



01	Our Commitments	03-06
02	2025 Highlights	07
03	2025 Emissions	08-15
	Emissions Performance Against Baseline	
	Emissions Intensity	
	Case Study: Operational Interventions	
05	Carbon Per Night	16-17
06	Carbon Neutral Stays	17
07	Governance	19-23



Foreword

At a time when the global conversation around sustainability and net zero is shifting in priority, we believe it is important to continue moving forward with purpose and consistency. Climate action cannot simply be about following trends or making short-term statements. It requires sustained commitment and action to create a more resilient, efficient and future-ready business.

Our Net Zero Carbon Roadmap continues to guide our strategy and decision-making. Over the past year, we are proud to have made further emissions reductions through the continued electrification of our estate and improved energy management across the business.

This year marked an important milestone in our transition, seeing our first full year of renewable electricity contracts operating across the whole estate. We also achieved a 37% reduction in Scope 1 and 2 emissions against our 2019 baseline, putting us firmly on track to meet our Science Based Targets initiative (SBTi) approved emissions reduction target by 2030. This report outlines where we are making strong progress and the areas where we know further action is needed. Transparency will always remain an important part of our approach.

Although we are encouraged by the progress we are making toward our long-term targets, we still have more work to do, particularly on Scope 3 emissions and our broader value chain. We are determined to continue to approach our work with practicality and a commitment to continuous improvement, and look forward to seeing what else we can do to push ourselves and the real estate industry further, to reduce our carbon emissions.

CEO Executive Director

Robert Godwin

Our Commitments

At Lamington Group, we recognise the built environment’s critical role in addressing the climate emergency. In 2021, we committed to a net-zero carbon future, with a focus on reducing Scope 1 and 2 emissions, designing and delivering sustainable buildings and optimising operational energy use across our existing portfolio.

Our Science-Based Targets initiative approved target commits us to a 46% absolute reduction in Scope 1 and 2 emissions by 2030. But we’re going further - targeting Net Zero by 2030 and committing to a 90% absolute reduction in operational emissions by 2030.

Our three core commitments:

Design and Develop Net Zero Buildings

We are committed to designing, building and operating only Net Zero buildings by 2030, in alignment with the UK Net Zero Carbon Building Standard.

Net Zero Scope 1 & 2 Emissions by 2030

We will target net zero by 2030 through a 90% reduction in absolute emissions against our 2019 baseline. This includes meeting our SBTi commitment of a 46% reduction

Track and minimise Scope 3 emissions

We will continue to measure and reduce our Scope 3 emissions by carefully selecting partners and collaborating with our supply chain.

2025 Highlights

100%

Renewable energy at all sites

100%

Carbon neutral stays at Second Nature

↓ 89%

Less carbon per night at our Second Nature hometels than the average UK hotel

↓ 37%

Scope 1 and 2 emissions v baseline

↓ 22%

Overall emissions intensity

↓ 96%

Waste-related emissions v baseline

↓ 51%

Waste-related emissions compared to 2024

62 tCO₂e

Offset in carbon removal projects



ISO 14064-1:2018 GHG certification



SCIENCE
BASED
TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

On track to meet our Science Based Targets initiative (SBTi) approved emissions reduction target by 2030

