

WHITBREAD PLC



**ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT 2021/22**

BEING A
FORCE FOR
GOOD

ABOUT THIS REPORT

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

Within these pages we have reported key information and progress from our sustainability programme, Force for Good, and structured these against three ESG pillars to allow readers to see how our programme sits within this framework.

Our report incorporates recommendations from the Sustainability Accounting Standards Board (SASB) and Taskforce for Climate-related Financial Disclosure (TCFD). Selected data within this report has been assured by a third party and all information relating to this can be found in the appendix.



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ABOUT WHITBREAD

A FOCUSED HOTEL GROUP

Whitbread is a leading hospitality business and the owner of Premier Inn, the UK's biggest hotel brand.

We are the number one hotel operator in the UK and have a growing footprint in Germany. We offer quality accommodation at affordable prices, with more than 870 hotels and over 34,000 team members in the UK and Germany.

With this scale of operation, we have a significant impact on the environment and the communities in which we operate.

Our ambition

To be the world's best budget hotel brand.

Our purpose

To provide quality, affordable hotels for our guests to help them to live and work well, and to positively impact the world around us.

Our values



Genuine

Really caring about our customers



Confident

Striving to be the best at what we do



Committed

Working hard for each other

We employ over 34,000 people in the UK and Germany

UK



841

hotels

82.2k

rooms

8.3k

rooms in the pipeline

Germany



35

hotels

5.8k

rooms

8.4k

rooms in the pipeline

Our brands

Whitbread operates some of the UK's most loved brands. Full ownership of our brands enables us to provide a consistent customer offering of quality and value across both our hotels and restaurants.



Stakeholders



Teams



Community



Customers



Pension Trustees



Investors/
Shareholders



Lenders



Suppliers



NGOs

ABOUT WHITBREAD CONTINUED

Operating model

ESG is fully embedded across our business through our sustainability programme, Force for Good. With our significant scale, large community and unique ownership business model, Whitbread is able to make a material impact in the communities and environments in which we operate. We have the opportunity to play an important role in helping to address some of the complex challenges facing our global community today, and we take that responsibility seriously.

With nearly 850 hotels and restaurants in the UK, the scale of our business enables us to have a significant impact on the world around us.

Our unique business model means that the decisions we take as a business have a direct impact on the communities in which we operate and on the environment. With ESG targets owned and delivered by relevant business functions, accountability is held across over 34,000 team members, creating a sizeable and impactful community. This framework underpins our entire business strategy and allows us to make the right choices not only for our business, but our people, the planet and our communities.

Embedding our sustainability strategy across our business

Our ownership business model means we are uniquely placed to deliver meaningful change



ABOUT WHITBREAD CONTINUED

Credentials and recent achievements



Committed to **SBTi** for our **net zero carbon** target by **2040**

Financial Times Diversity
Leaders Index award

Placed **24** out of **750** companies across Europe



Achieved **RSPO Chain of Custody** certification for sustainable **palm oil**

Our leadership population has **41% female representation**, meaning we are on track to exceed our target of 40% by the end of **2023**



Our Scope 3 target reducing the carbon in our supply chain by **50%** by **2035** and **64%** by **2050**

Winner of the **CIPS best initiative** to deliver social value through procurement award



Met **£20m** fundraising target with charity partner **Great Ormond Street Children's Hospital**

Low ESG risk rating from **Sustainalytics**



Awarded **Top Employer** for the **12th** consecutive year

Introduced **ESG metrics** into management **compensation**



AA Rating on **MCSI** Responsibility



Stonewall Gold Award for commitment to **LGBTQ+ inclusion** at work

MAKING A POSITIVE DIFFERENCE

FOREWORD

Alison Brittain
Chief Executive



I am very proud to introduce our second full ESG report. This past year has presented a challenging environment for us, for our industry and for all our people.

Together, we have managed to navigate our way and not only deliver a successful year-end performance but demonstrate some really tangible and meaningful progress against our sustainability strategy, Force for Good.

At its heart, Force for Good enables us to ensure we are a sustainable business for the future. We take our responsibility to be a positive influence on the people and the communities which our business reaches seriously. We also know that acting responsibly and sustainably matters to our key stakeholders. We see our Force for Good programme as a key tool to attract and retain the best talent, attract and retain our guests and customers, and be a valued and welcome partner to communities, suppliers and shareholders.

We also recognise that as the biggest hotel brand in the UK, our size and scale mean that our impact – both positive and negative – is meaningful. We work hard to ensure that we are reducing our environmental impact as much as possible. Whether it be through our net zero carbon target or our commitment to eliminate unnecessary single-use plastic, we take every opportunity to have a positive impact.

Whitbread's operating model uniquely places us within our industry as an organisation that can control, support and roll out all our initiatives and strategies to meet our ESG targets. This differentiating factor means we can make a substantial difference.

This year, in a challenging environment, I'm proud of the progress we have made, and this report outlines our key achievements and plans for the coming year. We remain committed to all our targets, have made some of them more ambitious (bringing our net zero carbon target forward by a decade) and have recently completed a materiality assessment to reassess and reaffirm that we are focused on the most important issues and risks for our business and stakeholders. This year, we have published our first full TCFD report, allocated £404m of our Green Bonds to sustainable projects and set ourselves a Scope 3 carbon target for our supply chain. There is more to be done but we remain ambitious and dedicated to delivering our ESG programme and demonstrating how our business and brands truly are a Force for Good.

OUR APPROACH

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

ENGAGING WITH STAKEHOLDERS

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

160

Our Voice representatives across the business are engaged with throughout the year to gain Company-wide perspective on issues.

92% of our Support Centre team members say it's important that Whitbread is a Force For Good.

Working together, we are able to drive positive change through our Force for Good programme

Shareholders

- › Our chairman holds annual governance meetings with major shareholders to listen to their viewpoints and raise any issues that they may have
- › Our investor relations team holds frequent meetings and is in regular contact with investors, shareholders and ESG specialists
- › Meetings are arranged on specific ESG issues with shareholders



Government and industry bodies

- › We engage with Government and key industry bodies to ensure that we are effectively benchmarked against our peers



Team members

- › We engage with our teams through regular 'Pulse' surveys and Whitbread's employee forum 'Our Voice', which gives our teams the opportunity to express their opinions, share their first-hand experiences and help shape the decisions of our business
- › The Force for Good team engages with Our Voice representatives to share updates and get the views of their members



Our stakeholders



Customers

- › Customer feedback is pivotal to the success of our hotels and restaurants, and customer scores are a metric that we watch closely

Customer perceptions help us to identify the performance of our teams and our brand propositions



Suppliers

- › We engage with third-party suppliers to assess collective solutions that will help preserve the integrity of our global supply chains and ensure that we are on track to meet our responsible sourcing targets



Communities

- › We engage with the local community during each new site opening to ensure that we can recruit as many local people as possible and so that we can have a positive impact on that community

IDENTIFYING MATERIAL ISSUES

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

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

It was satisfying to see that we are already focusing on the most material issues that were identified as part of this process and have a strong track record in these areas. For example, we have a strong record in employee and customer health and safety, and we already source our key commodities against internationally recognised accreditation standards, working with agencies such as Stop the Traffik to help us mitigate the risk of exploitation in our supply chain.

The assessment also identified some areas that are slightly less well developed for us and which we will need to focus on in the coming year, such as biodiversity.

Our 2021/22 materiality assessment results



FORCE FOR GOOD STRATEGY OVERVIEW

Chris Vaughan

General Counsel
Executive Committee
sponsor for Force
for Good



The Force for Good strategy is all about enabling people to live and work well.

It is our Company-wide sustainability strategy and has evolved to become an industry-leading programme of work. It is embedded throughout Whitbread and touches every business unit from our HR function to our Property team, our Procurement department to our Operations. It's a core part of our strategy and influences the decisions we make across our strategies.

The impact of COVID-19 over the last two years on the business has reinforced the importance of doing the right thing, of ensuring resilient and sustainable processes, partnerships, and operations, and, most importantly, of providing a safe and healthy work environment for all our team members.

As a large business, we know we will be held to account for our impact on the environment and on the people around us, and we must respond to this. It is at the forefront of conversations with our team members, shareholders, suppliers and our guests.

Our sustainability strategy lives within our Force for Good framework. We divide it into three 'pillars': Opportunity, Community and Responsibility. These cover our impact on people, local communities,



and the environment respectively. The pillars each contain key commitments and targets.

