satisfaction score:



Our focus in 2023 will be on taking action based on the feedback from the survey.

*The definition used for 'senior management' is Head of Department. The geographical definition of 'local' is within 10 miles of the location of operation. The definition used for 'significant locations of operation' are locations with 10 or more employees.

Our values



Being a host



Outperformance



Integrity



Respect



Teamwork

2021



2022

"We are encouraged to use our initiative to resolve issues quickly and effectively"



Benefits

- Employee Assistance Programme offering wellbeing activities, counselling and 24/7 help
- Training and Development
- Social Activities
- One free night at any of our properties per year, 50% staff discount, 25% discount for friends and family (F&F)
- 15% of food and beverage, applicable to friends and family
- Cycle to work scheme
- Refer a friend bonus
- Loyalty - additional holiday day per year worked
- Loyalty bonus 5% at year 5, 10% at year 10

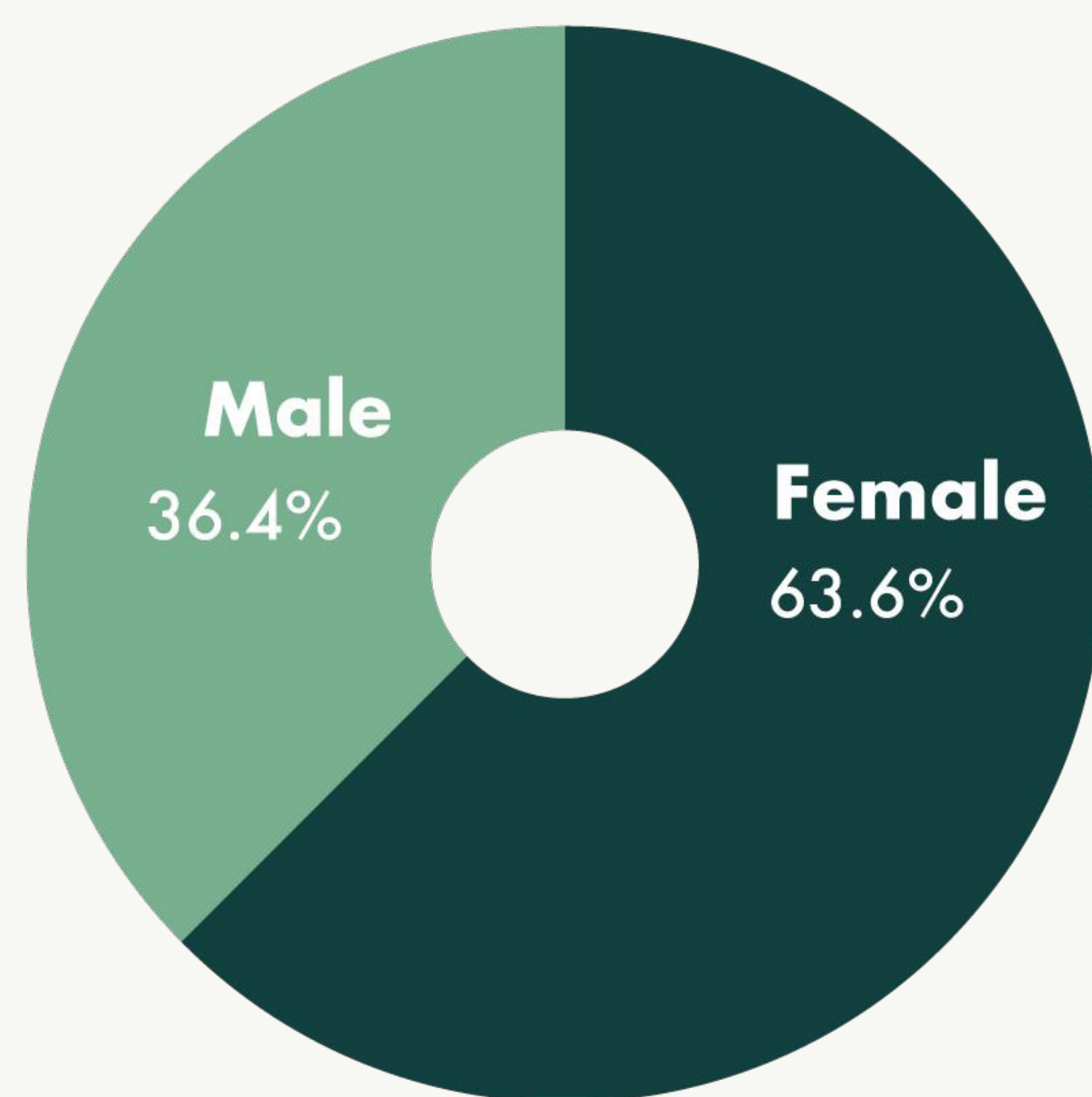
Diversity, Equity and Inclusion (DE&I)

We believe all employees are equal regardless of race, nationality, age, religion or sexual orientation. We're committed to improving diversity and inclusion and creating a space where all are able to thrive.

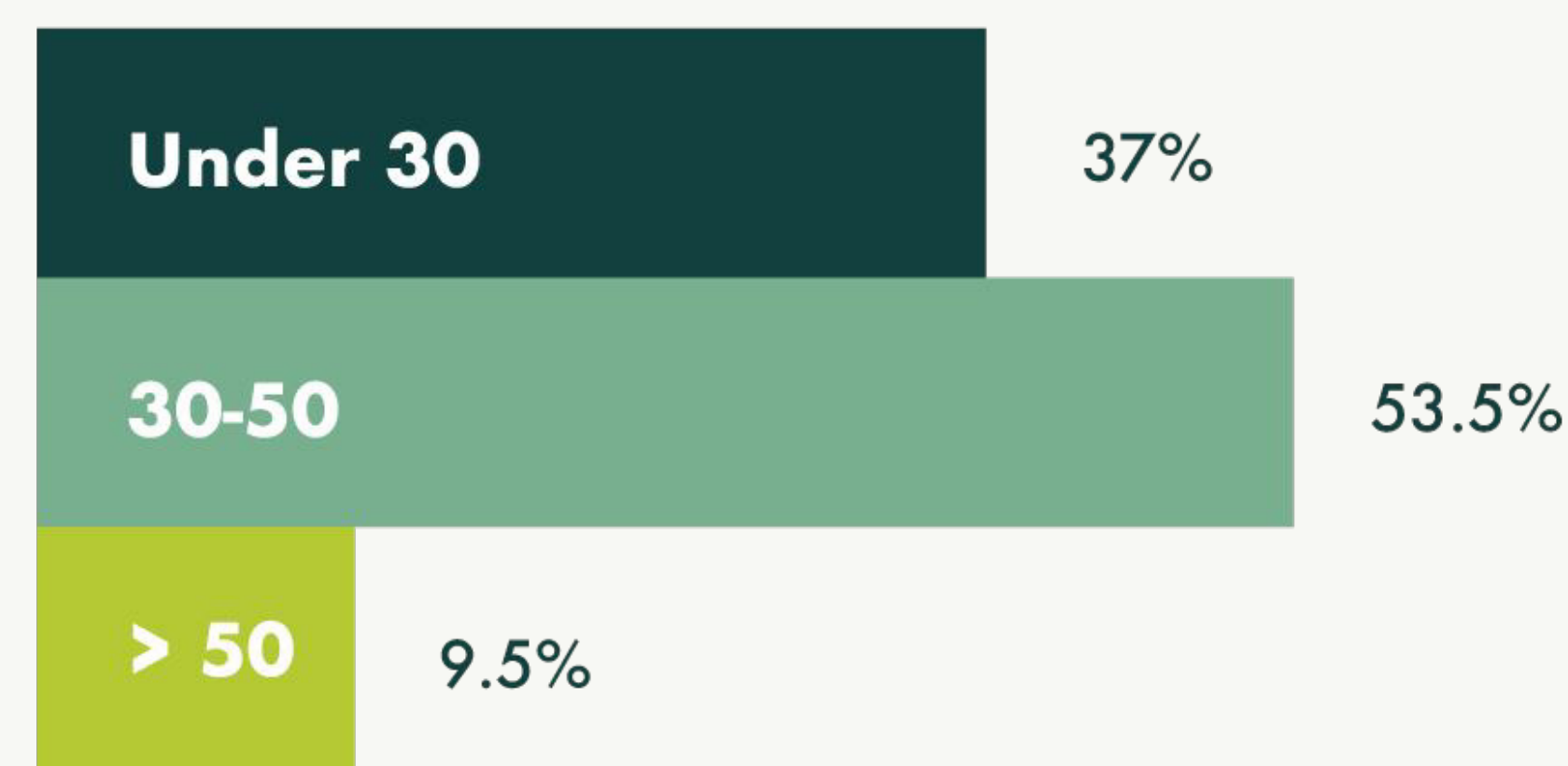
All employees completed diversity, equity and inclusion training in 2022.

We measured key employee information such as gender, age and their employment level in the business.

Gender Ratio

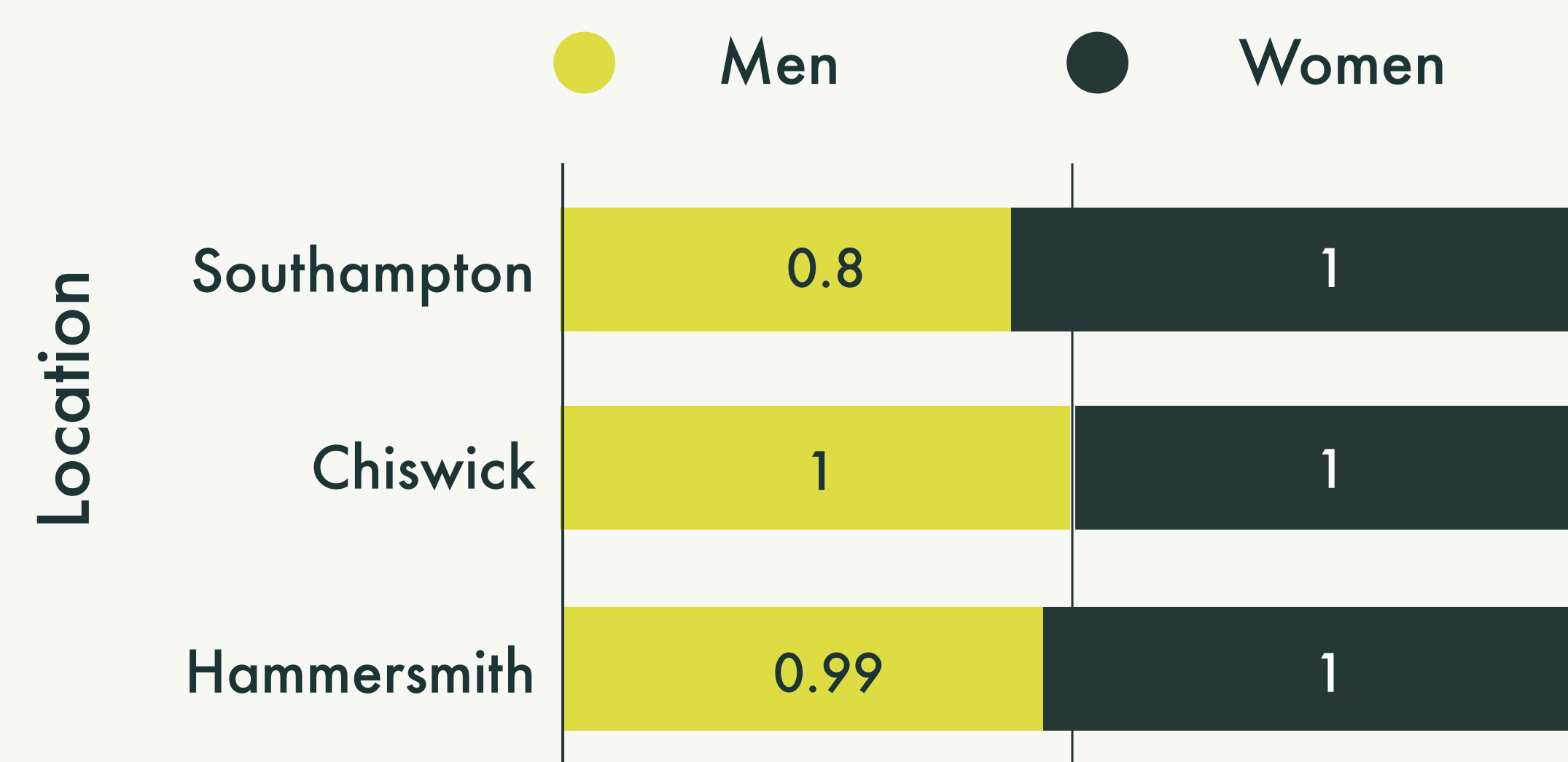


Age Group Distribution



59%
Females in managerial positions

Gender Pay Gap



Highest paid Median 3.9:1
Annual compensation for highest-paid individual to the median annual total compensation for all employees (excluding highest-paid individual).

Health and Happiness

Protecting and enhancing the wellbeing of our employees and guests is a top priority. Health and safety regulations are met at all our hotels. We monitor any incidents and have an action plan in place to further improve health and happiness in our One Planet Living Action Plan. Our initiatives cover a range of aspects including promoting healthy eating.

All employees have access to Employee Assistance Programme (ESP). Employees in our head office have access to free yoga classes in our Missionworks coworking space. Additionally, we offer a Cycle to Work scheme.



Events

Our room2 locations and Missionworks hosted a range of different events for guests and the local community.

At room2 Chiswick, we hosted terrarium workshop, mindful calligraphy, yoga sessions and Christmas wreath-making. At Missionworks, weekly yoga classes and reiki healing sessions were hosted throughout the year.

Minimising hazards:

H&S consultant, an OH consultant and an EAP. The organisation ensures the quality of these services through SLAs and facilitates staff access to them either directly via telephone, web, email, or F2F, or through referral via the People & Culture team.