2025 Emissions Summary

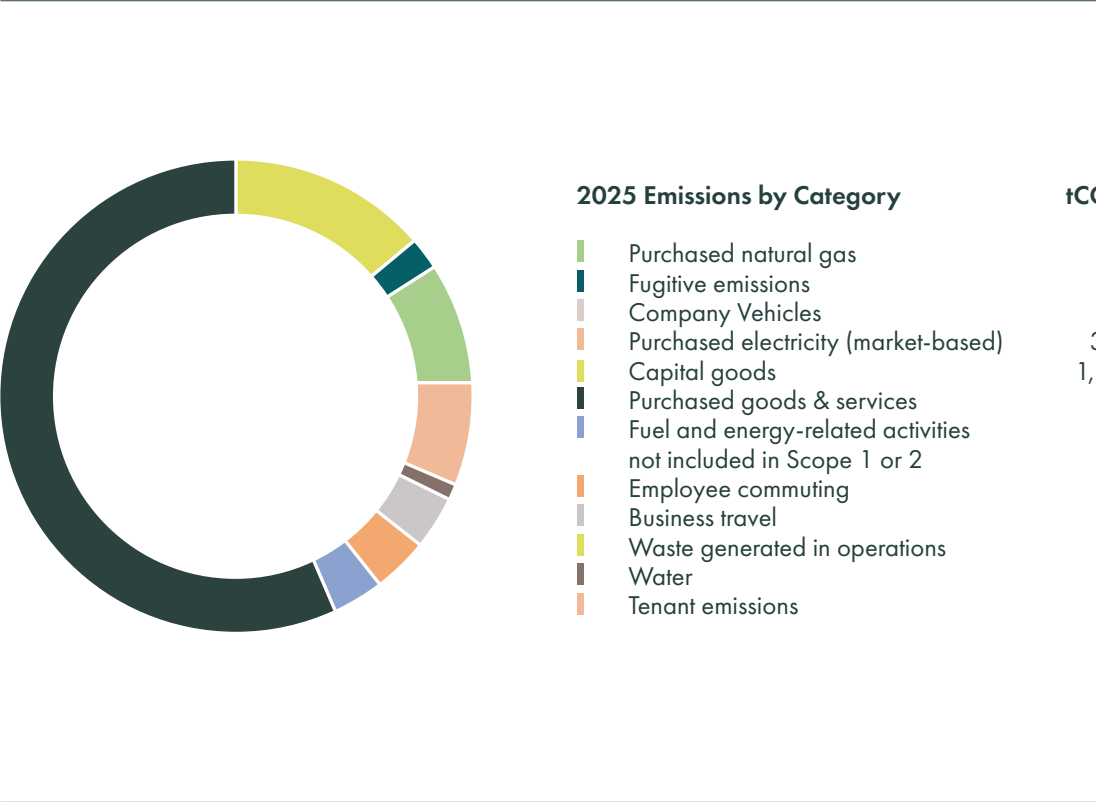
2025 marked a significant step forward in the decarbonisation of our operations. We achieved a **37% reduction in combined Scope 1 and 2 emissions** against our 2019 baseline, an 18% improvement compared to 2024.

This was also the first full year in which our entire estate operated on REGO-verified renewable electricity contracts, resulting in **zero market-based Scope 2 emissions** for the first time since reporting began. At the same time, our location-based Scope 2 emissions decreased by 24% year-on-year, due to continued electrification and portfolio expansion. This demonstrates that operational improvements, energy optimisation and behavioural changes are successfully reducing overall energy demand.

Natural gas consumption reduced by 25% during the year, driven primarily by the electrification of 10 serviced apartment units and Second Nature Hammersmith, which has since transitioned into a Lamington Serviced Apartment.

Scope 3 absolute emissions decreased by 8% compared to 2024, despite remaining the largest part of our carbon footprint. This reduction reflects early progress in reducing operational waste and collaboration with our suppliers.

As our portfolio continues to grow, we remain focused on improving the accuracy of Scope 3 reporting and targeting emissions reductions in areas where we can have the greatest influence, including procurement, waste, water and business travel.