However, our programme is constantly evolving as we respond to the environment we work in. This year, for example, our strategy on eliminating single-use plastics has been impacted this year by COVID-19 related health and safety requirements, which has actually created more plastics rather than less. Instead, we focused our efforts elsewhere, for example, on realigning our carbon targets to SBTi, and committing to bringing forward our net zero targets against Scope 1 and 2 emissions from 2050 to 2040.

We have a broad programme of work and know that our targets are stretching. We have set these to ensure we push ourselves and continue to innovate to reach them. However, our owned and operated business model means that we are in the best position to do just that as we can control and affect change. All this adds up to an industry-leading programme, and I look forward to sharing more of the work we have been doing throughout this report.

FORCE FOR GOOD STRATEGY

Commitments and targets

Whitbread's commitments and targets, and how they align with the Sustainable Development Goals (SDGs)

S OPPORTUNITY

A team where everyone can reach their potential. No barriers to entry and no limitations to ambition.



→ Read more on page 25

S COMMUNITY

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



→ Read more on page 25

E RESPONSIBILITY

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



→ Read more on page 15

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

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

We will have industry-leading training and development schemes

- › Through our apprenticeship programmes, we will support people to find and develop their hospitality careers
- › We aim to promote internal succession above external recruitment and will support our teams in this endeavour
- › We will be bold about broadening career opportunities, supporting cross-functional and meaningful career development

Team member wellbeing will be considered in everything we do

- › We will listen genuinely to our teams, ensuring their views help inform decision making
- › We will support the physical and mental wellbeing of our teams

We will make a positive contribution to the communities we serve

- › For every new site, we will donate our time to actively supporting local community activity

Working collaboratively with our teams and supply chains, we will support our charity partner to meet its mission

- › We will raise £20m for Great Ormond Street Children's hospital by 2020

We will support the wellbeing of our guests and customers

- › We will improve the nutritional value of our menu by continuing to reduce sugar, salt and calories, and will continue to develop inclusive menus for customers with a range of dietary needs. We will do this in a responsible and transparent way whilst maintaining great taste, quality and value for money for our guests
- › We will strive to be a leader in our sector for delicious, appealing and healthier children's food

We will source responsibly and with integrity

- › Human rights will be respected across our business and value chain
- › We will work with our supply chains to source to internationally recognised sustainability standards

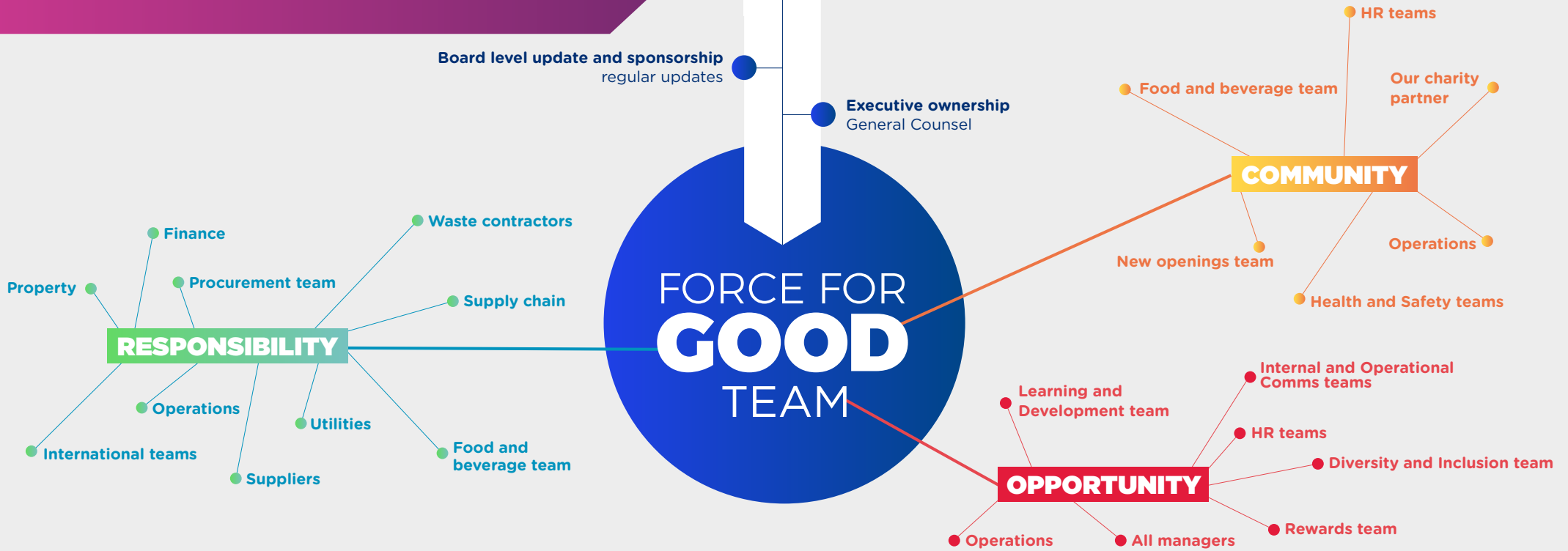
We will reduce our environmental impact

- › We will eliminate unnecessary single-use plastic by 2025
- › We will cut food waste by 50% by 2030
- › We will not send any waste to landfill
- › We will minimise water use across our business and champion water stewardship with high-risk areas
- › We will reduce our Scope 1 and 2 carbon emissions intensity by 80% by 2030 and net zero by 2040
- › We will reduce our Scope 3 carbon emissions intensity by 50% by 2035 and 64% by 2050

We will always do business the right way

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

HOW WE DELIVER OUR STRATEGY - AN EMBEDDED, COLLABORATIVE APPROACH



We engage with as many people as we can, both internally and externally, to make sure that being a Force for Good is fully embedded and accounted for across all our functions and activities. Our core sustainability team is the driving force behind the programme, managing the strategy development, driving progress and coordinating reporting. However, the delivery of most of our key targets happens through the line where change and impact can really be harnessed.

For example, delivery of our Opportunity pillar sits within our people function, the Community pillar within our operations and restaurants teams and the Responsibility pillar sits largely within property and procurement. Force for Good is a part of everyone's induction and we aim to embed our strategy throughout the organisation, from housekeeping to procurement and finance.

Our external disclosure includes reporting against key indices that map to our material issues. We report annually on the Corporate Sustainability Assessment (CSA), formerly the Dow Jones Sustainability Index, Carbon Disclosure Project (CDP), and in accordance with the Sustainability Accounting Standards Board (SASB). This year, we also published our first full report against the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations.

OUR PROGRESS AGAINST TARGETS

➤ Our progress against our targets are independently assured to ISAE 3000 standard
The full assurance report can be found here

ENVIRONMENT	PROGRESS
Whitbread's critical commodities will be 100% accredited against robust standards	<p>100% of whole shell egg and 52.6% of our ingredient eggs in the UK have cage-free status</p> <p>100% of our whole fish served in the UK is certified to internationally accredited standards such as MSC, BAP and Global GAP</p> <p>100% of our raw beef range in the UK is produced to a recognised farm assurance scheme in its country of origin, such as Red Tractor</p> <p>We are now RSPO (Roundtable Sustainable Palm Oil) Supply Chain of Custody certified</p>
100% of our suppliers will be risk assessed against Force for Good criteria	100% suppliers risk assessed
We will eliminate unnecessary* single-use plastic by 2025	In progress - it has been a challenging year for this target with the impact of COVID-19 as the requirements for PPE and plastic screens, have added a huge amount of plastic to the business
We will cut food waste by 50% by 2030	32.3% reduction from our 2018 baseline year
We will become net zero for carbon emissions by 2040	50.1% Scope 1 and 2 emissions intensity reduction from the 2016/17 baseline year
We will minimise water use across our business and champion water stewardship within high-risk areas	<p>62,665m³ of water saved through internal water auditing and supply pipe leak detection</p> <p>Sites in high-risk water areas have been selected to trial four water efficiency measures to reduce consumption</p>
We will not send any waste to landfill	99.9% of our operational waste diverted from landfill

* Single-use plastic is defined as plastic that is used instantaneously (i.e. a one-off application, for example single milk portion carton) and unnecessary either for: food safety purposes; to allow extended shelf life/protect product leading to reduced food waste; or, as removing does not lead to unintended consequences such as increased food waste, increased carbon emissions from increased transportation.