Growth and Development

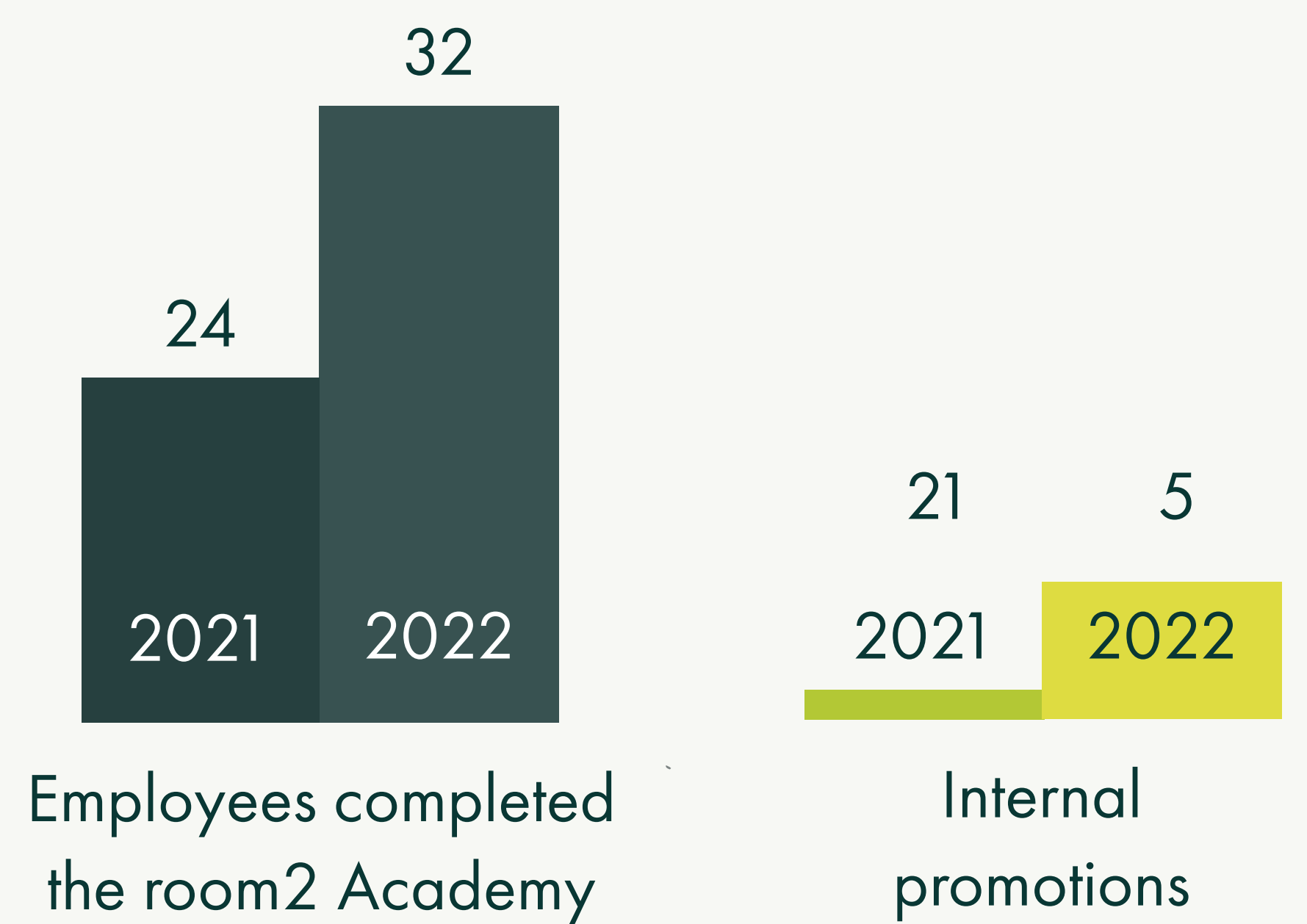
We recognise that our people's growth and development is essential to our future success, we aim to empower our employees in their careers. We have set mandatory training for all employees which involves Diversity, Equity & Inclusion, Mental Health Awareness and Health and Safety. 100% of our employees have completed professional training.

-  Career mentors training
-  Public speaking training
-  OKRs, KPIs and department strategies introduced in 2022
-  All employees in head office receive a training budget



room2 Academy

The room2 Academy focuses on career development for roommates comprising bespoke e-learning modules and coaching. Creating a programme that allows all employees to be upskilled and trained within their roles and chosen career pathways.



Giving Back

Volunteering

All employees in Lamington Group's head office receive two days to volunteer each year. In 2022, 86 hours of volunteering was completed by our team. Here are the charity organisations we worked with:



- Employees participated in a career talk with Spark! Charity at St Mark's school where 146 students were in attendance.
- The Head Office team collected 93 plastic bottles and 9.7kg of recyclable plastic while Plastic Fishing with Hubbub.
- The team at room2 Southampton participated in the Million Mile Clean with Surfers Against Sewage.

Fundraising

2021:

Lamington Apartments was awarded by SPEAR London 'Apartment Provider of the Year' for providing around 35,000 nights for the council during Covid to house the homeless.

2022:

In April 2022, the room2 team completed a cycling fundraiser covering 2,215 km in one week, the distance from the UK to the Ukrainian border, to support the Dnipro Appeal who have been working in Ukraine since 2005, focusing on evacuating children and or- phans to safety and offering them ongoing support.



Employee Engagement

Culture Club is designed to bring together employees of Lamington Group in one space, and build a sense of belonging, encourage team building and provide a chance to learn something new and to focus on wellbeing. Examples of Culture Club activities have included Sports Day, Volunteering, Stress Management and Random Acts of Kindness.

We believe everyone receives something of value from each session and can take this experience wherever they go, outside and inside of the workplace. This initiative was led by the People and Culture team initially and is now an integral part of the culture at Lamington Group - it is a club every individual takes part in!



Sustainability Engagement

Engaging employees in sustainability ensures that the whole business is moving in the right direction so we invented Team Planet!

This internal campaign includes monthly workshops, a competition and a financial incentive to engage employees. We have a live scoreboard that employees update by making sustainable choices in their personal life or at work. Through this programme we offer education and information to help employees make more sustainable decisions. Points are awarded from 1-10 depending on their impact and effort to achieve.

Awarded by our Sustainability team, each action is associated with a One Planet Living principle.

In 2021:

40 team members participated and we hosted 12 workshops. The categories with the most actions included Sustainable Materials & Products, Zero Carbon, Zero Waste, and Culture & Community.

In 2022:

44 team members took part and 33 workshops were delivered. The campaign was expanded to all 3 room2 locations. The categories awarded the most points were Culture and Community, Zero Carbon, Zero Waste, and Sustainable Materials!



"I am proud of turning waste streams into new items such as old plastic toiletry bottles into a worktop for our new site"

Lauren Woodhead, Interior Design Manager



"I learned that anyone can claim to be sustainable, but businesses need to stop any greenwashing and start to take real action"

Natalia Rakowska, Group Marketing Manager

Team Planet 2022

Local and Sustainable Food

- Eating vegetarian five days a week
- Meals with red meat reduced to once per week
- Ordering fruit and vegetables from an organic, UK supplier

Total number of points: 81

Sustainable Materials

- Support and shop from local businesses, where possible
- Rent clothing for special occasions rather than buying
- Swapping from aerosol to roll on deodorant

Total number of points: 574

Sustainable Water

- Wash clothes on cold temperature only
- Ordered low flow bathroom fittings for house
- Use sustainable toiletries at home - e.g. shampoo, detergent, cleaning products

Total number of points: 40

Equity and Local Economy

- Vote - from small polls to elections, ensuring your voice is heard
- Donate to charities
- Using local suppliers for handmade vases at future room2 properties

Total number of points: 102

Health and Happiness

- Participated in Ukraine fundraiser cycle
- Yoga classes for guests at the properties and team members
- Walking 10,000 steps daily

Total number of points: 157

Sustainable Transport

- Bike to work at least 2 times a week
- Offset flights taken throughout the year
- Take public transport to the office

Total number of points: 94

Zero Waste

- Make lunch four days a week instead of buying food
- Purchase clothing from charity shops
- Donated children's books to local schools

Total number of points: 591

Zero Carbon

- Installed a smart meter at home
- Batch cooking to cut down on energy usage
- Organised a car pool for friends to prevent multiple cars from making the same journey

Total number of points: 706

Culture and Community

- Joined local tennis club
- Hosted 'Make your own Christmas card' event
- Joined a run club

Total number of points: 969



PLANET

We take our responsibility to the planet seriously.

Explore our initiatives to reduce our carbon footprint, increase energy efficiency and promote sustainable sourcing and procurement.

Effects of Climate Change

In today's ever-evolving global landscape, the hospitality and property development industry faces a range of compelling reasons to address climate change. This commitment is underscored by environmental responsibility and regulatory compliance. It also presents opportunities for operational efficiency, resilience against climate impacts and long-term asset value enhancement.

By embracing sustainability, this industry can fortify its position in the face of a changing climate while contributing to a more environmentally responsible future.

Climate change can influence meteorological patterns, potentially leading to heightened occurrences of severe storms, extreme temperature variations, rising sea levels causing flooding or prolonged drought conditions in the regions where we operate, all of which could impact our operations and business.

Direct vs Indirect effects:

Direct - The impact from climate change can result in rising costs as a result of fixing building damage, increase in insurance premiums or prevention of guest travel.

Indirect - The changes in climate can also lead to increases in energy consumption whether this be higher need to cool and heat a property, greater maintenance or lowering in property value due to greater climate risk.

Physical and Financial Risk

Physical risk is important to recognise and analyse because the world, including the built environment, is already experiencing the physical impacts of climate change. Operating in the built environment, we will face risks such as extreme temperatures, higher frequency of storms and greater health risks.

Additionally, the industry will face financial impacts as a result of the continued changing climate. These risks include increased costs related to adapting to more extreme weather events and emerging regulations, reduced asset values due to climate-related vulnerabilities and potential disruptions to supply chains.

Furthermore, insurance premiums may rise, and investments in sustainability measures may be required to mitigate these risks, affecting the bottom line of businesses in the sector. Addressing these financial risks through proactive climate risk assessment and mitigation strategies is essential for long-term financial sustainability.

We are planning to complete a physical risk assessment in the near future in order to better understand how our properties will operate against a range of different climate scenarios.

By completing a risk assessment we would receive the following benefits:

1. **Risk Mitigation:** We can take proactive measures to mitigate potential threats. This can include adjusting building designs, implementing stronger construction materials, or relocating projects to safer areas.
2. **Improved Resilience:** We can enhance the resilience of our properties. This includes designing structures and infrastructure that can withstand extreme weather events, such as floods, hurricanes, or heatwaves, reducing the likelihood of property damage and financial losses.
3. **Long-Term Sustainability:** As climate change intensifies, properties that are well-prepared for the changing environment are more likely to maintain their value and functionality.
4. **Community Wellbeing:** It helps protect local infrastructure, reduces the burden on emergency services, and contributes to overall community wellbeing and safety.
5. **Cost Savings:** We can reduce the long-term costs associated with repairs, renovations, and insurance premiums. Additionally, mitigating risks may improve a project's return on investment.

Commitments

We focus on three main aspects when addressing sustainability within the company: Net Zero, Circularity, and Health and Wellbeing

Net Zero

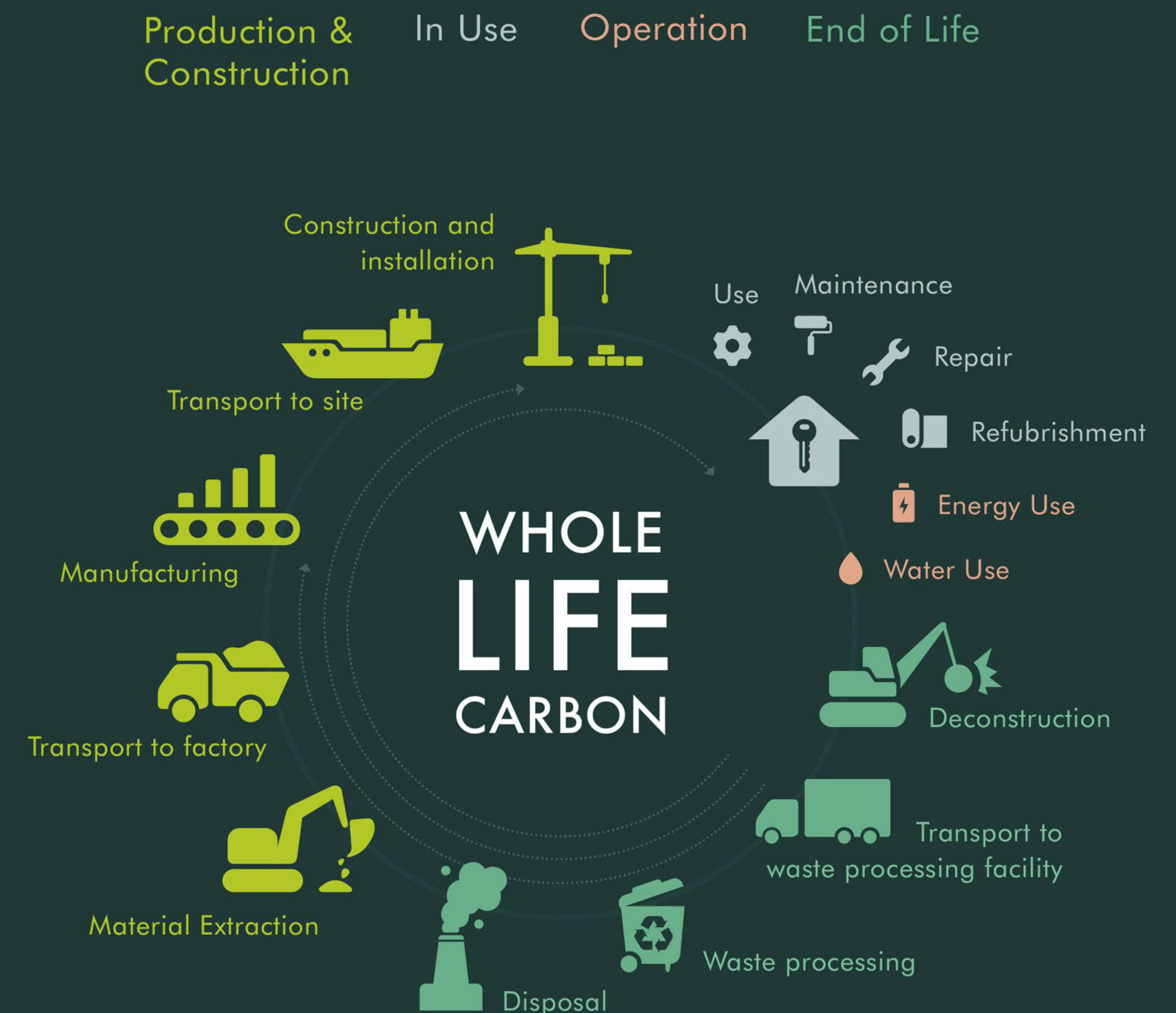
We are committed to building and operating Net Zero carbon hometels on the pathway to Whole Life Net Zero hometels. This includes reducing our direct emissions within Scopes 1 and 2 in alignment with Science-based Targets. Our targets cover both embodied and operational carbon. Embodied carbon covers production, construction, decommissioning and end-of-life. Operational carbon covers the emissions arising while the property is in use. Additionally, we will continue to track and minimise our Scope 3 emissions. By focusing on these commitments we are aiming to reach Net Zero by 2030. We will achieve this by continuing to report our emissions on an annual basis and by having our calculations third-party verified. Previously, our emissions in 2021 were verified by ClimatePartner and in 2022 by BSI.