2025 Emissions by Scope*
*market based emissions

	tCO ₂
Scope 1	177
Scope 2 (market based)	0
Scope 3	2509



2025 Emissions by Scope*
*location based emissions

	tCO ₂
Scope 1	177
Scope 2 (market based)	326
Scope 3	2510

Scope Emissions

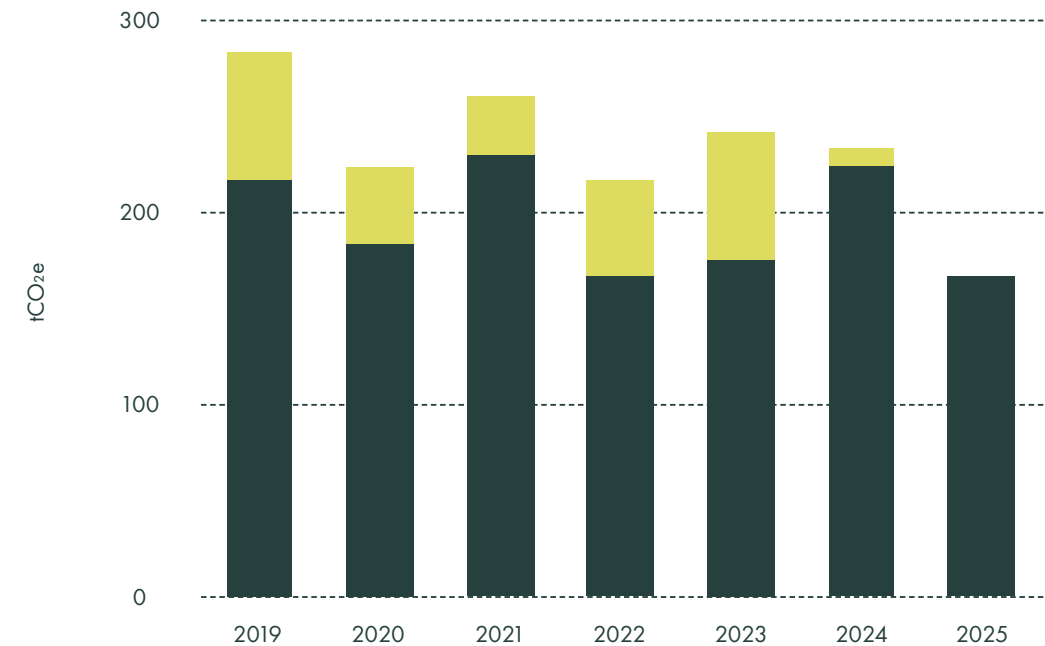
Scope 1 & 2 Emissions

Since our 2019 baseline year, Scope 1 emissions have decreased by 20%, primarily through the phased removal of natural gas heating and cooling systems across parts of the Lamington Serviced Apartments portfolio and the transition to fully electric company vehicles. Notably, we achieved a 26% decrease in natural gas emissions compared to 2024.

Scope 2 market-based emissions have reduced by 100% as a result of implementing REGO-backed renewable electricity contracts across the entire estate. Although location-based electricity emissions remain higher than in the baseline year, this is largely attributable to the continued electrification of formerly gas-powered properties and the significant growth of the business, with our portfolio’s physical size increasing by more than 110% since 2019. Encouragingly, our location-based Scope 2 emissions decreased by 24% from 2024 to 2025.

Fugitive emissions increased during the reporting period due to portfolio growth and the associated installation of systems such as refrigeration units and heat recovery ventilation equipment. Where these systems are necessary, we continue to prioritise the lowest-impact products currently available and will adopt improved alternatives as technologies evolve.

■ Scope 1 (tCO₂e)
■ Scope 2 (tCO₂e)