OUR PROGRESS AGAINST TARGETS

CONTINUED

SOCIAL	PROGRESS
To have greater diversity in our leadership population, with a target of 8% ethnic minority and 40% female representation by 2023	41% female representation 5% ethnic minority representation in our leadership population
Through our apprenticeship programmes, we will support people to find and develop their hospitality careers	274 of our team members have completed their apprenticeship this year Over 3,500 team member training sessions
We aim to promote internal succession above external recruitment and will support our teams in this endeavour	Two-thirds of our management teams were promoted internally this year
We will be bold about broadening career opportunities, supporting cross-functional and meaningful development	In progress - more detail is in the Social section
We will listen genuinely to our teams, ensuring their views help inform decision making	In progress - more detail is in the Social section
We will support the physical, mental and financial wellbeing of our teams	In progress - more detail is in the Social section
For every new site, we will donate our time to actively supporting local community activity	200 hours donated to local communities through new site openings - due to the impact of COVID-19, we only reinstated our volunteering programmes in Q4
We will strive to be a leader in our sector for delicious, appealing and healthier children's food	We continue to be a signatory of Peas Please and have been externally recognised for our children's menus
Public Health England 20% sugar reduction programme	This year, we have reduced the sugar content in our Beefeater and Brewers Fayre puddings by 5.8% and 11% respectively against a baseline of 2015, as part of the Office for Health Improvement and Disparities sugar reduction programme

GOVERNANCE

Read about our Governance structure and work in the Governance section.

THE ENVIRONMENT

Our Environmental work sits under our Responsibility pillar and covers our carbon emissions, reducing waste, and ensuring our commodities are sourced in an ethical and sustainable manner

Introduction

Our approach

Environment

Social

Governance

CARBON EMISSIONS SCOPE 1 AND 2

Reducing our carbon emissions is the single most important thing that we can do to help to slow down global warming and we strive to be an industry leader in this space. That is why during the year we brought forward our net zero carbon target for Scope 1 and 2 emissions from 2050 to 2040, and set an interim target of 80% reduction by 2030, which is aligned with a 1.5 degree pathway. We have also committed these targets to the Science Based Targets Initiative (SBTi) and set a target to reduce our Scope 3 emissions by 50% by 2035 and 64% by 2050.

We are committed to net zero by

2040

SCOPE 1 AND 2

Scope 1 emissions includes those from the fuels we use in our hotels, restaurants and offices, such as natural gas and liquid petroleum gas as well as the F-Gases used in air cooling and refrigeration. It also includes CO₂e from our business fleet, which includes the company cars and logistics vehicles which we lease.

Scope 2 emissions relates to the indirect emissions associated with the generation of the electricity consumed in our sites.

In 2021/22, our Scope 1 and 2 emissions rose to 69,729 tonnes from the previous year's 51,079 tonnes. This rise was due to our sites being open for more of the year. In FY 2020/21 we were subject to longer periods of lockdown, and so experienced lower general operational activity.

We are currently at a 50.1% reduction of CO₂e against our 2016/17 baseline.

Our target explained: Whitbread's carbon targets are committed to the Science Based Target initiative (SBTi). Our baseline is 2016/17 and is aligned with a 1.5 degree pathway. Our reduction targets are based on physical intensity to take into consideration the impact of our growing estate.

Where do our remaining emissions come from?



Gas	70%
LPG	3%
F-Gas	10%
Owned transport	8%
REGO backed renewable electricity	0%
Non REGO backed electricity	5%
District heating	4%
EV charging - market	0%

CARBON EMISSIONS SCOPE 1 AND 2

CONTINUED

We use a number of strategies in our approach to reducing our carbon emissions, including:

- 1 Sourcing renewable energy across our UK owned and operated estate**
We purchase 100% renewable electricity across our owned and operated sites.
- 2 Energy efficiency programmes**
We explore ways that we can support our teams and customers to use less energy, from in-room messaging to incentivising and training our teams to save energy.
- 3 Trialling and implementing new, energy efficient and lower carbon technologies**
For example, moving to more energy efficient appliances or systems, such as heat pumps or BMS (Building Management Systems) and trialling electric alternatives to gas (for example, air source heat pumps).

TRIALLING NEW TECHNOLOGIES



Working on a project with Endo Enterprises, we added energy saving additives to 502 boilers across 400 of our restaurant sites. The additives increase the surface area of heat transfer, making the system more efficient. Some sites have already shown up to 10% reductions in gas use over winter.

We also continued the replacement of grills to more energy efficient versions, this year installing 150 new grills across 103 sites, bringing the total of new grills to 520. Since we started this project in 2018, we have driven 50% gas usage reduction in our chargrills.

We will also continue to source better products, reduce demand and find as many efficiencies as we can to bring our carbon emissions down.



CARBON EMISSIONS SCOPE 3



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

SBTi

FORCE FOR
GOOD

The SBTi is a partnership between the Climate Disclosure Project, the United Nations Global Compact, the World Resources Institute and the World Wide Fund for Nature to drive ambitious climate action in the private sector. It enables organisations to set science-based emissions reduction targets.

In October 2021, we committed to achieve full accreditation under the Science Based Targets initiative (SBTi), aligning our Scope 1 and 2 emissions targets to a 1.5 degree pathway, and setting Scope 3 targets in line with the criteria and recommendations of the SBTi. In the coming year, we will submit our Scope 1 and 2 targets for validation.

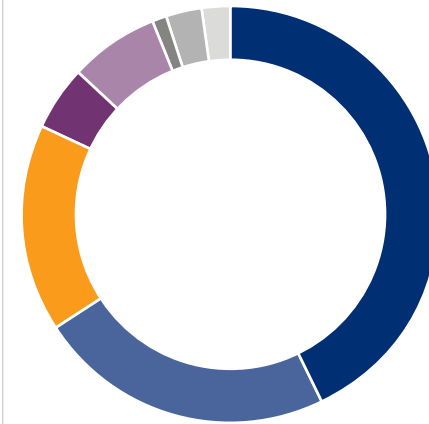
Scope 3

We have completed a detailed analysis of our Scope 3 emissions and have a good understanding of what needs to be done to reduce them. By virtue of the fact that they sit outside of our direct control, we will be working closely with our suppliers to define and implement a targeted reduction strategy.

In 2021/22 we set clear targets to reduce our Scope 3 emissions by 50% by 2035 and 64% by 2050. We have communicated these targets to our suppliers and, in the coming year, will continue to develop detailed plans, review our data management systems and continue our engagement with suppliers.

Food and beverage drive the bulk of our Scope 3 emissions. We will work closely with our suppliers, many of whom are already working on their reduction strategies, to support and capture progress. Our ambition is that by working together, we can share learnings and data, and ensure we are capturing all the progress already achieved.

Our Scope 3 emissions



Purchased goods and services (product)	43%
Purchased goods and services (non-product)	23%
Capital goods	16%
Fuel and energy-related activities	5%
Upstream transportation and distribution	7%
Waste generated in operations	0%
Business travel	1%
Employee commuting	3%
Investments	2%
Total Scope 3 emissions	100%

CARBON, OUR BUILDINGS

FORCE FOR
GOOD

Improving the energy performance of the UK and Ireland new-build estate

The sustainability performance of new-build Premier Inn and Hub hotels in the UK and Ireland is driven by two important factors: Whitbread's development specification for its new-build hotels and the sustainability requirements placed on these new buildings by the planning system.

We use the BREEAM certification system to assess the sustainability performance of new-build Premier Inn and Hub hotels. We do so as BREEAM is independently assessed, deeply embedded in the development industry in the UK and Ireland, and enables comparability between projects.

BREEAM ratings range from Acceptable to Pass, Good, Very Good, Excellent and Outstanding for the most sustainable buildings. During the 2021/22 financial year, we changed the BREEAM rating in Whitbread's development specification from 'Very Good' to 'Excellent', ensuring our pipeline of Premier Inn and Hub hotels

are designed to achieve very high sustainability performance.

This year also saw us push the boundaries of sustainable hotel design. In the City of London, we are bringing forward plans for a net zero operating hotel at Snow Hill, Farringdon. We are also working with the City of London Corporation to design a BREEAM 'Outstanding' hotel development at Moorgate. These new hotels will be operated under the Hub brand.