Circularity

Our operations and developments are focused on strengthening our contribution to the circular economy by keeping materials in circulation, recycling and repurposing them, where possible, while emphasising the use of natural, low footprint materials as they become available closer to our properties. Examples include: turning shampoo bottles into table tops and transforming everyday waste materials into exciting artwork. This approach addresses Climate Change and global environmental challenges, including tonnes of waste to landfill, by reducing reliance on finite resources, reducing degradation of natural habitats and limiting all forms of pollution which, ultimately, impact biodiversity. We also have policies in place to ensure we engage in sustainable procurement.

Health and Wellbeing

We are committed to creating environments that have a positive impact on health and wellbeing of our guests and employees. We have multiple initiatives in place to do so including a monthly Culture Club, an Employee Assistance Program and integrating biophilia within our properties.



Greenhouse Gas Emissions

To ensure we are reporting to the highest standards our emissions calculations are audited by a third party verifier on an annual basis. In 2021, Climate Partner verified our emissions' calculations. The British Standards Institution (BSI) verified our 2022 emissions' calculations in accordance to ISO 14064-1:2018 with reasonable assurance and 10% materiality. Our Guest Travel emissions value was excluded from verification due to changing perspectives on the preferred methodology. We have decided to include this figure in our public reporting in order to continue accounting for the emissions and continue to work on improving the accuracy of our calculation method.

We are committed to limiting global warming to 1.5°C above pre-Industrial levels. Our targets for emissions reduction are in alignment with the Science-Based Targets initiative (SBTi). We have set targets to reduce our Scopes 1 and 2 emissions by 46% from our 2019 baseline by 2030. We have also committed to track and minimise our Scope 3 emissions.

2022 Emissions

GHG emissions for 2022, compared to the 2019 carbon emission baseline, show a 25% increase across the portfolio, covering Scopes 1, 2, and 3. Our Net Zero Roadmap predicted an increase in overall emissions due to an increase in Scope 3 emissions. Combined Scopes 1 and 2 emissions showed a reduction of 21%, in line with our roadmap.

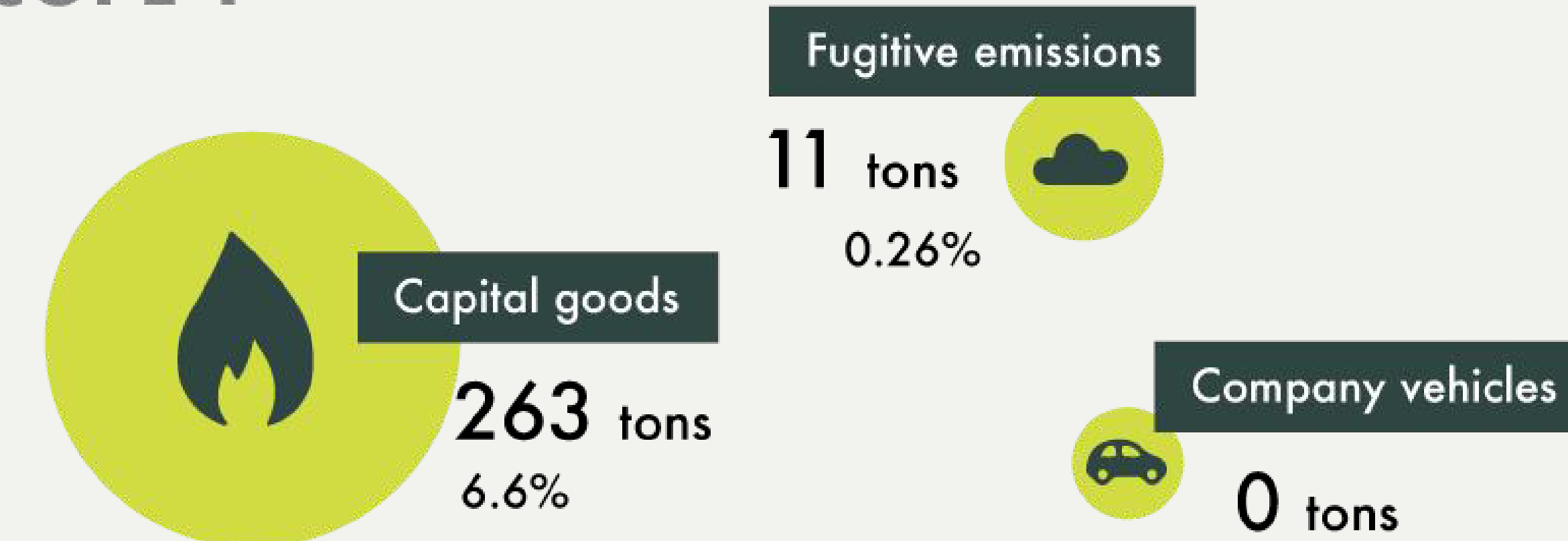
Summary results

Scope 1 emissions decreased by 21% and Scope 2 emissions also decreased by 21% compared to the 2019 baseline. The decrease in Scope 1 was due to electrification, switching to renewables and the company vehicle switching to electric. The decrease in Scope 2 emissions was mainly due to switching to renewable energy providers and grid decarbonisation.

Scope 3 emissions increased by 29%. This can be attributed mostly to an increase in Purchased Goods and Services and Guest Travel emissions. Additionally, room2 Chiswick experienced an increase in Capital Goods.

Scopes 1, 2 and 3 Emissions

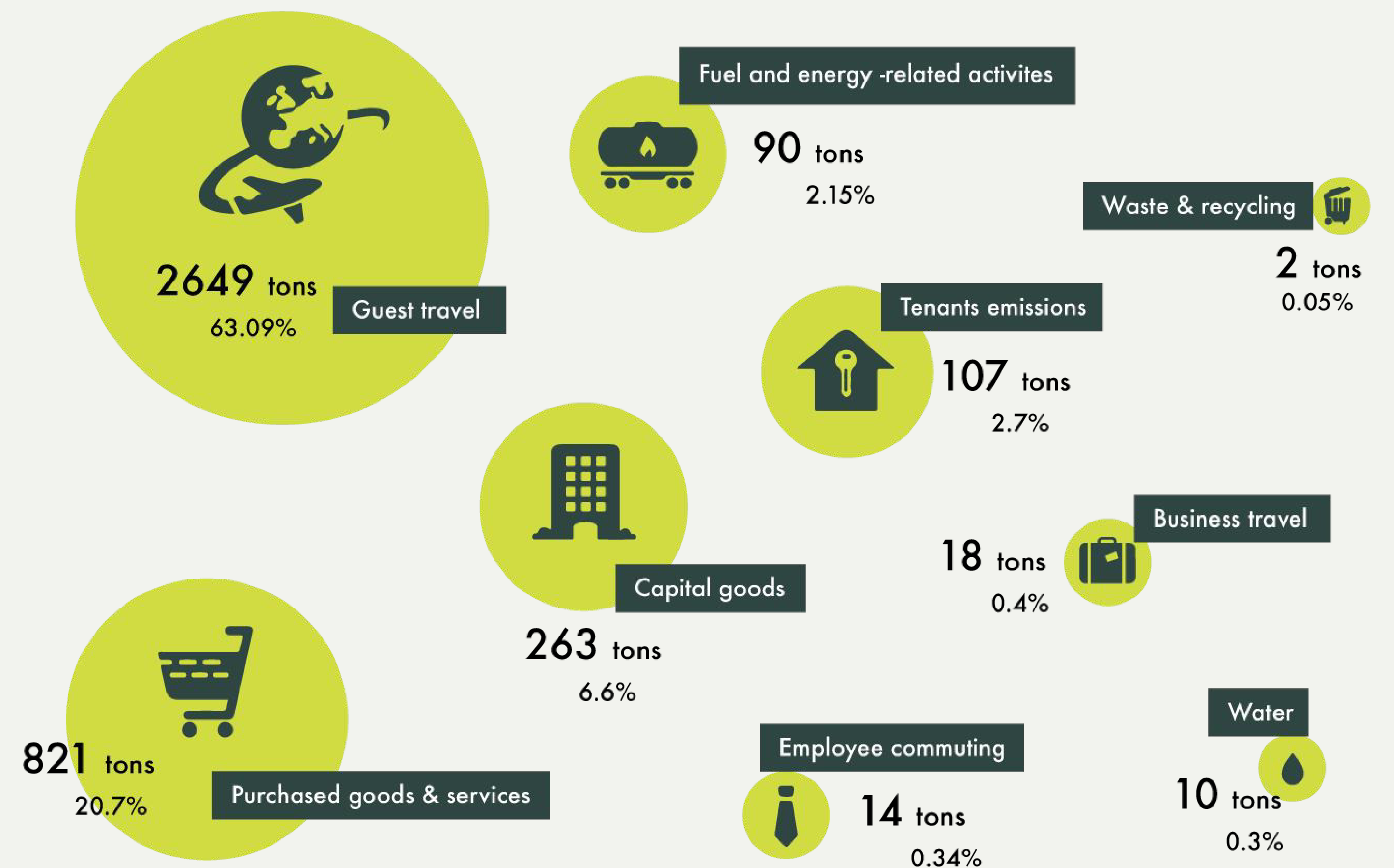
SCOPE 1



SCOPE 2



SCOPE 3



Methodology

Lamington Group uses the Greenhouse Gas Protocol (GHG) developed by the World Resources Institute and the World Business Council for Sustainable Development (WBCSD). For more information on the GHG Protocol, please visit ghgprotocol.org.

Emissions by Entity

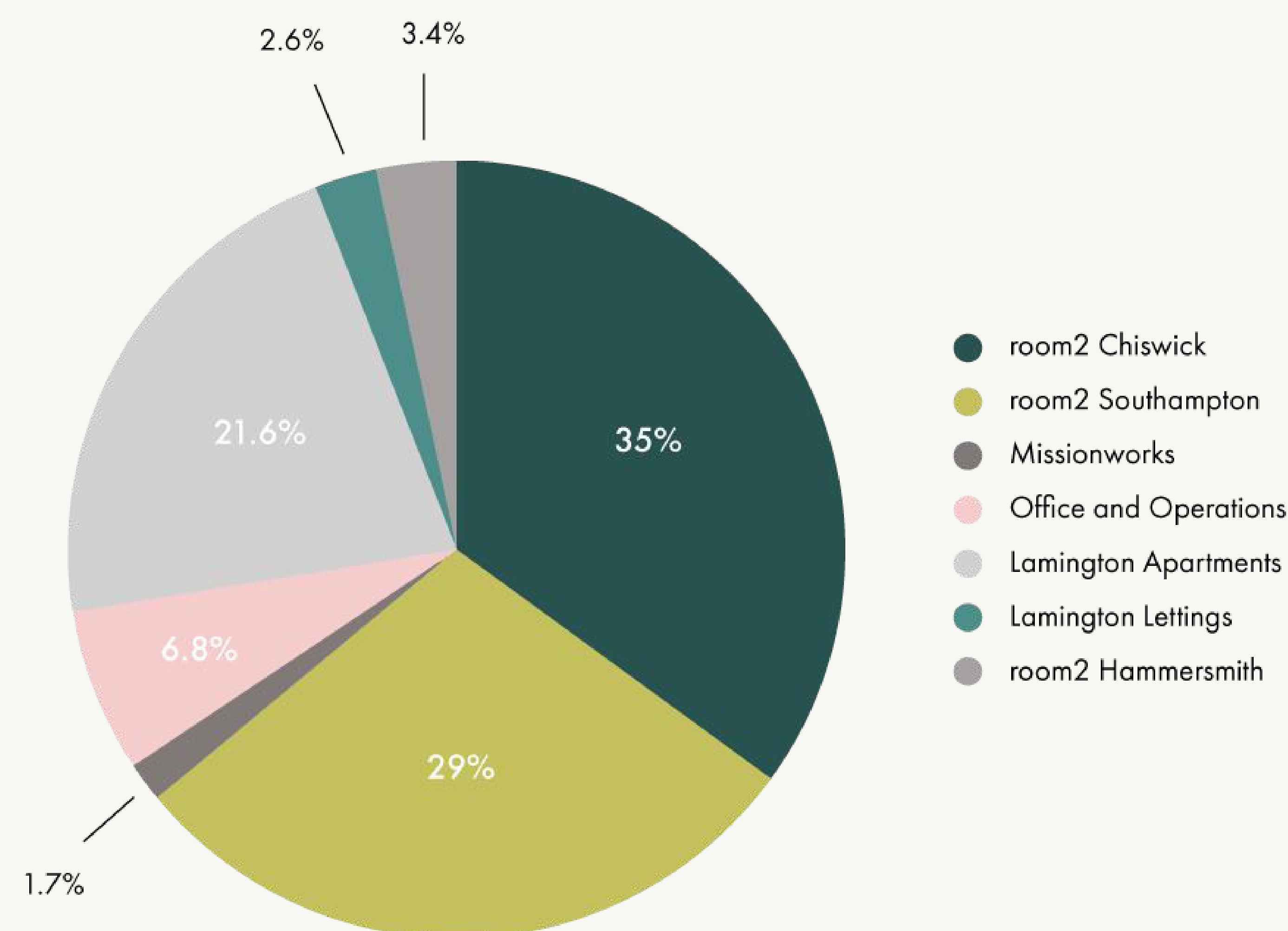
Examining emissions by entity offers a more thorough understanding of how each aspect of the company contributes to our Greenhouse Gas emissions. Internally, this breakdown is essential to confirm our alignment with our Net Zero roadmap. The segmentation of emissions by entity has unveiled several noteworthy findings, including:

In 2022, new properties in development did not reach completion stage but we did make upgrades to the hometels which contributed to emissions in embodied carbon. This resulted in emissions within the Capital Goods category for each property.