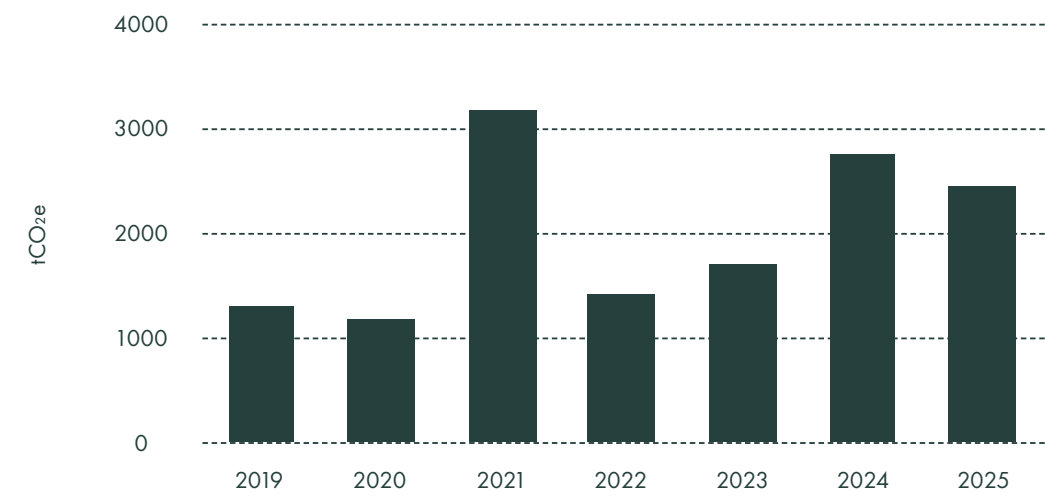


Scope 3

Emissions remain above our 2019 baseline, reflecting increased business growth, portfolio expansion and operational activity. Reducing value chain emissions remains a key focus area, and we continue to prioritise supplier engagement, circular economy initiatives and the reduction of unnecessary high-emission activities where lower-carbon alternatives are available.

Overall, Scope 3 emissions decreased by 8% compared to 2024, demonstrating early progress in reducing emissions across our wider value chain. We track a range of Scope 3 categories, including purchased goods and services, capital goods, waste, water, tenant emissions, employee commuting, business travel and fuel- and energy-related activities. The following highlights some of the most notable year-on-year changes.

- Waste-related emissions saw the most significant improvement, decreasing by 51% compared to 2024. Improved waste management practices, enhanced waste segregation training across our Second Nature teams and the expansion of circular design initiatives through our Circular Design Studio drove this reduction. These initiatives have helped divert more materials from disposal while encouraging reuse and resource recovery across operations.
- Capital Goods-related emissions decreased by 64% year-on-year, reflecting a full year without new hotel openings, a reduced serviced apartment portfolio and the impact of EDGE, our internal efficiency and cost-reduction initiative. Purchased Goods & Services emissions increased by 38% compared to 2024, primarily due to ongoing operational improvements, maintenance works across the Second Nature portfolio and growth in food and beverage operations.
- Business travel emissions decreased by 9% in 2025, largely due to reduced travel requirements to Second Nature Belfast as the property entered its second full year of operations and required less support from the London Support Office. Employee commuting emissions increased by 34%, driven primarily by updated road travel emissions factors and improved employee survey participation, resulting in more accurate reporting of commuting patterns across the business.



Energy Intensity

As our business continues to grow, emissions intensity offers a more nuanced measure of climate impact than absolute emissions alone. By tracking emissions per square metre, we can assess how efficiently we operate and whether we’re delivering more with less carbon.

Key operational emissions intensity reductions include:

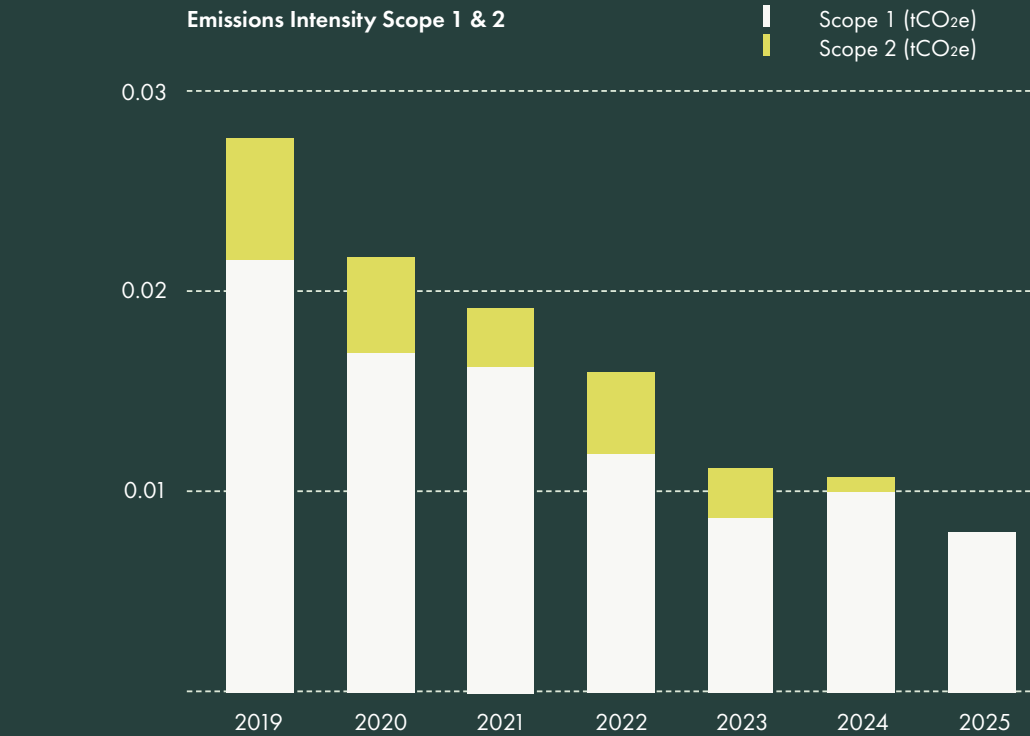
↓ 22%	Overall Emissions Intensity
-------	-----------------------------

↓ 62%	Natural Gas
-------	-------------

↓ 98%	Waste
-------	-------

↓ 42%	Water
-------	-------

↓ 69%	Capital Goods
-------	---------------



Energy Efficiency is Operational Energy

Operational and behavioural changes are critical not only to shifting the type of energy we consume, but also to reducing the overall volume of energy required across our estate. In hospitality, operational efficiency has a direct commercial impact. Energy, labour, food and consumables sit within the operating model, meaning improvements in efficiency can quickly translate into lower operating costs, improved EBITDA performance and stronger long-term asset value.

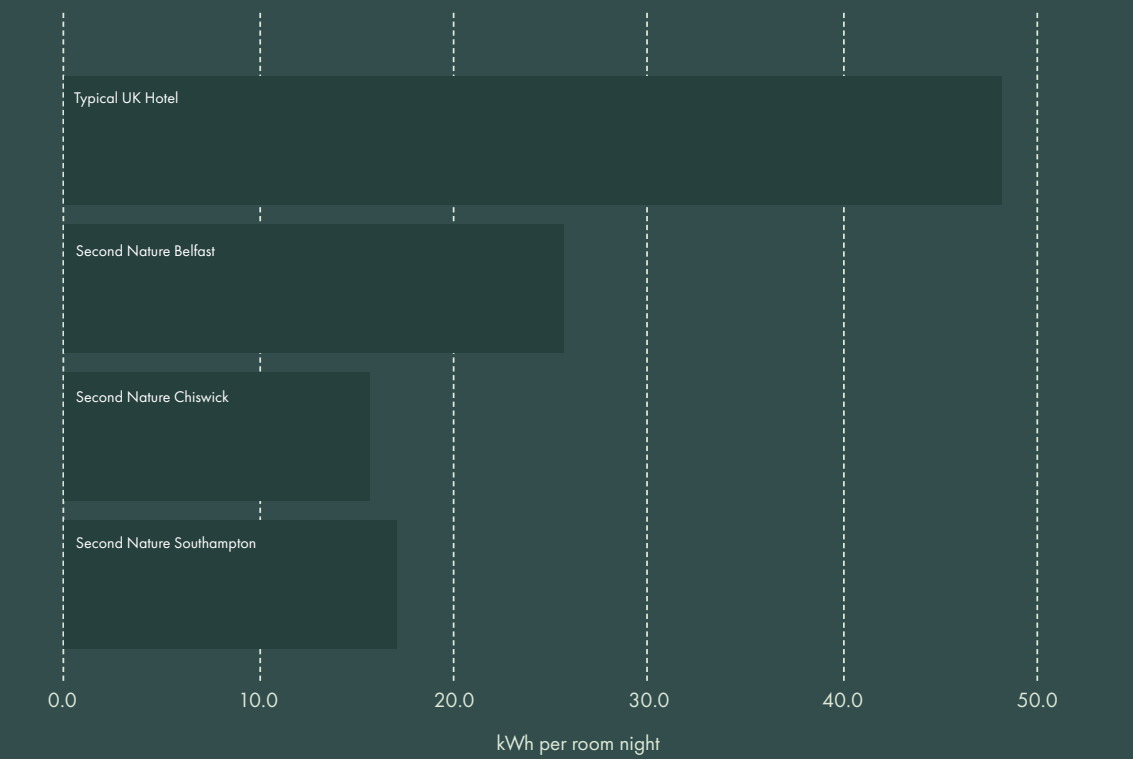
Designing and operating buildings efficiently from the outset is central to our approach. From smart building systems to operational procedures and team engagement, we continue to focus on reducing unnecessary energy demand while maintaining guest comfort and experience.