Germany

We are committed to constructing all our hotels to good environmental standards and have therefore committed to DGNB (German Sustainable Building Council) Silver or above in Germany. These are the standards we build to for our Freehold sites and the standards we require our developers to build to for Leasehold sites.



RESPONSIBLE SOURCING

We purchase goods and resources from all over the world and manage truly global supply chains. From the wood and fabrics used in our room furnishings to the cotton in our linen and the food we serve in our restaurants, it is incredibly important to us to know where our products come from, not only so we can ensure they are sourced sustainably, but also so we know the people producing them are being treated with dignity and receive a fair wage.

We undertake robust due diligence on all our suppliers and we risk assess 100% of our Tier 1 supply chain for human rights risks in addition to running regular audits. However, we know that audits alone are not enough and we strive for 'engagement over audit', working directly with suppliers in sectors of high risk.

100%

of our Tier 1 supply chain are risk assessed



Animal welfare is a key element of our responsible sourcing programme. We work with suppliers who can demonstrate their management of good animal welfare in line with our policies. We work closely with suppliers who are committed to best practice to ensure the right standards are being met. Please refer to our animal welfare section on our website for more detail on our animal welfare policies and progress.

Across the business we are committed to ensuring that all our key animal products are sourced sustainably:

Eggs - We were thrilled to have reached our whole shell egg target (100% cage-free status on all whole shell eggs by the end of 2020) two years early. We are working hard to meet our ingredient egg target by 2025 with 52.6% of our 2021/22 ingredient egg requirement sourced from cage-free hens (for UK sites only).

Fish - We have retained MSC Chain of Custody status and 100% of our whole fish is certified to internationally accredited sustainability standards (MSC for wild caught and BAP, Global GAP or equivalent for farmed).

Meat - 100% of our raw beef range in the UK is produced to a recognised farm assurance scheme in its country of origin, such as Red Tractor. Across our businesses, we are committed to ensuring all our meat suppliers operate in conjunction with the 'Five Freedoms' principle proposed by the Farm Animal Welfare Council (FAWC).

Palm oil - This year, we became RSPO (Roundtable Sustainable Palm Oil) supply chain certified. This means we now have certified processes and systems to maintain the chain of custody of certified palm oil in our organisation. We are the first UK pub or hotel group to have this certification.



RESPONSIBLE SOURCING

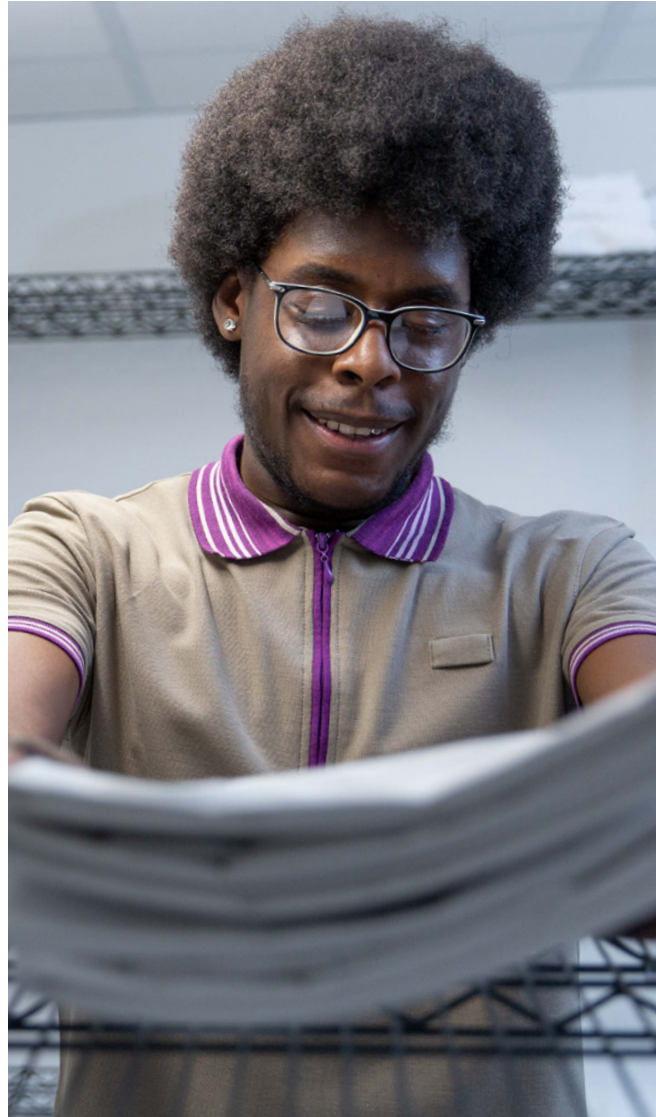
CONTINUED

Working to source Better Cotton

In 2020, we became the first budget hotel chain to sign up to the Better Cotton initiative and, in 2021/22, we have continued to move forward with our ambition to improve the sustainability of cotton within the rented linen industry. We have been collaborating with our laundry suppliers and Better Cotton to increase the amount of cotton we source more sustainably for our hotel linen plus the cotton in our Guest Buys the Bed offering.

In 2021/22, we have focused on working with our laundry linen suppliers to develop new ways of working. With one supplier alone, trialling a new process for sustainable cotton, we sourced 76% of the cotton in our replenished hotel laundry as more sustainable cotton through Better Cotton.

We are at the beginning of this journey. However, we do not shy away from a challenge and are proud to be progressing industry-wide change in this area, working in collaboration with Better Cotton and our suppliers.



AWARD WINNING INDUSTRY ENGAGEMENT

As part of our responsible sourcing programme, we often go beyond due diligence to tackle specific issues which we feel need a more root cause analysis approach. In partnership with our partners Stop the Traffik, who specialise in tackling forced labour, we launched an engagement programme with our construction suppliers. This focused on identifying ways we can work together to identify risks associated with forced labour on construction sites, training and embedding processes for spotting signs, and reporting and remediating any risk identified. We believe that collaborations and partnerships like this are crucial to a fair and transparent supply chain and were proud to win the Best Initiative to Deliver Social Value through Procurement Award at the CIPS (Chartered Institute of Procurement and Supply) Excellence in Procurement Awards in 2022.

ELIMINATING SINGLE-USE PLASTICS

We know how much our guests and our teams care about single-use plastics and want to work for a company that is working hard to reduce the amount it uses. We are committed to doing just this and have set ourselves the target to eliminate unnecessary single-use plastics in our business by 2025.

Since setting this target in 2019, we have taken bold steps forward to meet it, becoming the first hotel group to stop the use of plastic straws and stirrers, and unlike many other hotel operators, we have never used miniature shower products. However, COVID-19 has resulted in an increase in plastic use in our business, not just in the form of PPE but through the return of single-use items

such as condiment sachets (which were required for health and safety reasons). The vast majority of plastics at Whitbread are found in the back of our hotels and restaurants, in our store rooms in food, drink and laundry packaging. We know that eliminating these plastics won't be easy, but we are determined to work with our suppliers to achieve our target.

As we move forward into 2022/23, we will return our focus to our plastics strategy. We have already captured relevant data on volume, type and use of packaging and plastic across our business and supply chain. In the coming months, we will act on this information, reducing what we have front of house as well as collaborating

with our suppliers to remove, reduce or find alternatives to plastic where we can.

We are committed to eliminating all unnecessary single-use plastic by

2025

Identifying unnecessary and single-use plastics

The use of plastics has its place within this world, for example: it protects products from damage and contamination, increases food shelf life, maintains food safety, is resistant to harsh environments and chemicals, and it is lightweight and therefore creates less transport emissions than heavier materials. The challenge that we need to address is the use of plastics that are unnecessary and the associated waste management of plastics.

At Whitbread, we operate an eat-in restaurant provision; therefore, we ensure that all waste left on site is managed responsibly and not littered. We currently divert 99.9% of our waste from landfill (with plans to get this to 100%).

How we define single-use plastics

Plastic packaging that is used instantaneously and cannot be reused (i.e. a one-off application, such as a single-portion milk carton).

We define 'unnecessary' as plastic that is not required for either:

- › food safety purposes, or
- › extended shelf life to avoid issues such as food waste, and
- › where removing or substituting it would not lead to unintended consequences (e.g. increases in food waste or increases in carbon emissions from increased transportation).