The asset with the highest carbon emissions was room2 Chiswick due to Guest Travel, Capital Goods, and Purchased Goods and Services. Capital Goods for this property were the highest in comparison to all others due to the property opening in December 2021. Any additional upgrades or finishes to the property in 2022 were recorded within the Capital Goods category which resulted in a higher amount of emissions.

room2 Chiswick is followed by Southampton mainly due to Guest Travel (receiving a wider international customer base) and Purchased Goods and Services.

Emissions by Asset 2022



Carbon per Night

We have broken down the emissions data to reflect the carbon per night at our properties as a metric aligned with guest usage. We have chosen to account for more categories than is best practice to achieve a better understanding of the carbon footprint of a night's stay at any of our properties.

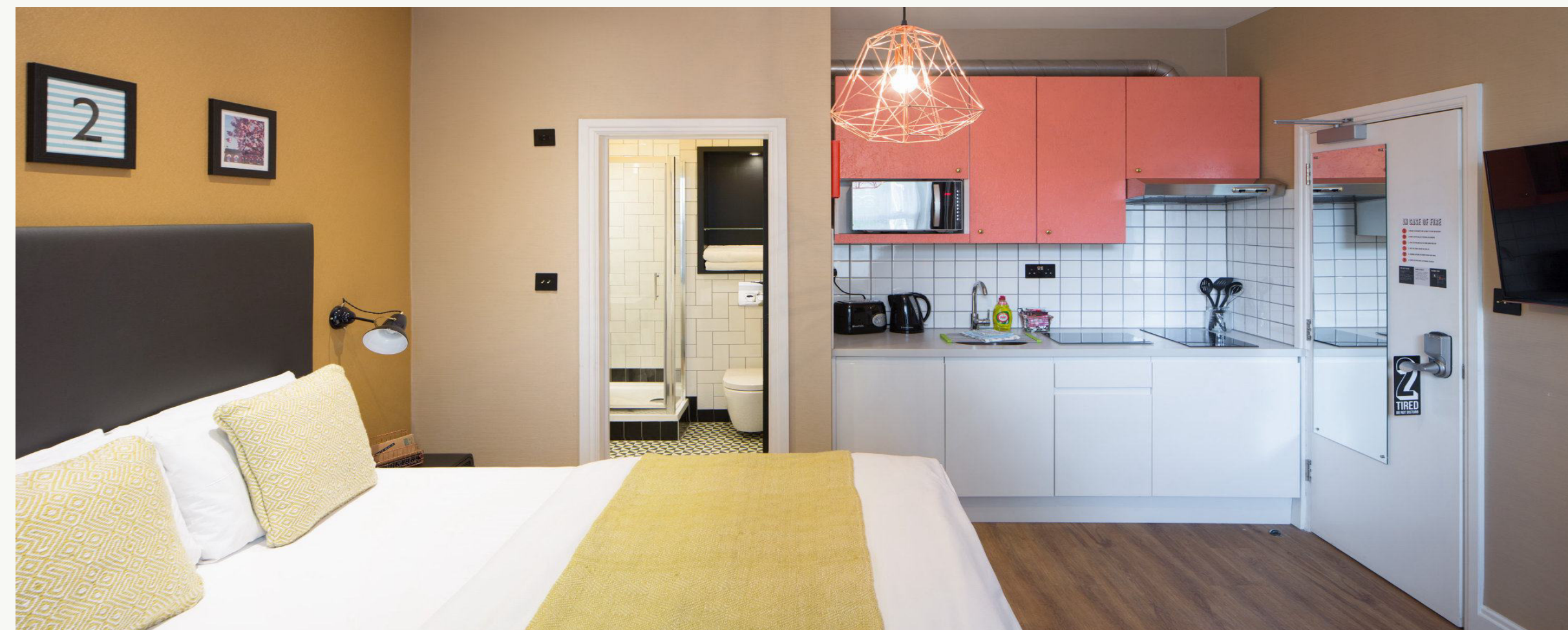


2022 Lamington Apartments	kgCO2e/night
Gas	5.12
Refrigerants	0.00
Electricity	0.78
Water	0.26
Other purchased goods and services	12.07
Capital goods	6.17
Waste and recycling	0.02
Guest travel	6.87
Guest commuting	n/a
Operational carbon per night	6.17
Total emissions per room night	40.46

Traditional residential apartment.
Average apartment size 50m2.
19th Century Victorian properties.

Carbon per Night

The average UK hotel operational carbon per night is 10.5 kgCO₂e, Cornell Hotel Sustainability Benchmarking (CHSB) index 2023. (Estimate includes gas, refrigerants, electricity, and water only).



2022 Hammersmith	kgCO ₂ e/night
Gas	3.32
Refrigerants	0.00
Electricity	0.00
Water	0.18
Other purchased goods and services	6.35
Capital goods	3.02
Waste and recycling	0.02
Guest travel	17.88
Employee commuting	n/a
Operational carbon per night	3.50
Total emissions per room night	30.77

16-key hotel
Average room size 23m²
Victorian property converted in 2016.
67% lower operational carbon than UK average.



2022 room2 Southampton	kgCO ₂ e/night
Gas	0.00
Refrigerants	0.25
Electricity	1.16
Water	0.08
Other purchased goods and services	2.71
Capital goods	3.44
Waste and recycling	0.03
Guest travel	49.70
Employee commuting	0.18
Operational carbon per night	1.41
Total emissions per room night	57.55

71-key hotel
Average room size 26m²
Conversion of a 1980's office building in 2018.
86% lower operational carbon than UK average.



2022 room2 Chiswick	kgCO ₂ e/night
Gas	0.00
Refrigerants	0.25
Electricity	1.16
Water	0.08
Other purchased goods and services	2.36
Capital goods	3.44
Waste and recycling	0.03
Guest travel	49.70
Employee commuting	0.18
Operational carbon per night	1.41
Total emissions per room night	57.30

86-key hotel
Average room size 26m²
Conversion of a 1980's office building in 2018.
54% lower operational carbon than UK average.

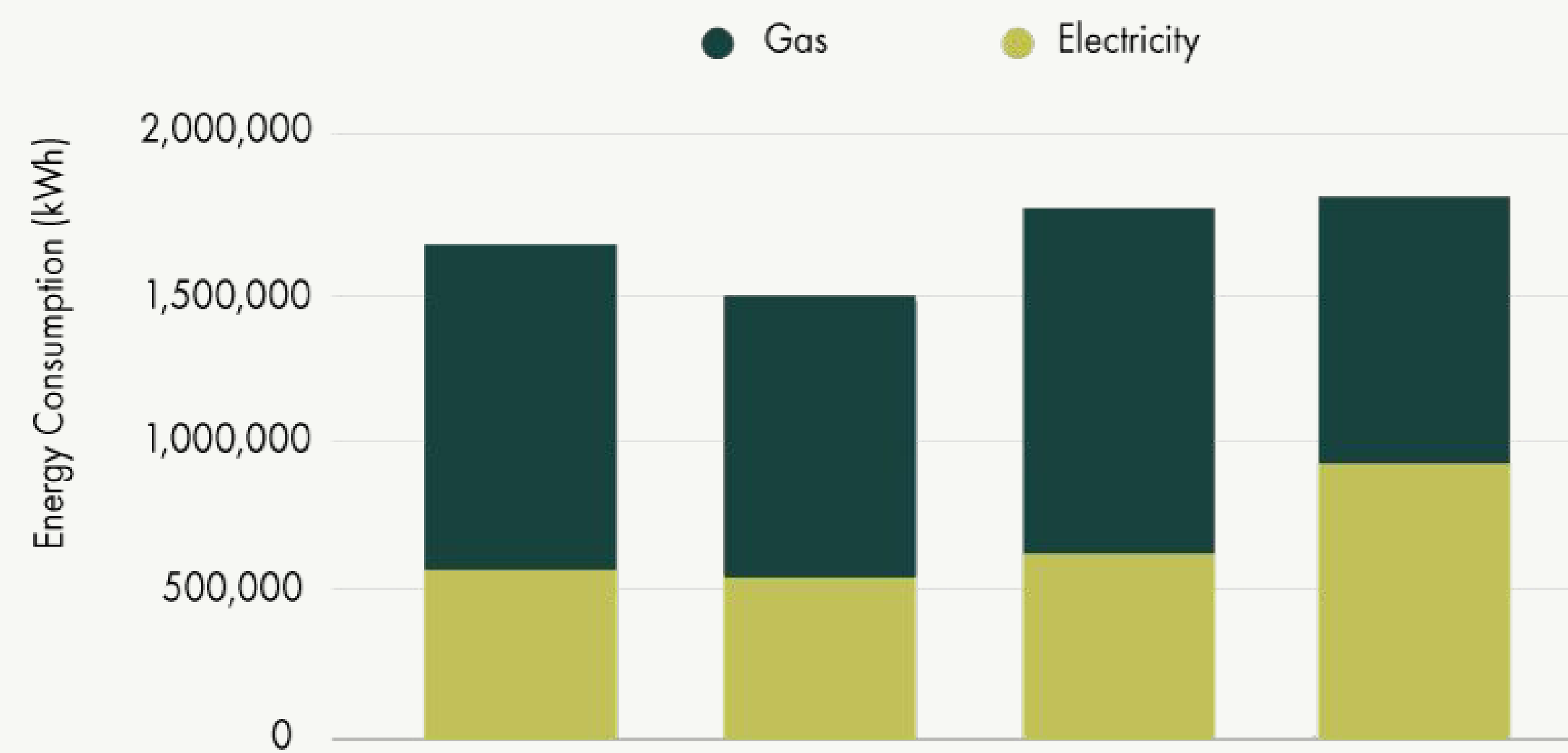
Energy Consumption

We want to reduce energy consumption across our portfolio, reduce our reliance on the grid through on-site renewable energy and focus on procuring renewable energy. We are electrifying our portfolio to support decarbonisation.

In order to improve our data accuracy, we are in the process of switching all Lamington Apartments to smart meters.

There is no energy consumption made outside the organisation that is included in the values.

Energy Consumption



Energy Intensity (kWh/calendar-normalised m2)

Energy Type	2019	2020	2021	2022
Electricity	264	299	282	434
Gas	661	505	661	594
Total	925	804	922	1028

Energy efficiency

Examples of our energy efficiency initiatives:

Ground Source Heat Pumps

17 bore holes are driven 200m below the site to cover 100% of our heating, cooling and hot water needs leading to an absolute energy reduction of 37%.



Occupancy Enabled

Lighting, heating and cooling systems are occupancy enabled in corridors and back of house spaces but, most innovatively, in all guest bedrooms, avoiding wastage when not in use without need to 'educate' guests.



Low Energy Lighting & Appliances

Most lighting is LED and we focus on procuring energy efficient appliances. We evaluate energy ratings for all appliances and use this information when procuring items.



Water

Water is a resource that is consumed in high quantities across the hospitality industry. As it is a limited resource, we are mindful of our consumption and aim to conserve water where possible.

Our brand standards require water fixtures to be aerated and restricted: taps to 6L/minute and showers to 9L/minute in order to reduce water and energy usage. Guests still experience the full impact of a power shower but with around 40% less water usage.

In 2022, the group consumed 24,644.93 m³ of water.* This covers consumption from serviced apartments, Missionworks, our Head Office and room2 locations.



* Majority of assets are unmetered or meter is not accessible leading to estimates from the water company being applied when calculating consumption and emissions.

Initiatives involving water:

Blue Roof

room2 Chiswick's roof stores 50,000L of water that is slowly drained to mitigate against local flooding.



Million Mile Clean

We volunteered to clean up local water spots including joining Surfers Against Sewage Million Mile Clean in Southampton. The team also went Plastic Fishing in the area where 93 plastic bottles and 9.7kg of recyclable plastic were recovered from Southampton waters.