To transition our assets, we prioritise investment across three areas: demand reduction, system optimisation and decarbonisation.

1. Demand Reduction: Reducing demand is the first most impactful step. We focus on limiting heat loss and avoiding unnecessary energy use:
 - a. Insulation
 - b. Double Glazing
 - c. Occupancy Enabled Controls
2. System Optimisation: Once demand is reduced, we upgrade building systems to operate more efficiently and monitor usage:
 - a. Low Temperature Hot Water Systems (LTHW)
 - b. Energy Management Systems (EMS)/Building Management Systems (BMS)
 - c. Smart Meters – Provide real-time insights to track usage.
3. Decarbonisation of Supply: Remaining energy needs are met through low carbon sources.
 - a. Heat pumps and Electrification
 - b. Solar Photovoltaics
 - c. Renewable Electricity Procurement

Through these interventions, we have achieved a meaningful reduction in energy consumption against typical UK hotel benchmarks.

EUI Performance (kWh/room night)



In 2025, our location-based Scope 2 emissions decreased by 23% despite the continued electrification of our estate. This demonstrates that operational and behavioural changes are helping reduce overall energy consumption, as our systems transition away from fossil fuels.

During the year, the sustainability team undertook Building Management System (BMS) optimisation projects at Second Nature Chiswick and Second Nature Belfast. These projects focused on refining system controls, improving scheduling and identifying opportunities to reduce energy waste through software and operational adjustments.

Carbon per Night

We publish and share with guests our emissions per night for our Second Nature hometels, using the Cornell Hotel Sustainability Benchmarking (CHSB) Index's methodology.

On average, Second Nature hometels emit 89% less carbon per night than the average UK hotel.

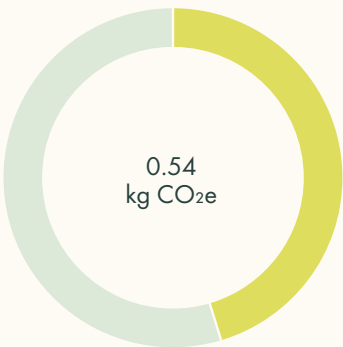
This approach aligns with DEFRA's method for estimating the average carbon footprint of a UK hotel stay, which also draws on CHSB. To ensure a like-for-like comparison, we have applied DEFRA's conversion factors to our own data, allowing us to benchmark our performance against the average UK hotel.