REDUCING FOOD WASTE

Reducing food waste

We have committed to reduce food waste by 50% by 2030. This is against our baseline year of 2018. Globally, food wasted is a huge environmental problem, from the wasted energy and resources used to create the food, the wasted packaging and transportation, and the associated emissions from dealing with the food waste at the end of the food chain. We are determined to do our part to make sure that the food we source and procure is needed and that as little food as possible ends up in the bin.

This year, we have continued to develop our dishes, plan portion sizes and work with our suppliers to reduce waste across our supply chain. We have also worked at a site level to ensure that sites have food storage space to plan for capacity, that our chefs are innovative with products to ensure sale of excess stock, reducing our ingredients list, and that stock is rotated to make sure we use the food with the shortest shelf life first.

32.3%

reduction from our 2018 baseline year

We also measure our food waste to make sure we can identify trends and none of our food waste goes to landfill, with food waste instead going to create energy.

Not all food waste is generated on site and we have continued to work with charity partners such as FareShare to make sure that we are minimising food waste from our depots. In 2021/22 we donated more than 620,000 meals to charity and are proud to continue to support families and individuals in need. We will continue with these partnerships and other initiatives to ensure that we meet our 2030 target.

No waste to landfill

We are working hard to ensure that none of our waste goes to landfill as we know that the environmental impact of landfill is a growing issue. We have a target to divert 100% of our operational waste from landfill and work with our supplier to meet this. In FY2021/22 we diverted 99.9% of our waste from landfill, with just 0.01% having to go to landfill due to logistical issues. We will continue to work with our supplier to meet our 100% target in the coming year.



SOCIAL

The Social section brings together the work from our Opportunity and Community pillars. It includes the work we do internally on diversity and inclusion, development, listening and team wellbeing, as well as our commitments to guests, communities and our charity partner

DIVERSITY AND INCLUSION

DEMONSTRATING HOW WE VALUE DIFFERENCE AT WHITBREAD

No matter their reason for visiting, everyone is made to feel welcome, and we wouldn't have it any other way. But this goes far beyond the guests we host, it's at the core of our business.

We believe that embracing difference is not only the right thing, it's the smart thing. Diversity in people creates diversity of thought, and diversity of thought leads to new ways of thinking and doing.

So we aren't just accepting of difference, we value it and we welcome it with open arms.

We believe in no barriers to entry and no limits to ambition, no matter how you identify, and we aim to bring this to life through our commitments to diversity and inclusion (D&I).

1st

Gold Award for Excellence and 1st in sector in the 2022 Stonewall Workplace Equality Index



24

Ranked 24th in the Financial Times Diversity Leaders Index



Our commitments to change



Diversity targets for senior leadership population



Diversity targets for middle management population



Invest in a diverse talent pipeline



Collect data to understand how our teams identify



Equip our teams to be confident and capable in D&I



Active networks that give minority groups a voice



Review our policies and practices



Celebrate key events

Our Diversity and Inclusion Commitments, published in 2020, continue to give us a tangible set of actions that we are committed to delivering – positive actions that we know will make a difference to our teams, our guests and what we stand for, across our business in the UK and Germany.

We're pleased to receive external recognition for the progress we have made and will continue to build on this in 2022. We know we have more work to do, and together we are determined to drive positive change to enable us to be more inclusive and demonstrate that we value difference.

OUR DIVERSITY COMMITMENTS

We have four diversity commitments, including improving the representation of minority groups in our management structures. We want to be as diverse as the guests we serve, at all levels of the organisation, and recognise that whilst we have made good progress, like lots of businesses, we still have more to do.

Driving diversity through our recruitment and talent management practices continues to be important, mitigating bias in our decision making as well as a focus on future talent. Alongside this, continuing to collect identity data that can be used to understand differing experiences, and undertaking pay gap analysis, allows us to understand even more about our teams and how representative we are.

Whilst elements of these targets are different in the UK and Germany, there is a common approach to the diversity commitments across both territories.

We were proud to be recognised in the FTSE Women Leaders 2022 Index in the top 10 for Executive/Direct Reports female representation. At a senior level, we recognise that whilst we have made some positive shifts in representation of females and ethnic minorities, we have more to do.

A key action for FY 23 will be the focus on developing an internal talent pipeline that will help drive greater female and ethnic minority representation at senior levels, through mentoring, sponsorship and development programmes for our high potential talent.

All data accurate as at 28 February 2022

Commitment	Progress in 2021	Looking forward
<p>Target 8% ethnic minority and 40% female representation in our leadership population by the end of 2023 (UK only)</p> <p>In Germany, a target of 50% female representation in leadership by 2023</p>	<p>In our leadership population:</p> <ul style="list-style-type: none"> › 41% female representation › 5% ethnic minority representation › 51% female representation in our German Leadership team 	<p>Further stretching targets (UK specific) have been approved, up to FY 26:</p> <ul style="list-style-type: none"> › 45% female representation › 10% ethnic minority representation
<p>Greater ethnic diversity in our middle management population through stringent recruitment methods that mitigate bias (UK specific)</p>	<ul style="list-style-type: none"> › Implementation of Leadership Hiring Principles for all senior leadership roles, which includes having diverse shortlist › A thorough review of our selection tools at all levels › Training for all Support Centre hiring managers on bias and how to mitigate it 	<p>A functional focus that allows each part of our business to set relevant targets for increasing representation</p>
<p>Invest more in our diverse talent pipeline to ensure our diverse talent can be promoted equitably</p>	<ul style="list-style-type: none"> › Gender and ethnicity data is now part of our standard talent review processes, ensuring bias can be mitigated throughout 	<p>A focus on developing key talent for the future, both at entry level as well as future leadership</p>
<p>Complete ethnicity pay gap reporting and share results with all our teams (UK)</p> <p>Get better identity data and insight to understand individual experiences</p>	<ul style="list-style-type: none"> › Ethnicity pay gap reporting was completed in 2020 and 2021, and shared internally with our teams › Gender pay gap reporting has been completed every year since 2017, click here to view the latest report 	<p>Developing our HR system to capture additional identity fields, including gender identity, sexual orientation and disability</p>

OUR INCLUSION COMMITMENTS

Our four inclusion commitments help create a culture where everyone is able to belong and to be themselves at work, creating an environment where diversity is valued. Over time, we believe this will drive further diversity at all levels, which, in turn will create better outcomes for our teams and guests.

Our four commitments are based on a combination of external best practice and an understanding of what is important at Whitbread.



Equip all our leaders and teams to be fluent around diversity and inclusion, through mandated development

Education is a key component in our Diversity and Inclusion strategy. There are various topics of importance, including increasing the understanding of different lived experiences, as well as fundamental topics such as bias, privilege and allyship. Over the last 12 months, we have supported those in leadership and management roles across the UK and Germany to understand differing experiences, how bias can play a part in decision making and how they can commit to being an ally to under-represented groups.

We have invested in the education of our leaders and teams, and are pleased to work in partnership with INvolve, who have supported us in delivering development to our line managers, leaders, Executive Committee and Board in 2021.

Amplify the voices of all our minorities, through the sponsorship of networks and forums



During the year, we have created new Inclusion networks focusing on Race, Religion & Cultural Heritage, Disability and Gender Equality, to join our established LGBTQ+ network. It is important that our under-represented groups have safe communities they can join to share experiences – either as they are part of the community, or because they want to become a better ally. These groups are self-organised, made up of people throughout the business at all levels, and all have Steering Committees led by an Executive Sponsorship. We are proud that they are also there to drive our business to be more inclusive, providing consultancy and support to business leaders and teams, and working closely with our Diversity and Inclusion Centre of Excellence.

In Germany, we have recently created local Inclusion networks focused on LGBTQ+, Nationality and Disability. Whilst having local networks is important to ensure they are culturally relevant, our Steering Committees work together, sharing best practice and celebrating international events together.

OUR INCLUSION COMMITMENTS

CONTINUED

In addition, we have invested in development for those on our network Steering Committees, through facilitated learning sessions, allowing them to understand the role of the network and how they can participate to drive change.

Listening to our under-represented groups is also a critical part to understanding their experience and amplifying their voice. Our networks led group-wide listening groups in autumn 2021 on topics such as a LGBTQ+ inclusion, family-friendly, flexibility, gender-related health, and race, religion and cultural heritage. These safe, confidential sessions run by peers allowed our teams to share their experiences. The learnings from these contributed to our People Plan priorities for FY 23, ensuring we are listening and acting on areas that make a difference.