Waste Operational

We are living in a waste era. Waste that is sent to landfill not only uses valuable land, releases methane and carbon emissions but is also linked to unethical trade, where waste is shipped to lower income countries.

We have a waste policy and have achieved zero waste to landfill. Our aim is to reduce the waste that we produce. At most sites, mixed recycling is made into new products, food waste is made into energy through anaerobic digestion or composted on site, and general waste is burnt to make energy.

We will continue to review the waste production and recycling processes to set reduction targets and monitor ongoing performance.

In 2022, our properties emitted 2.07 tCO₂e, as a result of waste generated in operations. There was a large decrease in comparison to 2021, due to the development of Chiswick in 2021. As we continue to develop properties, we expect our emissions from waste generated in operations to have a larger impact. For our room2 properties, all waste is diverted from landfill through combustion for energy, anaerobic digestion, and recycling.

2023 actions: Introduce recycling bins to serviced apartments and introduce company-wide circular projects to reuse waste.

room2 highlights

2021

We introduced a 3-in-1 room bin for all room2 hometels to separate food waste, mixed recycling from general waste, in a design led and convenient way.

2022

Switched milk sachets to refillable milk bottles in Chiswick and Southampton. Composter installed at Chiswick, encouraging neighbours to compost with us.

"Seeing how easy it was to compost and sort my waste in your innovative trash can made me realize it's not so hard or so much effort if you have the right supplies in order to do it." room2 guest, 2022

Development

In 2022, we initiated in-house food waste collection from our room2 Chiswick operations to enable the start of an on-site biodigesting and composting facility.



We have since agreed to donate the compost to Abundance London for use in their environmental and social community projects in Chiswick.

Recycling rates

2021

room2 Southampton - 78% (data from Veolia)

2021

Missionworks - 65% (data from Firstmile)

2022

room2 Chiswick - 45% (data from Veolia) - not including food composted on site

80% recycling rate is the target for all properties by 2023

Supply Chain

As we continue to develop and operate our spaces it is important that the suppliers we work with share our ethos. Our supply chain activities are included in our Scope 3 emissions.

We understand that others could be at a different stage of their journey and we want to empower our suppliers to decarbonise with us. To formalise this process we implemented a Sustainable Procurement Policy.

We encouraged our suppliers to take action by:

- Setting a public target to be Net Zero by 2030
- Disclosing progress publicly on an annual basis


We educated our suppliers by:


Recommending resources on how to start a decarbonisation journey:

- 1.5°C BUSINESS PLAYBOOK – a guide to align strategy and action with the 1.5°C ambition
- SBTi (Science Based Targets initiative) – used to set 1.5°C aligned targets
- SME CLIMATE HUB – how to commit, act and report on climate action with free tools & guides.

In 2022 - We started screening our suppliers through a survey to ask them about their:

- Energy Usage
- Scopes 1, 2 & 3 emissions
- Offsets
- Net Zero commitment
- Waste impacts
- Sustainability accreditations
- Social implementations e.g. modern slavery policy or Living Wage employer

 We created an internal directory of recommended sustainable focused suppliers

 8/13 of our suppliers either measure or are in the process of measuring their carbon footprint

Partners

Our partnerships allow us to amplify important messages and to collaborate on sustainability.

- We switched our cleaning supplier to Delphis Eco due to their strong sustainability credentials. They are EU Ecolabel certified, plant-based, and B Corp Certified. We worked with them on a nationwide campaign which will be launching in 2023.

We partnered with the London Bee Co to take care of the bees on the green roof at room2 Chiswick and who make our delicious rooftop honey that guest can purchase on site.

- Created exclusive honey gin with Sipsmith for their sipping society to promote the local economy.
- We also worked with Sxollie, a more sustainable cider brand, to introduce guests to our joint mission on making more sustainable choices.
- Within our room2 sites, we provide workouts with Club5 to encourage guests to be active during their stay.



Offsetting

We aim to reduce our emissions as much as possible. For any residual emissions we use verified, nature-based offsets and prioritise carbon removal. Offsetting does not count towards the 46% Scope 1 and 2 emissions' reduction that we must achieve as part of 1.5 degrees science-based targets, but provides a way to go beyond our emissions reduction.

We will offset our unavoidable Scopes 1 and 2 emissions annually.

In 2022, we partnered with ClimatePartner to offset our Scope 1 and 2 emissions for all of Lamington Group and the following Scope 3 categories for room2 brand:

Capital goods, purchased goods and services, fuel and energy related activities not included in Scopes 1 and 2, and water.

Offsetting principles:

- 1. Verified offset** - using verified offsets we can be confident that the projects are to a high standard.
- 2. Prioritise removal** - we will buy offsets from projects that are nature-based carbon removal such as afforestation, to align to our Net Zero strategy.
- 3. Minimum price** - we are looking into adopting a minimum price for our offsets to follow best practices.

In addition to our own offsetting strategy we abide by the Oxford Offsetting Principles:

'Prioritise reducing your own emissions first, ensure the environmental integrity of any offsets used, and disclose how those offsets operate.'

'Shift offsetting towards carbon removal and long-lived storage, where offsets directly remove carbon from the atmosphere permanently or almost permanently.'

'Support the development of Net Zero-aligned offsetting.'

'Adopt a credible nature-based approach to carbon offsetting, such as forest restoration.'



Total offset in 2021: 2448 tonnes CO2e

Embodied carbon: 2448 tCO2e
Operational carbon: 0 tCO2e
Scope 1 + 2: 0 tCO2e

Total offset in 2022: 741 tonnes CO2e

Embodied carbon: 446.30 tCO2e
Operational carbon: 71.77tCO2e
Scope 1 + 2: 222.80 tCO2e

Project

Afforestation, San Jose, Nicaragua

Project standard

Verified Carbon Standard (VCS)
Validated by Rainforest Alliance
Verified by TÜV NORD CERT GmbH

Further information

www.climatepartner.com/1249

Project

Afforestation, Dingxi, China

Project standard

Verified Carbon Standard (VCS)
Validated by TÜV NORD CERT GmbH
Verified by TÜV NORD CERT GmbH

Further information

www.climatepartner.com/1463

When selecting an offsetting project, we have an internal checklist to ensure permanent, additional, and impactful projects are supported. We focus on the quality of the offset project, permanence, the emissions tracking and environmental benefits.

Our senior leadership team reviews the offset projects brought forward by the Senior Sustainability Manager in order to assess all aspects of the internal checklist have been included within the projects.

Please read more in the Appendix for exact questions we began to ask our offsetting partners.

PLACES



Community Highlight

We believe that our buildings should enhance the communities they serve. We are dedicated to learning how to create better places by fostering community involvement, promoting responsible tourism and adopting sustainable design and construction practices.

We believe in the transformative power of art and community engagement. As part of this commitment, we actively promote local artists by showcasing their work at our premises. In addition to supporting local creative talent, we host a variety of community events, making our space a vibrant hub for cultural and social exchange. We've created a comfortable, welcoming environment that locals can enjoy for socialising or working, strengthening our ties with the community and enhancing the wellbeing of those we serve.

2021 - Art in the Age of Now

In May 2021, Lamington Group launched a free public art exhibition in Fulham Town Hall. For just over 4 weeks, the building was given back to the community to enjoy an exciting collection of outstanding artworks and a series of curated cultural events.

The pandemic badly impacted the arts and crafts community and this was our way of giving back.

Artists - 150 Attendees - 25,000+



Forbes
"Unmissable London Art Exhibition"

2022 - Bedford Park Festival

In June 2022, room2 was a Gold Sponsor of Bedford Park Festival Green Days. The day was spent educating festival goers about recycling and creating smoothies from wonky fruit on the 'smoothie bike', to promote healthy lifestyles.

The event's focus was about putting room2 Chiswick on the local map, spreading the word about our sustainability mission and connecting with the community.



Sustainable Design Principles

We've identified 5 principles that align with our values to design that help to make our places integrate with the community and improve the environment.



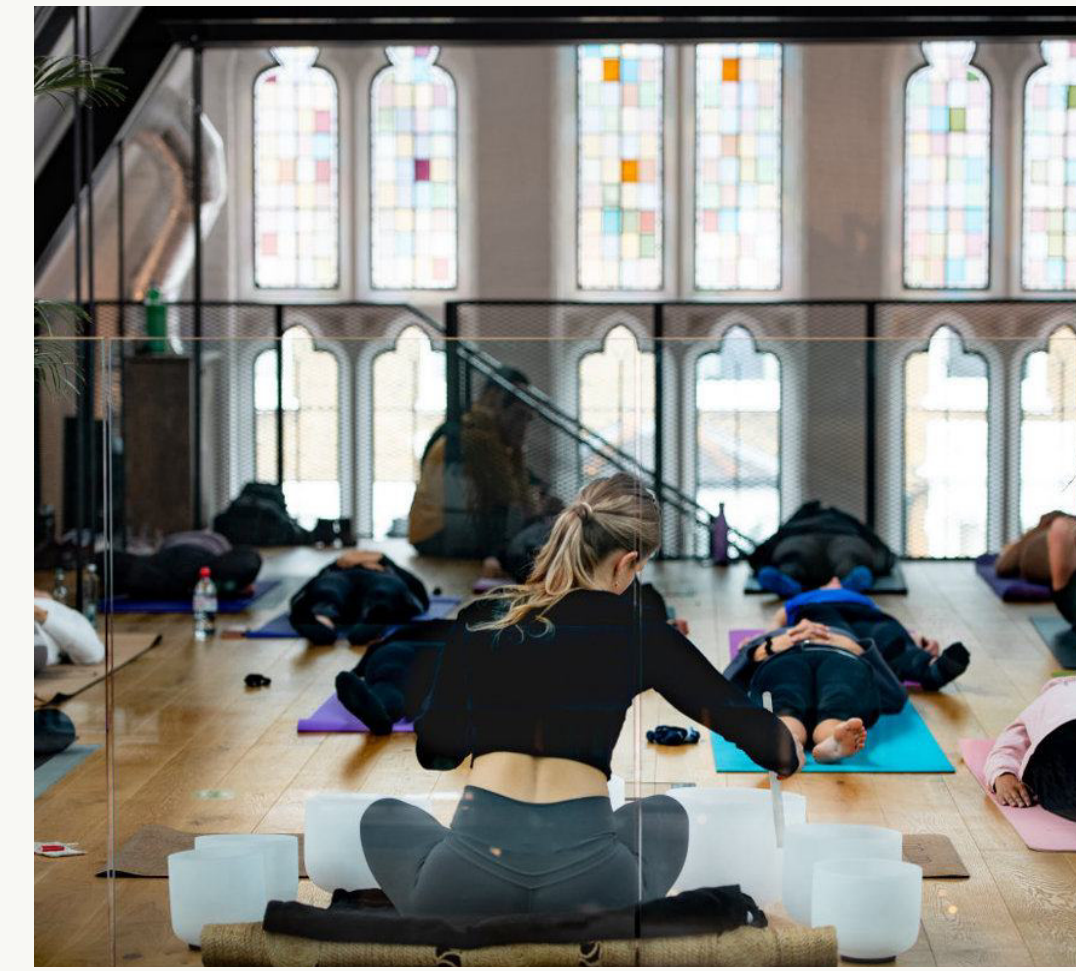
by choosing natural



by prioritising locality



timeless spaces



for people



for circularity

Why

Natural materials have low CO2 emissions

To support local economy and engage the community

To ensure longevity and reduce the need for refurbishment and carbon emissions

To create spaces in which people feel their best version of themselves and have a positive impact

Ensure low carbon, low waste design and boost innovation

How

By understanding the CO2 footprint of each material & FF&E and creating material passports

By ensuring the design focused on local aspects and sourcing close to site

Build aesthetic and flexible spaces - do not follow current design trends. Repair and maintain

By using natural light, low VOC, comfortable spaces that use biophilic design

Buy reused, repurposed, vintage items and/or create pieces that utilise waste in production

A few examples:

Cradle-cradle carpets

Carpets are made from plastic fishing nets and industrial scraps collected from the ocean.

Clayworks wall finish

100% natural, Low embodied carbon, Compostable, EPD and made in the UK.

Recycled reception countertop

At room2 Chiswick, the reception countertop is made by Foresso. The countertop is made from a minimum of 65% waste wood content, all sourced from within the UK.



room2 Chiswick - Local and Emerging Talent



Alfred Newall

Playfully combining antique and modern sensibilities, the mirror forms part of the Bobbin collection, where Alfred has selected modern colours in a twist on this historic design lineage. Mirror sides are lathe-turned into ornamental shapes consisting of a series of small knobs resembling spools, or bobbins.



Roberta Fox

Roberta designed the prints that are in every room in room2 Chiswick. She is local to the area and creates bright, playful, striking prints, inspired by her everyday surroundings and experiences.



Rachel Maiden

Rachel produced the handmade marbled prints which you will notice in our rooms and shared spaces. We have turned this marble print into wallpaper animating our homotel as well as across other touch points throughout your stay.



Granby workshop

Turner Prize winners Granby Workshop's iconic Super blue vitrified ceramic tiles were developed for their installation at the 16th International Architecture Exhibition - Venice Biennale, however, you will find them throughout our bathrooms.