Our significantly lower carbon footprint is driven by a combination of fully electric buildings, renewable electricity, energy-efficient design and operational efficiency. Smart building systems, occupancy-based controls, and a focus on reducing unnecessary energy demand help minimise emissions across both the development and operation of our hotels.

Carbon Per Night

- Gas
- Refrigerants
- Electricity (market based)
- Laundry (spend-based)

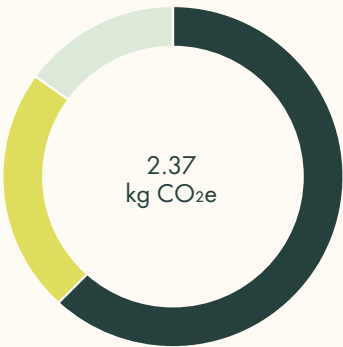
Second Nature Chiswick



86 Keys
Average room size: 24 m²

95% Less Carbon
per night than a
typical UK hotel

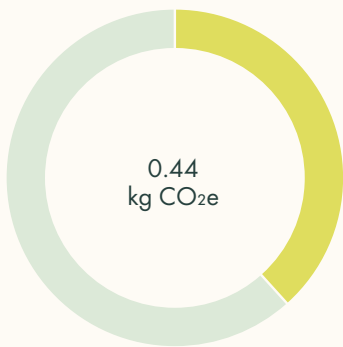
Second Nature Southampton



71 Keys
Average room size: 26 m²

77% Less Carbon
per night than a
typical UK hotel

Second Nature Belfast



175 Keys
Average room size: 23 m²

96% Less Carbon
per night than a
typical UK hotel

Carbon Offsetting

At Second Nature, we measure and offset our operational Scope 1 and 2 emissions through verified, nature-based carbon credits, with a focus on carbon removal projects. Offsetting is not a substitute for reducing emissions. Instead, it helps us manage our impact as we continue to decarbonise our business.

Our Offsetting Principles

Verification

We only purchase offsets from projects that meet strict standards such as Gold and VCS.

Carbon Removal

We prioritise projects that naturally remove carbon, such as afforestation, to support our net zero strategy.

Quality Assurance

We are exploring a minimum price for carbon credits to ensure high-quality projects.

To maintain carbon-neutral operations at Second Nature, this year we offset 62 tCO₂e through a forest management and reforestation project in Montes Del Este, Uruguay. Certified under the Verified Carbon Standard (VCS), the project spans over 4,000ha and focuses on carbon sequestration, preservation of native biodiversity and community empowerment.

Transparent by Nature

Embedding Accountability

Good governance is fundamental to delivering a credible and effective sustainability strategy. We believe our environmental commitments should shape how we make decisions, manage our operations and plan for long-term growth. Robust governance structures ensure accountability and help embed climate considerations across the business.

Our Net Zero Carbon Roadmap, originally launched in 2021 and updated in 2026, underpins our ambition to deliver net zero buildings and operations. The roadmap establishes our emissions-reduction pathways and includes a commitment to report our greenhouse gas (GHG) emissions transparently on an annual basis.

Transparent Reporting

We voluntarily publish annual Sustainability and GHG Emissions Reports as part of our commitment to transparency and accountability. Our GHG reporting follows the Greenhouse Gas Protocol, the most widely used international framework for measuring and managing organisational emissions.

The Greenhouse Gas Protocol categorises emissions into Scopes 1, 2 and 3, with each scope further divided into categories that together represent emissions across our operations and wider value chain. Reporting emissions in this way allows us to identify key emissions drivers, prioritise opportunities for reduction, and track progress against our net zero targets.

Our reporting is prepared in accordance with ISO 14064-1:2018 and independently verified by the British Standards Institution (BSI) to a reasonable assurance level with a 10% materiality threshold. In 2025, our GHG inventory underwent independent

Data Collection and Oversight

Data is collected collaboratively across the business, with department heads contributing operational information that is consolidated and monitored monthly by the Sustainability Team through our internal One Planet Living reporting framework. Data for our GHG inventory is collected primarily from activity data (invoices, meter readings) and from financial data.