Review organisational policies to ensure they are inclusive of minority groups

During the year, we undertook a thorough review of our people policies to identify opportunities to improve. We have launched new policies and guides, including a Guide to Fasting at Ramadan, a Workplace Guide to Menopause and a Gender Identity and Transitioning Policy. In addition, we have reviewed our appearance policy and added additional sections around religious dress and gender identity, and we also reviewed our family-friendly policies to ensure they are inclusive of all gender identities. Our site teams are also now able to have their pronouns on their name badges, should they wish to.



Our guest policies are also an important component. We recently launched a 'Guide to Kindness', which is on display in all our sites in customer and colleague areas. This details our stance on abusive behaviour from guests, including zero tolerance to discrimination of any kind.



OUR INCLUSION COMMITMENTS

CONTINUED

Celebrating key cultural events throughout the year

We have a fantastic cultural calendar that runs throughout the year, allowing our teams to connect with different events of importance. Education is a key theme throughout, with teams sharing their own stories on our internal social channels. Celebrating these events also provides an opportunity for us

to demonstrate greater inclusion, and to launch new policies and guides to support our teams and line managers. Our Inclusion networks have taken a leading role in communicating, celebrating and commemorating these dates with our teams across the business.

Some of the dates we have marked in 2021:

LGBTQ+ History Month

- › We ran communications and engagement from GLOW, our LGBTQ+ network.



International Women's Day

- › We used this day to celebrate gender equality in the workplace through sharing stories, holding panel discussions with our leaders and sharing resources to help individuals grow and develop.

Eid-al-Fitr

- › Celebrations were led by our Race, Religion and Cultural Heritage network. In the month before Eid, we launched a Guide to Supporting our Teams during Ramadan.

German Diversity Day

- › Celebrations were organised across our German sites. This was the first time our German business had celebrated this day.

International Non-Binary Day

- › Our GLOW network shared information for our teams on what non-binary means and how individuals can be a better ally to this community.

Black History Month

- › We hosted two guest speakers – Jenny Garrett OBE and Fumbi Chima, Non-Executive Director. The Race, Religion and Cultural Heritage network led communications throughout the month, educating our teams about Black history and culture.

World Menopause Day

- › Our Gender Equality network launched a Workplace Guide to Menopause, to support and educate our teams.



Transgender Awareness Week

- › Our GLOW network led on communications and education for our leaders and teams, reminding them of our Gender Identity Policy, along with sharing stories from our trans community at Whitbread.

International Day of Persons with Disabilities

- › We took the opportunity to launch our disability network, enAble, and share the upcoming work they will be leading.

OUR INCLUSION NETWORKS

Safe communities for our teams to be part of, who work with the D&I Centre of Excellence to drive change



enAble

Our mission is to be an inclusive hospitality business for people living with hidden and/or visible disabilities, by striving to remove the barriers to access for our teams and guests.

We have four areas of focus – our teams, our guests, our partnerships and our technology



With only 7% of people with a disability in employment, it is our responsibility to create opportunities, and working with our external partners and Premier Inn training facilities, we are able to do this.

I am extremely proud to co-lead our enAble network and inspired by the people we work with and meet almost daily....”

Tracey Bishop
Regional Operations Manager



GLOW

GLOW is our LGBTQ+ network, committed to creating an environment at Whitbread where, regardless of sexual orientation and gender identity, our people can bring their best self to work, through focusing on our working practices. We recognise and welcome people of all sexual orientations and gender identities.

We have a commitment to support, consult, listen and celebrate our LGBTQ+ community



It is important to me to drive meaningful change and represent my community as myself - GLOW has been one of the places I have been able to do that. I am very proud of our many achievements as a group and I look forward to continuing to drive positive change across the business alongside my wonderful GLOW colleagues.”

Stevie Cooke (He/Him)
Data Science Manager



Gender Equality

Our aim is to create an environment at Whitbread where, whatever a person's gender identity, we have consistency in our equality of representation, reward and opportunity. We recognise the individual experiences of all, and welcome women, men and those who are gender diverse.

We have three areas of focus – flexibility, family-friendly, and gender-related health



The network is a fantastic mechanism to hear from all our team members and to use their feedback to influence the business to drive the change which our team members tell us are priorities to them. I feel engaged knowing I work for a business that is committed to ensuring equal treatment for all and being a place where everyone can progress their career at Whitbread, and that I can play a role in making a difference.”

Katie Birchall (she/her)
HR Business Partner



Race, Religion and Cultural Heritage

Our mission is to ensure that everyone at Whitbread, regardless of their race, religion or cultural heritage feels free to be their authentic self. The network is committed to driving impactful change which is purposefully inclusive and support our workforce from diverse backgrounds.

We have four areas of focus – listen, amplify, consult and celebrate



I am challenged to impact what I believe in. Therefore, I am involved to engage with the business to ensure equality and inclusion by creating opportunities for people who would have been side-lined because of the colour of their skin, gender, disability, sexuality or background, which in turn will make an indelible impact in the business.”

Kwame S. Johnson-Gawu
Hotel Manager

OUR EXTERNAL PARTNERSHIPS

Supporting those with disabilities into paid employment

Derwen College and Hereward College



We are proud to work exclusively with two colleges: Derwen College in Oswestry, Shropshire, and Hereward College in Coventry, both of which specialise in working with young people with learning difficulties and disabilities. The colleges provide inspirational learning, development and care, to help the students achieve their aspirations and transform their lives.

The colleges focus on enhancing employability through the teaching of vocational skills and the development of living and social competencies. Both Derwen College and Hereward College offer courses for students who want to specialise in Hospitality and Housekeeping.

Both colleges have fully functioning Premier Inn training facilities for students to gain real experience during their courses. Whilst our activity over the last year was interrupted by the pandemic, we are looking forward to welcoming students again for work experience placements and supported internships in 2022. This is all with the goal of supporting paid employment on the students' graduation from college.



TRAINING AND DEVELOPMENT

3,500+

This year, more than 3,500 team members have completed their expert or cross skilling training

Training

Industry-leading training and development is a part of the culture at Whitbread. Supporting our teams and giving opportunity to our team members is a core part of our Force for Good strategy. It creates a positive team experience and allows us to develop a future pipeline of exceptional talent. We operate a number of programmes across the Company, including our award-winning induction programme, industry-leading training, our range of management development apprenticeships which launched this year and Kickstart.

Given the training to succeed and the opportunity to progress, there are no limits to the ambitions of our team members.

Award-winning induction programme

We value our teams' experience, and we look to ensure that, from the first day, our teams feel welcomed, prepared and excited for their future at Whitbread. We have re-launched our induction programmes in the UK this year, with more than 20,000 new starters who have completed their core training.

Industry-leading training

We have continued to invest in growth and development for all our teams. Knowing how important career development is to current and future teams, we offer a range of training opportunities. 100% of our teams receive training and, this year, each team member had an average of 20 hours of training. This level of training helps to ensure that our teams have the best start to their career and can continue to grow and develop. Our UK operations team have completed over 930,000 online courses giving them the tools to do their job and look after our guests to the best of their ability.

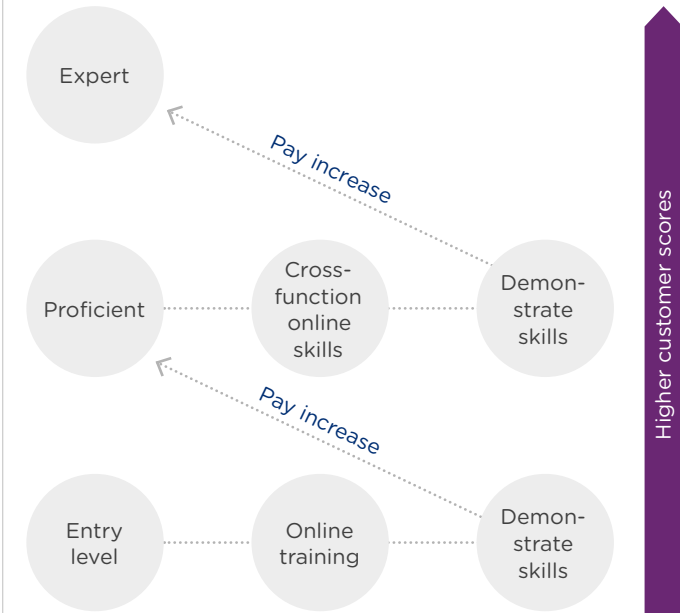
Well-defined career pathways

We operate structured development programmes for our team members to help advance their careers. Each role is clearly mapped with a progression pathway. This inclusive and well-rounded approach promotes transferable skills, with more than 3,500 team members having completed their expert or cross-skill training during the year.