Kieran Letts

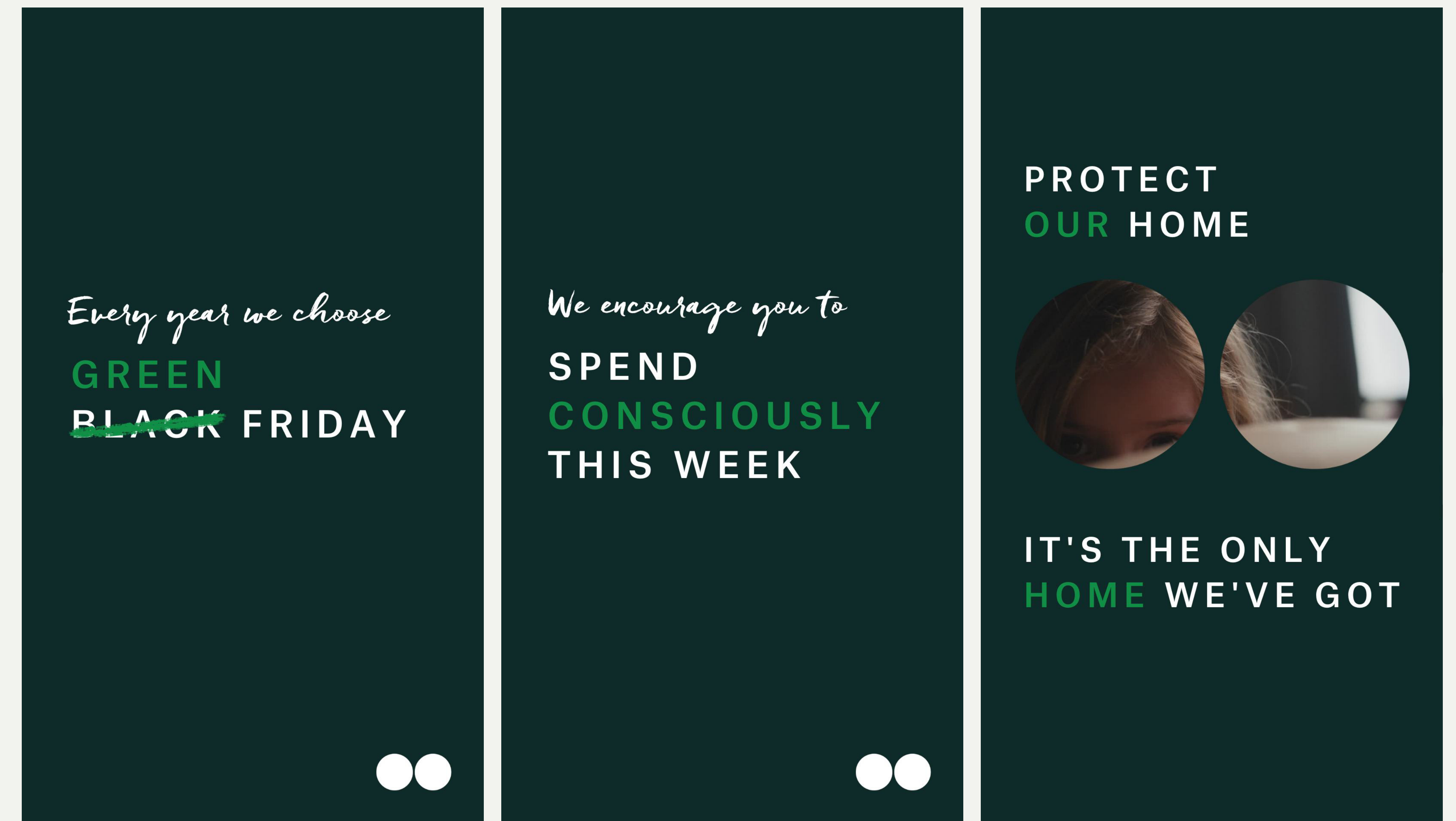
An artist and furniture maker based in South East London, working primarily with sustainably-grown English timber and using techniques rooted in historical craft. His Daliesque mirrors add a playful touch to our bathrooms and lifts.

Using our Platform

We aim to use our platform and voice to educate and engage our stakeholders in all aspects of sustainability.

Our marketing efforts aim not only at driving more sustainably-conscious travel but also at changing consumer behaviours. In November 2022, room2 launched a Green Friday campaign and released our 'This is our Home' video. By highlighting the impact of Black Friday on the environment, guests were encouraged to think about the impact of their shopping choices. Additionally, 50% of room2 revenue generated on Black Friday was donated to the ClimateEd charity.

We also aim to help engage and educate guests on our sustainability journey and initiatives. On site, we display a sustainability wall feature. At room2 Chiswick, guests can tap through a second-hand iPad to discover more about the sustainability initiatives within the building. There are 25 points to click through, with some even having informative videos such as how the Ground Source Heat Pump works.



Case Study: room2 Chiswick Net Zero Hometel

Opened: Dec 2021
Keys: 86
BREAAAM: Excellent
Amenities: Lounge/bar
Gym & Laundry
Size: 34,122 sq ft GIA



Overview

Design

Our approach during the development of room2 Chiswick was to reduce our embodied carbon impact by optimising the design and material selection process. We did this by reducing quantities and selecting materials with lower impact and sourcing locally, where possible. We are committed to achieving net zero carbon emissions across the full lifecycle of our buildings. Currently, we have offset estimated upfront embodied carbon and are continually assessing and reducing emissions.

Methodology

We followed modeling from the Royal Institute of Chartered Surveyors (RICS) guidance for Whole Life Cycle Assessments (WLCA) to determine embodied carbon post-construction of room2 Chiswick.

The total upfront embodied carbon was estimated at 765 kgCO₂ e/m².

Despite this being lower than the Greater London Authority benchmark of 800 gCO₂ e/m² and lower than the Cundall study average of six buildings at 880 kgCO₂ e/m², our commitment is to further lower this figure in the future by following the LETI guidance to reach our 500kg kgCO₂ e/m² target. This asset has helped to shape the Net Zero build specification for all future assets at increasing targets in line with our Net Zero roadmap to 2030.

Operations

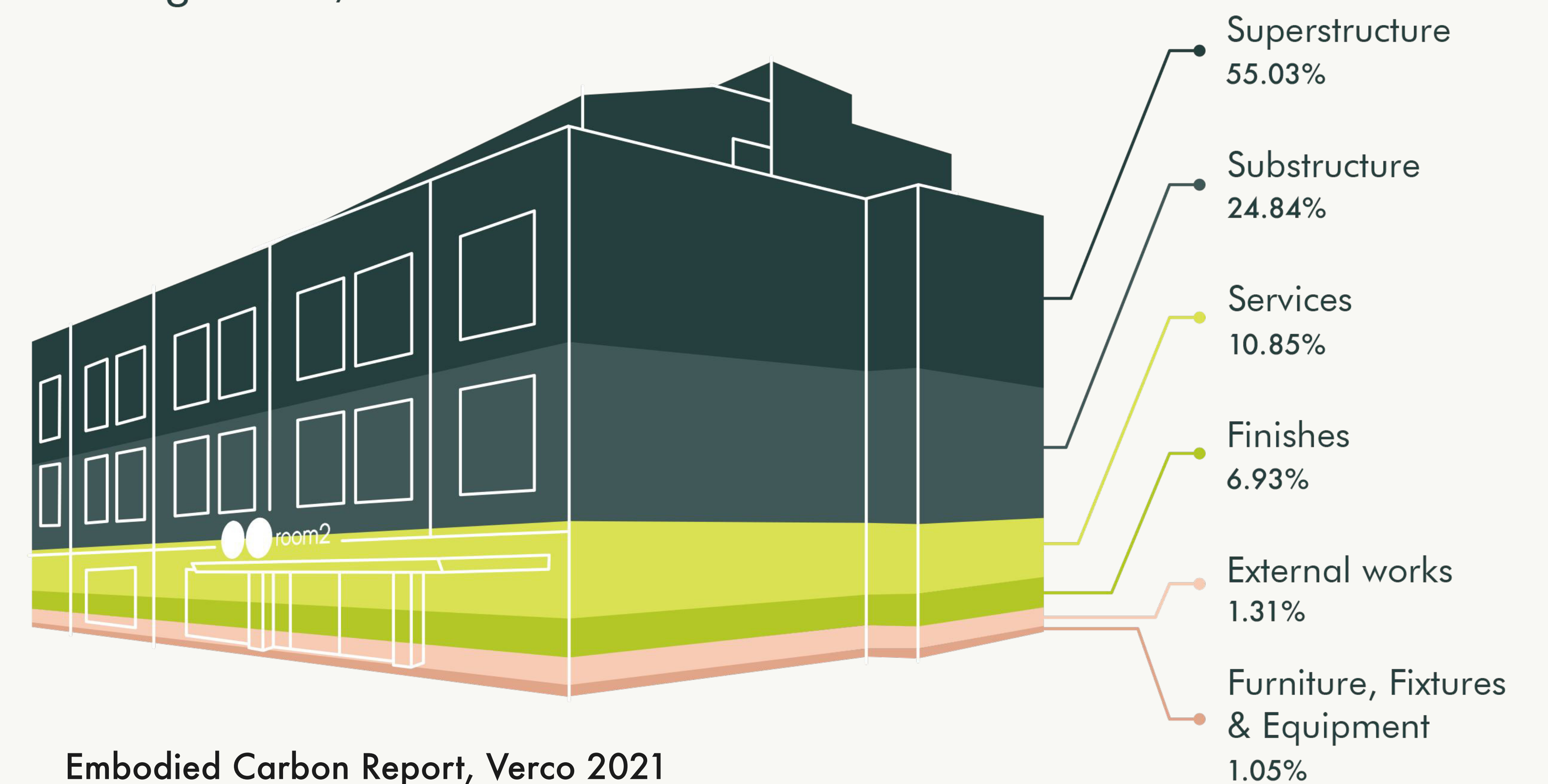
room2 Chiswick was designed to have an EUI of 64 however in 2022, in the first year of operation, the performance was 119. The increase in energy was due to a variety of reasons including issues with the Building Management System (BMS) meaning that we could not get full visibility of granular energy usage and the low heat water system was not fully operational during the year.

We expected to have higher energy consumption in the first year of operating and are now working on reducing the consumption through efficiencies and also operational changes.

What we're doing to reduce this:

- Programmed washing machines to only run at 30 degrees
- Free drying racks to avoid drying machine
- Reducing ventilation
- Reducing heating set points
- Signage to take the stairs
- Signage to close the window if using air conditioning

Embodied carbon room2 Chiswick 765kg CO₂e/m²



Embodied Carbon Report, Verco 2021

Operational Carbon

Energy	2022
EUI (kwh/m ² /yr)	121.88
Total energy consumption (kWh)	390,029.80
Renewable Electricity	57.36%
PV generation (kWh)	12,749.00
% of energy from PV	0.03
Water Consumption (m ²)	4,812,000.00

Operational Carbon Measures

Taking place on site:

Solar Panels - Predicted to generate 11,193 kWh/ year delivering 5% of total energy demand.

Low Heat Domestic Hot Water - Heating water to 40 - 45 degrees celsius instead of 75, using chlorine dioxide to mitigate any risk of legionella while frequent monitoring mitigates risks.

Reduce electricity usage - Reduced DHW set point leads to reduction of approximately 16,000 kWh per annum estimated to represent a EUI decrease of 9%.

Occupancy-Enabled Lighting - Heating and cooling systems are occupancy-enabled in corridors and back of house spaces but, most innovatively, in all guest bedrooms, avoiding wastage when not in use and without needing to ask for changes in guest behaviour.

Biodiversity - We partnered with the London Bee Company to place bees on our roof with around 75,000 bees in 2 hives. From July, we have been able to sell raw honey bottled on site. There is also a bug hotel on the roof to make a habitat for insects to further promote a biodiverse ecosystem.

Transparency

To maintain our transparency, room2 Chiswick did not utilise 100% renewable energy in 2022. It is the intention to always purchase renewable energy for our homotel sites. In July 2022, the SSE renewable electricity contract for room2 Chiswick came to an end which was during the spike in electricity prices during the energy crisis. The prices at this time had increased approximately 3.5 times the original contract.

It was an unintentional consequence of coming out of contract that we would move off renewable energy. For August to December of 2022, the site was on Variable Business Rate (VBR), which is not 100% renewable energy. We are including the emissions that were generated as a result of this change in our 2022 offsetting value.

Our other room2 locations remained on 100% renewable energy contracts. We have since switched back to renewable energy in June of 2023 for room2 Chiswick.



If you'd like to learn more about the property feel free to stop by and request a tour on site!

room2 Sustainability Feedback - Sustainability Survey 2022

Thoughts from our guests

"Seeing how easy it was to compost and sort my waste in your innovative trash made me realise it's not so hard or so much effort if you have the right supplies to do it."

"Keep getting the message out there, we were lucky to find you and it's so refreshing to visit a hotel like yours. It does stick in the mind and inspires you to try and take on initiatives and ideas that we have seen at your hotel."

"Impressed by your commitment to sustainability. Your use of materials (such as carpets made from reused fishing nets) made me explore different options for my own home. As hotel/accommodation provider impressed that you are changing culture around room cleaning and waste, would like to see customers align their perspectives and not demand clean towels and bedding daily, recycle their waste etc."

Thoughts from the industry

"BusinessGreen Leaders Awards 2022 noted that Lamington Group has a "range of innovative technologies deployed in its trailblazing Net Zero hotel" and has provided a model "for others in the industry to learn from."

International Property & Travel Magazine described room2 Chiswick as a "characterful green retreat - a relaxed combination of home and hotel whilst encouraging guests to embrace a sustainable lifestyle."

Hospitality Net Online - "Bringing a whole new sense of green living to the hospitality industry, new homotel, room2 Chiswick steps away from polished neat interiors and instead offers a relaxed setting that feels real to the touch with genuine connection to craftsmanship and community."