We prioritise the use of primary data available through our Building Management Systems; however, where primary data is unavailable, secondary datasets or calculated estimates are used, based on recognised methodologies and government- or industry-verified emission factors, primarily from DEFRA.

Data Quality and Limitations

As with many organisations reporting across complex operational and value chain activities, certain assumptions remain necessary where complete data is unavailable. During the reporting period, estimates were applied in several areas, including:

- | Average consumption values for apartments without complete gas or electricity meter readings
- | Waste emissions calculations informed by previous waste composition studies
- | Estimated water consumption for some properties
- | Business travel emissions inferred from financial data and travel-type thresholds
- | Tenant emissions estimated using average energy consumption data from comparable Lamington Serviced Apartments

The greatest areas of uncertainty remain within Scope 3 emissions categories, where data availability and direct operational control are inherently more limited. However, building on improvements made in previous reporting cycles, we continue to strengthen our data collection processes and supplier engagement to reduce reliance on assumptions and improve reporting accuracy over time.

Certifications

Our sustainability commitments are independently verified through respected certifications.



Memberships and Alignments

We actively collaborate with leading industry groups and climate initiatives to accelerate progress, share knowledge and align our actions with the collective efforts of the real estate development and hospitality sectors.



Appendix A: Detailed GHG Inventory

GHG Inventory 2019 vs. 2025			
Emissions Category	2019 (tCO2e)	Change from baseline year	2025 (tCo2e)
Scope 1			
Purchased natural gas	201	-26 %	150
Fugitive emissions	18	+54 %	27
Company vehicles	1.5	-100%	0.0
Total Scope 1	220	- 20 %	177
Scope 2			
Purchased electricity (market-based) *	62	-100%	0
Purchased electricity (location-based)	145	125%	326
Total Scope 2 (market-based)	62	-100%	0
Scope 3			
Capital goods	574	-37%	363
Purchased goods & services	466	276%	1,751
Fuel and energy-related activities not included in Scope 1 or 2	63	94%	122
Employee commuting	33	116.%	71
Business travel	20	284%	77
Waste generated in operations	16	-96%	0.6
Water	10	16%	12
Tenant emissions	252	-55%	113
Total Scope 3	1434	75%	2,510
TOTAL	1716	57%	2,687

GHG Inventory 2024 vs. 2025			
Emissions Category	2024 (tCO2e)	Change from baseline year	2025 (tCO2e)
Scope 1			
Purchased natural gas	199	-25 %	150
Fugitive emissions	23	+18 %	27
Company vehicles	0	0%	0
Total Scope 1	222	- 20 %	177
Scope 2			
Purchased electricity (market-based) *	7	-100%	0
Purchased electricity (location-based)	426	-24%	326
Total Scope 2 (market-based)	7	-20%	0
Scope 3			
Capital goods	1002	-64	363
Purchased goods & services	1266	38%	1751
Fuel and energy-related activities not included in Scope 1 or 2	183	-33%	122
Employee commuting	53	34%	71
Business travel	85	-9%	77
Waste generated in operations	1	-51%	1
Water	11	9%	12
Tenant emissions	130	-13%	113
Total Scope 3	2731	75.05%	2,510
TOTAL	2960	-8%	2,687





Appendix B: Assurance

Lamington Group uses the Greenhouse Gas Protocol (GHG) developed by the World Resources Institute and the World Business Council for Sustainable Development (WBCSD). The data in this report has been prepared in accordance with ISO 14064-1:2018. The data and approach have been verified to a reasonable assurance and 10% materiality threshold by the British Standards Institution (BSI), excluding guest travel emissions.

**Greenhouse Gas Report
2025**

Get in touch

Thank you for reading our report. We'd love to hear your feedback or to partner with you.

Contact

sustainability@lamingtongroup.com
[Lamingtongroup.com](https://lamingtongroup.com)