Pay for progression

Our career pathways are also mapped into a clear pay framework, which links pay to the job role and skills proficiency. Financial wellbeing is a key area of importance for our teams, and our pay for progression programme helps to incentivise our teams to continue their training and continue on their development journey. This framework has created a healthy rate of internal progression, with more than two-thirds of all management hires being filled by internal talent. Internal progression has always been a priority within Whitbread as there is a demonstrable advantage in terms of retention and performance when measuring internally developed talent vs externally recruited talent.

Three salary bands for each role



APPRENTICESHIPS

Whitbread is rated the number one apprenticeship provider in the hospitality sector by Rate My Apprenticeships. We are proud to have an apprentice programme available for every operational role in Premier Inn and Restaurants.

This year, 274 of our teams complete their apprenticeships. We also launched our management development apprenticeship, an 18-month Level 4 qualification, which will help support our team members to progress their management careers within Whitbread. Our apprentices play a pivotal part in the future success of Whitbread, with 75% of learners believing they are more likely to be promoted because of the programme.

Over

93%

of learners who achieved their apprenticeship believe it supports their future career goals

274

completed apprenticeships in FY 22



Connor joined Whitbread five years ago as a Kitchen team member and has recently been promoted to a Duty Manager role. Having completed a Level 2 apprenticeship, he is currently progressing through a Level 3 Production Chef apprenticeship, with a view to experiencing different roles and sites in the future.



I have been at Whitbread for just under five years, but before working here I didn't have much prior experience. So far at Whitbread, I have had roles in maintenance, reception and the bar, so I've worked my way around the business and have a good understanding of all areas. My apprenticeship has made me a stronger employee and given me an understanding of the different types of management that are out there and how I approach working with my team. I would love to progress my career with Whitbread and to have the opportunity to go to different sites and to learn more about running a successful hotel."

Kickstart programme

Whilst we have worked hard to fill our vacancies with great new talent over the last year, we have also focused on building our talent pipelines for the future through the Government-funded Kickstart scheme. Offering work placements and training to 16 to 24-year-olds, we have offered around 200 Kickstart opportunities so far, with high levels of retention and engagement from those on programmes. We hope that many will transition into permanent employment with us at the end of their programme.



TEAM MEMBER **WELLBEING**

100%

of our Operations Directors are
Mental Health First Aiders

100%

of our Regional Managers are
Mental Health Champions

Team member wellbeing will be considered in everything we do

Supporting the physical, mental and financial wellbeing of our teams is a key focus. Wellbeing is critical for our teams to feel happy and engaged at work, bringing the best service for our guests while feeling supported and cared for. Safeguarding this approach and enabling an environment that allows our teams to be their best is of paramount importance to us. We do this through regular communication, ensuring we have clear listening channels and providing the right support services to all our teams.

As a company, we have three key areas of focus:



PHYSICAL WELLBEING

This centres around lifestyle and behavioural choices that support our teams to have a balanced and healthy life, both at home and at work. Working in the hospitality business, our operations teams are often in roles that are very physically active and therefore how we care for their physical wellbeing is paramount.



FINANCIAL WELLBEING

We want our team members to have the ability to focus on their financial situations and to support them to feel confident in their decisions, both now and in the future. We also know that financial pressures can be a source of stress for many people. We have partnered with Hospitality Action to provide hardship grants to support our teams when they are in need of additional financial support.



MENTAL HEALTH

We want to help our teams maintain balanced and productive mental health and support their emotional wellbeing. As a company, we have increased our number of mental health first aiders over the last 12 months. Our Wellbeing Hub has a variety of information for the UK and Germany teams, which they can use themselves as well as for their teams or family.

TEAM MEMBER WELLBEING CONTINUED

This year, we stepped up activities to support our teams through the turbulent and challenging times of the pandemic as well as the increasing demands placed on the hospitality sector overall.

Financial wellbeing

To support the financial wellbeing of our teams, we have invested in reward and recognition for our front-line teams throughout the year.

- › We increased the pay for all our teams by 2% in April 2021.
- › In May 2021, we rewarded all Whitbread employees across the UK and Germany with a special recognition payment to say thank you for their support and service in the height of the pandemic.
- › We are also proud to have awarded more than 29,000 team members with a summer bonus (an extra week's pay) in recognition of their hard work during a challenging summer.
- › We then followed this in the autumn by increasing all hourly pay rates by a minimum of 5%.
- › In Germany, we implemented tariff increases in two federal states with an average of a 7% pay increase to our teams.

- › We have invested £150,000 in hardship grant funding to be available to our UK-based teams, available for our team members through our partner, Hospitality Action.

Mental wellbeing

Enabling and supporting the mental wellbeing of our teams has been crucial throughout the pandemic and as we recover from it. Over the last year, we have:

- › Invested in more mental health training, taking our total to 54 mental health first aiders and 86 trained mental health champions.

- › We have delivered training to our teams and line managers about positive wellbeing.
- › 'Wellbeing Wednesday' remains a pivotal point of our communications as a monthly content page, creating an environment that supports team members to discuss and share their experiences in a safe environment.
- › We have also promoted the excellent support our teams can get from Hospitality Action, and our Employee Assistance Programme, including wider exposure of the Management Hotline to assist line managers.



LISTENING TO OUR **TEAMS**

It's our intention to ensure that everyone within Whitbread feels listened to.

Whether it's through taking part in a survey, a listening group, the employee forum, which we call Our Voice, or through regular conversations with their line manager we make sure we take every opportunity to listen. We know that we can learn a huge amount from each other and setting up channels to ensure teams can support business decisions is crucial.

85%

of our UK Support Centre Teams say they are proud to work for Whitbread*

*November 21 Pulse Survey

Our Voice

We are committed to giving our teams a voice to help shape our culture and priorities.

Our Voice (a name chosen by our workforce) was set up in 2018 to ensure that the views of our team members are considered in decision making. The forum facilitates conversations between our team members and senior leaders including Alison Brittain - CEO, Simon Ewins - Managing Director UK Hotels & Restaurants, Nigel Jones - Group Operations Director and Rachel Howarth - Chief People Officer. The programme is made up of elected representatives from across our hotels, restaurants and support centre, and creates an environment for open conversation where our teams can share their first-hand experiences and help to shape business decisions. Our teams are passionate about making a positive difference and we will continue to work with them to harness their commitment and enthusiasm.

Pulse surveys

Regular pulse surveys enable everyone to share their view on what it's like to work at Whitbread. The feedback from our teams across the business helps us to shape and prioritise our strategic people plans, increasing engagement and reducing team turnover.

More than 18,000 managers and team members in Operations took part in our most recent pulse survey:

88% said that in their team, everyone was treated fairly regardless of background

92% said that it was important that Whitbread is a Force for Good

85% said that they had received the training they need to do their job well

Listening groups

Additional listening groups create a deeper dive into the key issues identified by our pulse surveys. They have enabled us to build a greater understanding of some the issues our teams have faced, particularly during the difficult last two years.

LOOKING AFTER OUR GUESTS

We aim to support the wellbeing of our guests, ensuring that every stay is a positive experience. We also strive to make a positive contribution to the communities that we are part of and in fundraising for our charity partner.

Whitbread are also members of the

- › The British Nutrition Foundation
- › The Institute of Grocery Distribution
- › The Industry Nutrition Strategy Group.

Guests and customer wellbeing

We have a long-standing commitment to support the UK Government's efforts to tackle obesity. Since 2012, we have been working in partnership with the Government, suppliers and industry partners on nutrient reduction programmes.

We regularly review children's dishes to ensure that salt, added sugar, saturated fat and total fat levels are kept to a minimum, while ensuring that we still maintain taste and appeal for children. We support the five-a-day message in offering fruit and vegetables in starters, main courses and desserts.

Brewers Fayre and Beefeater have been externally recognised by the Soil Association in their Out to Lunch surveys over the last five years, coming in the top 10 restaurant chains to offer family-friendly, nutritious and sustainable children's menus. Brewers Fayre continues to be a signatory on the Peas Please Pledge, offering two portions of vegetables with every child's main meal. We will be reporting back on our progress to The Food Foundation in summer 2022.