PROGRESS




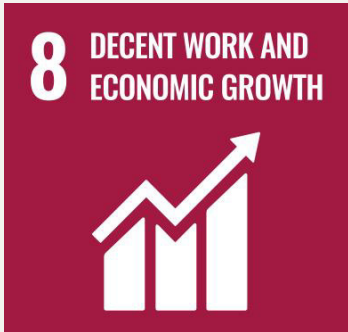

Net Zero Progress


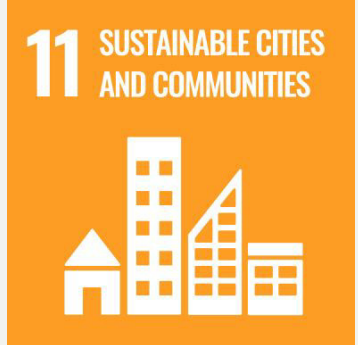



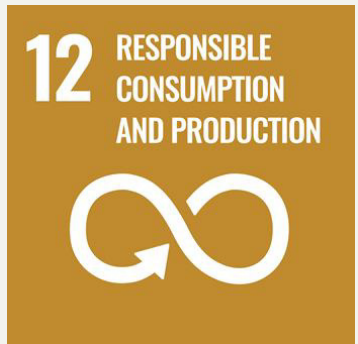

It is important to measure progress towards the goals and targets we have put in place. With our current commitment of reducing Scopes 1 and 2 emissions in line with SBTi, we will report our progress on an annual basis. Our Scopes 1 and 2 emissions play a critical role in our carbon footprint and provide a comprehensive overview of our progress towards achieving Net Zero by 2030.

Energy	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Science based Scopes 1 and 2 Targets (tCO ₂ e)	278	266	254	243	231	219	208	196	184	173	161	149
Projected Scopes 1 and 2 Emissions (tCO ₂ e)	279	231	300	311	243	243	176	171	167	159	151	143
Current Emissions Scopes 1 and 2 (tCO ₂ e)	279	230.6	264	222.80								
Difference from Projected Emissions (tCO ₂ e)	0	-0.4	-36	-88.2								

One Planet Living Progress Highlights

Below are a few highlights of our progress and achievements since committing to the One Planet Living framework and publishing our action plan.

Category	Outcome	Target	Progress	UN SDG Alignment
Zero Carbon	Developed and began operating whole life net zero carbon hometels	EUI of 50 kWh/m ² /yr by 2030	room2 Chiswick - 121.88 room2 Southampton - 108.02 room2 Hammersmith - 44.45	
Zero Carbon	Achieved Net Zero carbon Scopes 1 & 2 by 2030 using science based targets	Reduction of 46% for Scopes 1 and 2 emissions by 2030	2022: Our current reduction as of 2022, is 21% in comparison to our 2019 baseline.	
Zero Waste	Recycling is maximised	Recycling rate for hometel sites and Missionworks is 80% by 2023 and maintain annually	2022: recycling rate for hometels sites and Missionworks room2 Southampton - 34.67% room2 Chiswick - 45.19% room2 Hammersmith - 34.43% Missionworks - 55.00%	
Health and Happiness	Employees are team working and developing skills	Staff turnover has an annual reduction of 5%	In 2022, the turnover rate was 37%. In previous years the turnover rate was tracked differently. We will continue to monitor and report the annual reduction in the upcoming years.	
Health and Happiness	An environment is created that facilitates good health and wellbeing for employees	Average score of 8/10 or more each year on employee biannual survey ranking their Wellbeing and happiness in the workplace starting in 2022 and to be maintained annually	In 2022, the average score for Wellbeing and happiness in the workplace as recorded by the employee biannual survey was 81%.	 
Culture and Community	Cultural heritage and history of the neighbourhoods we operate in are appreciated	At least 5 events held to support local communities each year	2022: Our events included - 1. Christmas wreath-making workshop at room2 Chiswick 2. Weekly yoga sessions at Missionworks 3. Multiple calligraphy workshops at room2 Chiswick 4. London Terrarium workshop at room2 Chiswick 5. Coffee Conversation Group weekly at room2 Southampton	

Category	Outcome	Target	Progress	UN SDG Alignment
Equity and Local Economy	Diversity, Equity and Inclusion is actively promoted	50% of managers to be women in 2022 and to be maintained annually	2022: 59% of managers were women.	
Equity and Local Economy	Local residents, businesses and charities are supported	At least 1 company-wide fundraising initiative per year from 2022 for a charitable cause that aligns with our mission	2022, Lamington Group supported Dnipro Kids, which is a charity supporting orphans in Ukraine. We wanted to raise money for a charity supporting efforts against the war and was recommended by a Ukrainian employee. In total, we raised £4,150.	
Travel and Transport	Guests choose low carbon transport	100% of sites to actively promote low carbon travel in 2022 and updated annually	2022: 67% of sites promote low carbon travel through pre-arrival communications and through team member communications with guests. room2 Hammersmith pre-arrival communications do not discuss travel options.	
Land Use and Wildlife	Connection with the natural world is promoted to guests	100% of locations promote natural attractions to guests in 2022 and to be maintained annually	2022: 67% of sites promoted natural attractions through the explore section on the room2 websites. room2 Hammersmith was the only site that did not advertise natural attractions to guests.	 
Local and Sustainable Food	No food is wasted	100% of food waste from hometels is reclaimed via local donation or to composting/anaerobic digestion in 2022 and to be maintained annually	2022: 100% of food waste anaerobically digested, composted on site or donated via TooGoodToGo.	
Sustainable Water	Water demand is reduced	100% of sites that assess carbon emissions associated with water consumption and waste water from 2022 and maintained annually	2022: All sites report emissions associated with water usage as displayed in our Planet section of this report.	

LOOKING AHEAD

Our commitment to ESG is ongoing and we're excited to share our vision for the future. Discover our ambitious strategy and goals for the next reporting period, including exciting new initiatives and innovative solutions.

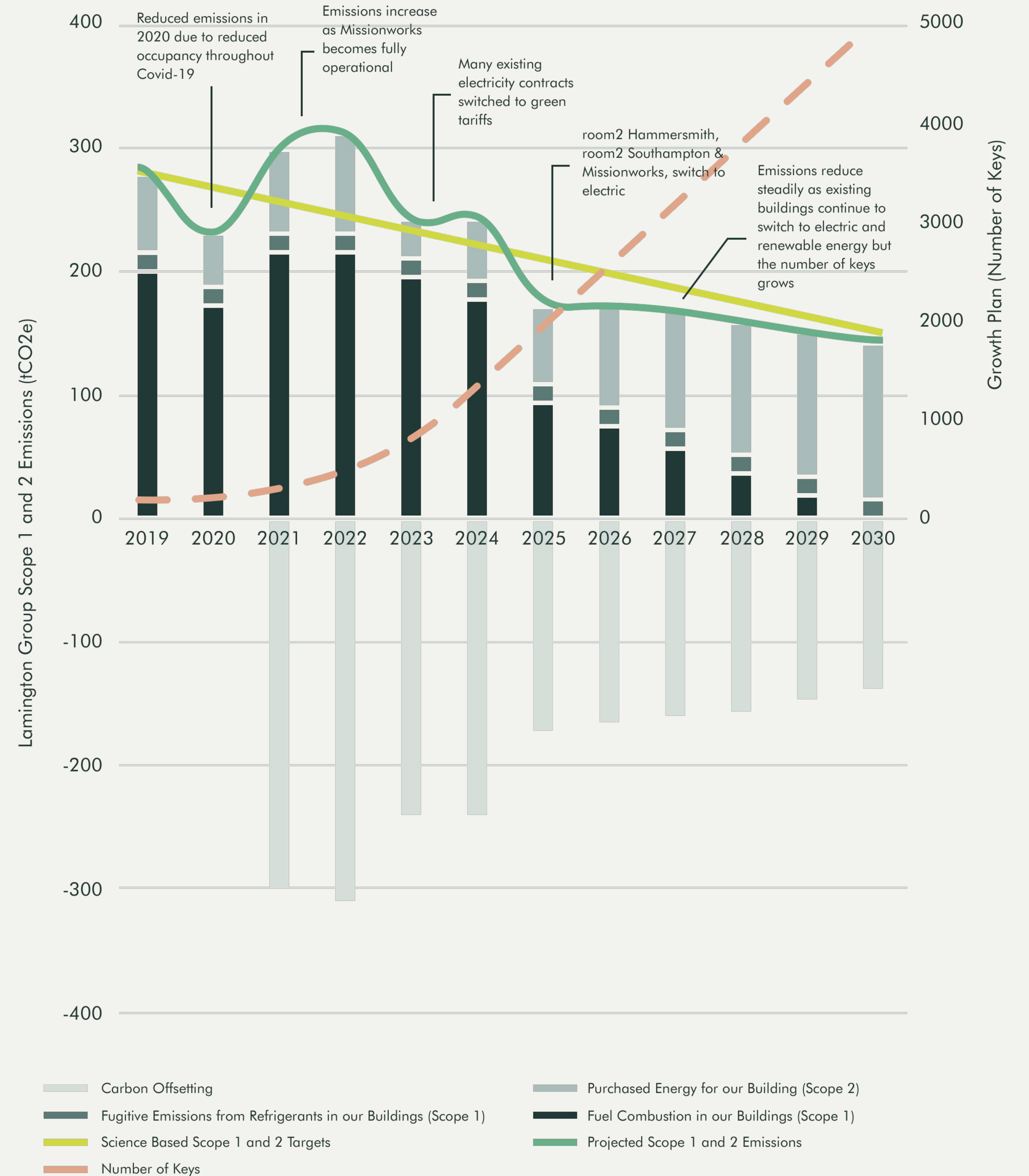
Responsible Growth

Planned expansion of the room2 brand across the UK, growing to 5,000 keys by 2030. Our pipeline will include a mix of ownership and leases.

If no actions were taken, the projected plan would result in a 1983% increase in our Scopes 1 and 2 emissions. Through our Net Zero delivery plan, we have identified strategies to ensure that the continued growth will align with GHG emissions SBTi targets, reducing absolute Scopes 1 and 2 emissions by >46% over the 2019 reported baseline. The targets and goals monitored on an annual basis will ensure we continue on the correct trajectory of emissions' reduction. Our Net Zero Roadmap projects were developed by Elementa.

In 2022, we also began our B Corp application for Lamington Group. B Corp is a designation for businesses that are meeting high standards of verified performance, accountability and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials. By starting the process we began to implement changes within the business, including changing our Articles of Association to put the planet and people alongside profit, Living Wage increases, working from home, breastfeeding policy, and more.

Scope 1 and 2 Projections



Wider Industry Opportunity

The hospitality industry presents a unique opportunity to expand and thrive while embracing responsible and sustainable practices that respect our planetary boundaries. By re-imagining growth within the safe operating space of our planet's ecological limits, the industry can work towards minimising resource consumption, reducing waste, and lowering its carbon footprint. Embracing a model that considers both social and environmental wellbeing, the hospitality sector can contribute to a world where prosperity is achieved without overshooting ecological boundaries, ensuring a more equitable and sustainable future for all.



Call to Action

Our planet is at a critical crossroads - the time to act is NOW. Climate change is no longer a distant threat; it's a reality that demands immediate action. The hospitality industry, and businesses across the spectrum, play a pivotal role in shaping our collective future. We are calling on stakeholders, industry leaders and the public to come together to make a change that will echo through future generations.

This is your call to action. Now is the time to embrace sustainable practices, prioritise circularity, educate and engage, support innovation and collaborate for change!

We must act now to protect our environment and the future of the hospitality industry. Let's create a world where businesses thrive while respecting the planet. Taking action together, we can make a lasting difference.



Thanks for reading our 2022 report

This report provides an overview of the economic, environmental and social impacts of Lamington Group over the year of 2022 (1st January 2022 - 31st December 2022).

We have reported our information in line with the GRI Standards. Further information can be found in our GRI Index.

Contact Us

For any questions regarding this document please contact us on sustainability@lamingtongroup.com

Address

Lamington Group
109 Hammersmith Grove
London W6 0NQ

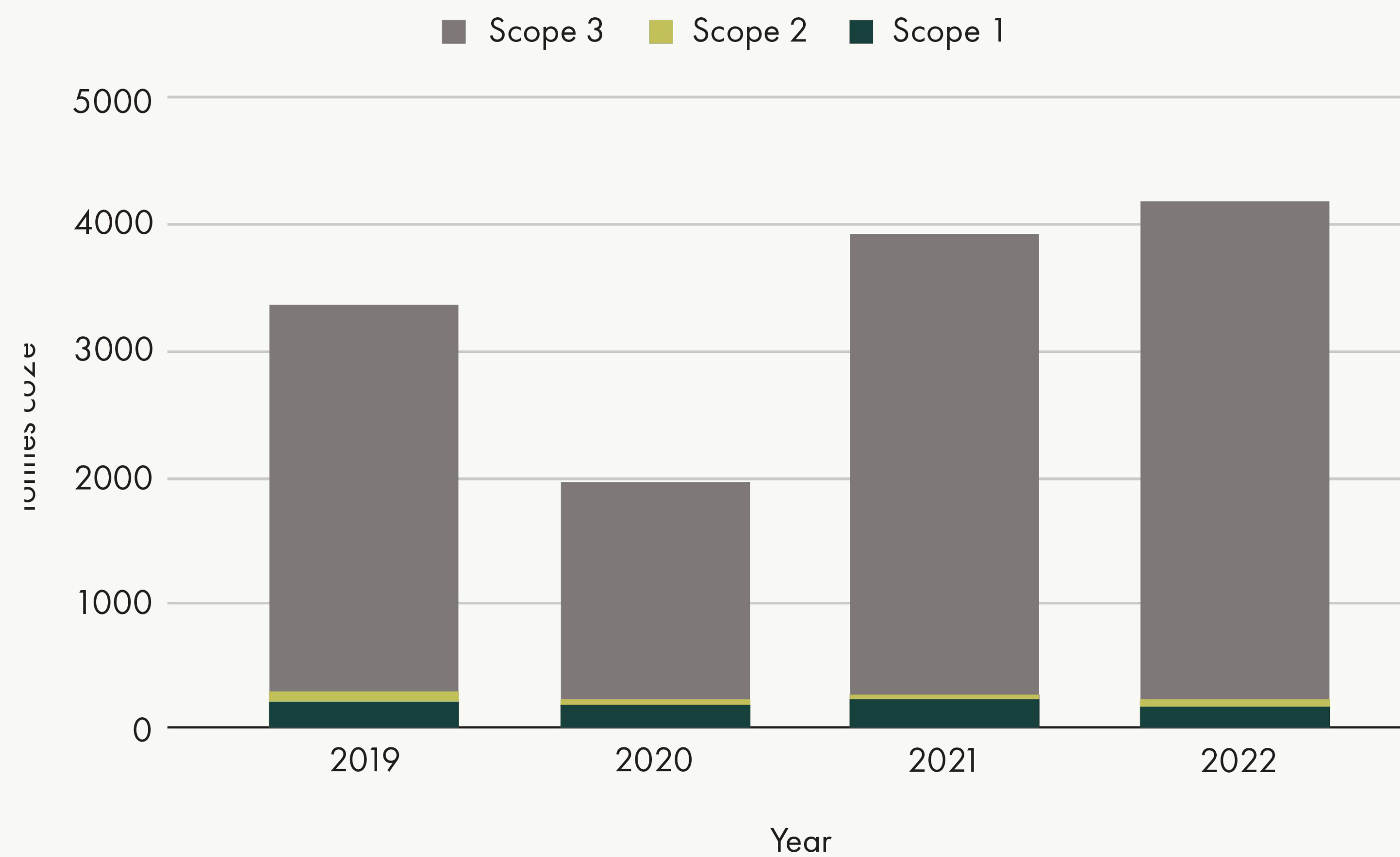
APPENDIX

GHG Emissions

Year on Year Emissions

This graph displays the emissions breakdown from our baseline of 2019 to 2022.

Year	Scope 1	Scope 2	Scope 3
2019	219	62	3088
2020	192	41	1727
2021	261	32	1225
2022	174	49.11	3,976.36



GHG Emissions Breakdown

This table displays the emissions breakdown from our baseline of 2019 to 2022. To read more about the breakdown of emissions, please refer to our GHG Emissions Report.

Year and Property	Total 2019 Baseline (in tCO2e)	% Change from baseline year	Total 2022 (in tCO2e)
Scope 1			
Purchased natural gas	201	-19.1%	162.68
Fugitive emissions	17.7	-37.8%	11.01
Company vehicles	1.22	-100.0%	0.00
Total Scope 1	220	-21.0%	173.69
Scope 2			
Purchased electricity (market-based) <small>Used in calculations</small>	62	-20.8%	49.11
Purchased electricity (location-based) <small>Not used in calculations</small>	145	22.4%	177.49
Total Scopes 1 and 2 (market-based)	282	↓ -21.0%	222.80
Scope 3			
Purchased goods and services	466	76.2%	821.26
Water	9.6	8.1%	10.38
Capital goods	574	-54.1%	263.43
Fuel and energy-related activities, not included in Scopes 1 or 2	63	43.6%	90.48
Waste generated in operations	16	-87.1%	2.07
Employee commuting	33	-56.4%	14.39
Business travel	20	-11.2%	17.76
Guest travel	1653	60.3%	2,649.16
Tenants' emissions	252	-57.4%	107.44
Total Scope 3	3087	24.7%	3,976.36
TOTAL Total Scopes 1, 2 and 3	↑ CO2e 3369	↑ 24.7	↑ CO2e 4,199.15

Materiality Assessment: Full ESG topics

The following table displays the full range of ESG topics analysed for our Materiality Assessment, completed by Savills.

Environmental	Social	Governance
Air, water and land pollution	Healthy built environment	Building certifications
Biodiversity	Community engagement	Business Ethics
Climate change adaptation and resilience	Crime & security	Cybersecurity
Climate change mitigation and energy efficiency	Diversity, Equity and Inclusion	Disclosure and transparency
Renewable energy	Fair Labour Practices	Digital transformation & innovation
Sustainable and resilient transport	Health and safety	Risk management
Sustainable building design	Human rights in supply chain	Regulatory compliance
Use of Materials	Local socio-economic development	Responsible Investment & ESG Due Diligence
Waste Management & circular economy	Placemaking and social infrastructure	Sustainable finance
Water Efficiency	Tenant and customer engagement	Sustainable procurement

Offsetting Supplier Quality Assessment Checklist

The table below was created by EVORA Global to advise Lamington Group on procuring offsetting credits. We run through the following questions when purchasing offsetting credits.

Aspect	Questions	What to Check	Minimum Criteria
Quality of Offset Projects	1. What types of offset projects are offered? 2. Can you provide project details and case studies? 3. Are the projects independently verified?	Types of projects (renewable energy, reforestation) Project documentation, success stories Verification reports, third-party certification	Diverse project options that match needs Demonstrated successful projects Third-party verification
Permanence of Offsets	4. How do you ensure the permanence of offsets? 5. What steps are taken to prevent reversals? 6. Are there contingency plans in case of reversals?	Long-term contracts, insurance, guarantees Risk mitigation strategies, monitoring processes Contingency plans, financial security	Mechanisms for offset permanence Reversal risk management Clear contingency measures
Carbon Emission Tracking	7. How do you monitor and track carbon emissions? 8. How often are emissions data updated? 9. How do you account for credits given in advance for saplings?	Tracking systems, tools, methodologies Frequency of updates, real-time tracking Methodology and timeline	Transparent tracking methods Regular and up-to-date data Clear methodology and timeline
Environmental Benefits	10. What additional environmental benefits do projects offer? 11. Are there community engagement and social co-benefits?	Biodiversity, community impact Community programmes, reports	Supplementary benefits Positive social impact

Assurance

Verification Opinion Statement

After the completion of our ISO 14064-1:2018 audit and technical review, an error was identified within the Purchased Goods and Services Category for room2 Chiswick. This was adjusted for within our final emissions calculations displayed within this report. This change is not covered within our Verification Opinion Statement.



Verification Report

Verification Opinion

Verified with Comments	
Based on the process and procedures conducted, the GHG statement contained in the GHG Report "Lamington Group Greenhouse Gas Emissions Inventory Report"	<ul style="list-style-type: none"> Is materially correct and is a fair representation of GHG data and information. Has been prepared in accordance with ISO14064-1:2018 and it's principles
With the following caveats	Following initial verification activities guest travel has been excluded from the verification and has not been assessed as part of this verification, this is as a result of significant estimations when using traveller's passports to calculate distance and travel modes.
The following improvements were raised in relation to future reporting	<ul style="list-style-type: none"> To consider improvement of electricity consumption accuracy. Note: currently partially estimated. To consider improvement of natural gas consumption accuracy. Note: currently partially estimated. To consider improvement of water consumption accuracy. Note: currently estimated, not based on real consumption records.
Lead Verifier	Pete Stevens
Independent Reviewer	Jose Miguel
Signed on behalf of BSI	Matt Page, Managing Director UK & Ireland, Assurance
Issue Date	28 th November 2023
BSI Assurance UK Ltd, Kitemark Court, Davy Avenue, Milton Keynes, MK5 8PP, UK)	
NOTE: BSI Assurance UK Ltd, Kitemark Court is independent to and has no financial interest in Agate Properties Ltd T/A Lamington Group. This 3 rd party Verification Opinion has been prepared for Agate Properties Ltd T/A Lamington Group only for the purposes of verifying its statement relating to its GHG emissions more particularly described in the scope above. It was not prepared for any other purpose. In making this Statement, BSI Assurance UK Ltd. has assumed that all information provided to it by Agate Properties Ltd T/A Lamington Group is true, accurate and complete. BSI Assurance UK Ltd. accepts no liability to any third party who places reliance on this statement.	

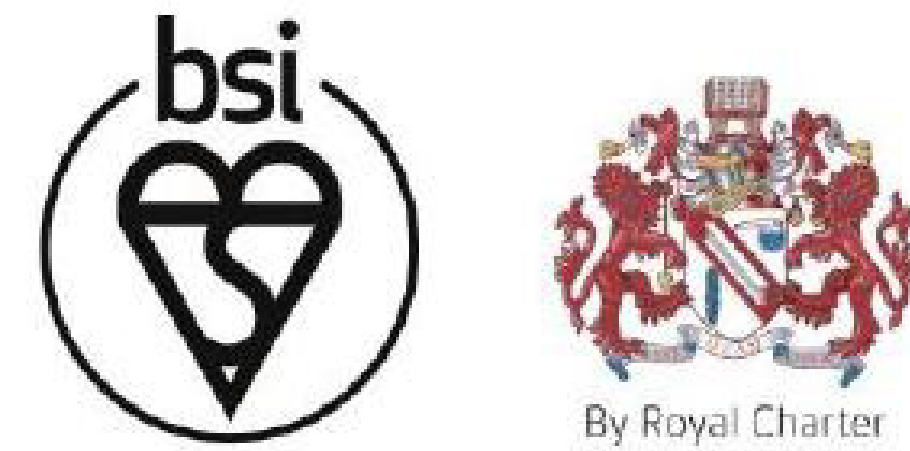
CFV800268 28112023



PAS 2060 Carbon Neutrality Audit



Verification Report



Verification Opinion

Verified with Comments	
Based on the process and procedures conducted, the Carbon Neutrality Declaration QES- 08_01_24 produced by Agate Properties Ltd T/A Room2 Hotels	<ul style="list-style-type: none"> Is materially correct and is a fair representation of GHG and carbon neutrality data and information. Has been prepared in accordance with PAS 2060:2014 and it's principles
With the following caveats	ClimatePartner offer a collective retirement statement, through a process that is certified by TÜV Austria. The retirements of the credits purchased in December 2023 are scheduled to take place in January/February 2024, well within 12 months of declaration of achievement.
Lead Verifier	Peter Stevens
Independent Reviewer	Jose Miguel
Signed on behalf of BSI	Matt Page, Managing Director UK & Ireland, BSI Assurance UK Ltd
Issue Date	8 th January 2024
BSI Assurance UK Ltd (Kitemark Court, Davy Avenue, Milton Keynes, MK5 8PP, UK)	
NOTE: BSI Assurance UK Ltd is independent to and has no financial interest in Agate Properties Ltd T/A Room2 Hotels This 3 rd party Verification Opinion has been prepared for Agate Properties Ltd T/A Room2 Hotels only for the purposes of verifying its statement relating to its GHG emissions more particularly described in the scope above. It was not prepared for any other purpose. In making this Statement, BSI Assurance UK Ltd has assumed that all information provided to it by Agate Properties Ltd T/A Room2 Hotels is true, accurate and complete. BSI UK Ltd accepts no liability to any third party who places reliance on this statement.	

CNCV 794460-15012024

Verification Engagement

Organization	Agate Properties Ltd T/A Room2 Hotels
Responsible party	Agate Properties Ltd T/A Room2 Hotels
Verification Objectives	<p>To express an opinion on whether the Carbon Neutrality Declaration which is historical in nature:</p> <ul style="list-style-type: none"> Is accurate, materially correct and is a fair representation of GHG and carbon neutrality data and information Has been prepared in accordance with PAS 2060:2014, the criteria used by BSI to verify the GHG Organizational Statement
Materiality Level	10%
Level of Assurance	Reasonable
Verification evidence gathering procedures	<ul style="list-style-type: none"> Evaluation of the monitoring and controls systems through interviewing employees observation & inquiry Verification of the data through sampling, recalculation, retracing, cross checking and reconciliation
Verification Standards	The verification was carried out in accordance with ISO 14064-3: 2019 and ISO 14065: 2013
<p>Note: Agate Properties Ltd T/A Room2 Hotels is responsible for the preparation and fair presentation of the GHG statement and report in accordance with the agreed criteria. BSI is responsible for expressing an opinion on the GHG statement based on the verification.</p>	

Glossary

1. Carbon Offset: A reduction in greenhouse gas emissions, typically achieved through projects that capture or reduce emissions, used to compensate for emissions produced elsewhere.

2. CO₂e (Carbon Dioxide Equivalent): A standard unit for measuring the total greenhouse gas emissions of various gases, expressed in terms of the amount of CO₂ that would have the same warming effect.

3. Embodied Carbon: The total carbon emissions associated with the production, transportation, and disposal of a product or system, often measured in CO₂ equivalents.

4. Environmental, Social, and Governance (ESG): A set of criteria used to evaluate a company's impact on the environment, society, and corporate governance, often considered in investment and business decision-making.

5. GHG (Greenhouse Gases): Gases that trap heat in the Earth's atmosphere, contributing to the greenhouse effect. Common GHGs include carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O).

6. GRI (Global Reporting Initiative): A framework for sustainability reporting that provides guidelines for organisations to disclose their economic, environmental, and social performance.

7. ISO 14064-1:2018: An international standard that provides guidelines for the quantification and reporting of greenhouse gas emissions and removals.

8. Operational Carbon: The direct carbon emissions resulting from the day-to-day operations of an organisation, facility, or process.

9. Residual Emission: The remaining greenhouse gas emissions that an organisation cannot eliminate through reduction measures, often addressed through carbon offsetting.

10. SBTi (Science-Based Targets initiative): A collaborative effort to encourage companies to set emissions reduction targets in line with climate science to limit global warming.

11. Scope 1: Direct greenhouse gas emissions from sources that are owned or controlled by the reporting entity, such as on-site fuel combustion.

12. Scope 2: Indirect greenhouse gas emissions from the generation of purchased energy, such as electricity and steam.

13. Scope 3: Indirect greenhouse gas emissions from the entire value chain, including sources like transportation, upstream and downstream activities, and product use.

14. Whole Life Net Zero: A sustainability concept aiming to achieve a balance between the total carbon emissions associated with a product or system over its entire life cycle and the amount of carbon sequestered or offset.

GRI Content Index 2021/22

To view the GRI Index click [here](#).