This year, we have reduced the sugar in our Beefeater and Brewers Fayre puddings by 5.8% and 11% respectively against a 2015 baseline as part of the Office for Health Improvement and Disparities' (OHID) target to reduce sugar by 20%. In 2019 we had exceeded this target with a 31.2% and 33.9% reduction, but we changed this to per 100g to align with OHID reporting requirement. We remain committed to reducing sugar in our dishes and will work towards targets set by the next stage of the OHID's sugar reduction programme.

We want our guests to be able to make informed choices about the food and drink they order. So, in addition to calorie labelling being available on our websites and in restaurants, we will ensure that calorie labelling for all our dishes is available at all customer points of choice, including delivery platforms and apps, in line with Government guidance.

Growing our plant-based offering

Brewers Fayre and Beefeater launched a Meat-Free campaign in January 2022, for Veganuary, signposting our extensive meat-free and plant-based offering across all our brands and platforms. For some brands, we saw a 10% increase in meat-free dishes sold in this period.

We know that plant-based food is a fast-growing segment and our Chefs are working hard to ensure that our guests always have a range of vegetarian and vegan choices on our breakfast, lunch and dinner menus. We added over a dozen new options this year, bringing our total number of vegetarian and vegan dishes to more than 80.



COMMUNITY IMPACT

For every site that we open, we take care to ensure that the impact on the local community is positive for all stakeholders - our team members, guests, customers and local community members.

With each new site opening, we provide three hours of each team member's time to donate to a local charity or community project in the area. From beach cleans and building bee hotels to volunteering in food banks, there are a range of ways that we can get involved.

We are also keen to ensure that we bring economic development and jobs to the areas where we build new hotels. We measure the number of jobs which we create with each new site opening, working closely with local councils, job centres and employment groups. This year we were delighted to welcome 784 new team members into the Company through new site openings, and we will continue to run this outreach and measure and monitor the impact that we have on the local economy.

WHITBREAD WOW



We want to make our guests' stay with us special, and to let them know that we care. Whitbread WOW is a scheme which offers site teams the resources to create or buy gifts, decorate rooms or go the extra mile to make our guests stay a little bit more WOW!

When we understand the reasons behind a guest's stay, we love to try and celebrate this with them. Past WOW's have included good luck banners for a marathon runner, pirate-themed treasure hunts, or celebratory in-room gifts for a special anniversary. We create thousands of WOW moments for our guests every year and we hope it makes their stay that little bit more memorable.



POSITIVE COMMUNITY CONTRIBUTIONS



EXTENDING OUR PARTNERSHIP WITH PROJECT ART WORKS

In 2018, we started working with a Sussex-based arts charity, Project Art Works, to bring previously unshared stories to local communities. The initiative saw eight pieces of unseen artwork, created by eight young adults, all with complex needs, adorn the walls of select Premier Inn hotel lobbies, turning them into a gallery space.

As well as building awareness among guests, we also ran workshops for our team members to learn about the work that Project Art Works does in the community and the challenges facing individuals who are neurodiverse.

This partnership began life as a loan scheme with the eight pieces of artwork loaned to Premier Inn sites in the local Hastings area, and also in our corporate head offices in

Holborn and Dunstable, for 12 months. However, the team at Premier Inn was so inspired by the collaboration, and by the artwork, that we have agreed to extend this partnership and to take the art nationwide.

Working directly with the charity and the artists over the last 18 months, we have commissioned pieces to display across our sites, with an agreement to reproduce work from four artists to hang across our 2,000 Premier Plus rooms. We will continue to roll this out in the next year, extending the scope to incorporate a wider number of artists and artwork. In the coming year, we will also roll this out across our German sites.

We are proud to have supported such an exciting project, and to work with Project Art Work. It is on a mission to change lives through art by exploring each artist's potential, revealing their abilities rather than their disabilities, while supporting their families, who can struggle getting adequate support. Not only this, but in each Premier Plus bedroom, guests can find a specially selected piece of artwork, created by Project Art Works artists. We want to provide a national platform for these artists to tell their stories and, in doing so, ignite conversations between guests and team members on inclusivity, whilst also providing a modern and engaging aesthetic in our rooms.

Supporting Ukraine

At the end of 2022, we saw the humanitarian crisis unfolding in Ukraine. We have considered how we can best provide support which is so needed. In March 2022, we committed to diverting all funds raised for three months to the Disaster Emergency Committee (DEC) in support of its Ukraine appeal, underwriting a minimum of £500,000. We are also working with other charities to donate bedding to those in need. We will continue to assess the ways in which we can provide support throughout the coming year.



SUPPORTING OUR CHARITY PARTNER



RENEWING OUR PARTNERSHIP WITH GREAT ORMOND STREET HOSPITAL CHILDREN'S CHARITY (GOSH)

During the year, we reached our £20m fundraising target with GOSH Children's Charity. Reaching this fantastic milestone has only been made possible by the dedicated fundraising of our teams and our suppliers, and the generosity of our guests.

Part of this money has been used to open the UK's first dedicated medical facility for children with sight and hearing loss. In July 2021, the doors of the Sight and Sound Centre, supported by Premier Inn, opened for the first time. The new facility will aid more than 8,000 children a year and is specially designed for the unique sensory needs of children with sight and hearing loss, and replaces the outdated facilities in one of the hospital's oldest buildings.

This is an amazing achievement, particularly given the £1.7m that was raised this year despite COVID-19.

At the end of 2021, we also took the opportunity to review our charity partnership and asked the business to engage in a pitch process to identify who we wanted to partner with going forward. It was important to us to ensure that our team members were fundraising for a charity of their choice. We were pleased to see GOSH Children's Charity win this company wide pitch process and we look forward to continuing our fundraising for such an important cause and also to celebrating our 10 year anniversary with them later in the summer.

Celebrating our new charity partner in Germany

We also want to support a charity at a national level in Germany, as our estate there grows, harnessing the passion of our teams and guests to support charitable causes. In October 2021, we started working with CHILDREN, a German charity fighting child poverty in Germany.

Since the partnership began, the teams have raised €25,000, through a combination of employee donations and the Housekeeping Initiative; if a guest chooses to forgo their daily visit from Housekeeping, an automatic donation goes to the charity.

CHILDREN supports an operational network of 70 sites all over the country. The local sites are partly financed by local authorities and the contribution received from CHILDREN enables the creation of additional programmes and further support. The programmes focus on developing new skills and practical experiences to unlock the potential of the participating children and teenagers. The organisation also funds a nutrition programme where children receive a daily healthy meal at their local site. We look forward to continuing to work with CHILDREN and expanding our volunteering and activities to support this important cause.

GOVERNANCE

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

CORPORATE GOVERNANCE

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

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

In this context, Whitbread approaches governance with a view to enhancing long-term shareholder value. Creating this value is facilitated by embedding our sustainability strategy across everything we do. Our sustainability strategy focuses on the positive impact we have on our team members, communities and the environment. ESG plays a key role in every decision we make.



THE BOARD

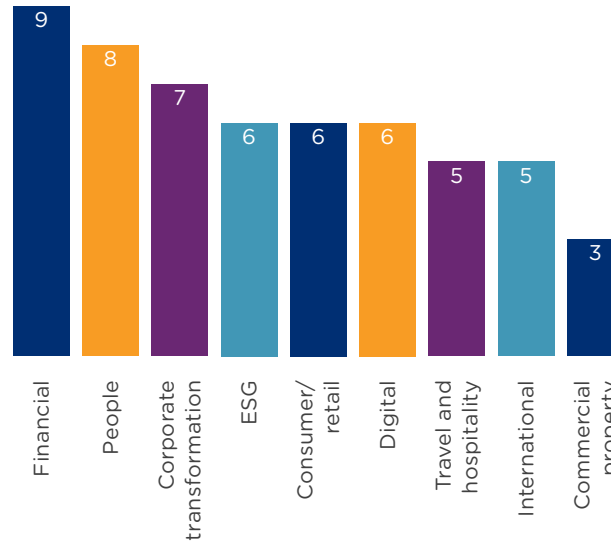
There are 10 members of the Board, including the Chairman and Chief Executive. The Board is responsible for the long-term success of the Company and ensures that there are effective controls in place which enable risk to be assessed and managed. Board members have responsibility for strategy, performance, risk and people.

The Board's primary objective is to ensure the long-term success of the Group. Key to this objective is the creation and maintenance of a strong governance structure in order to support the long-term success of the business and generate lasting value for all our stakeholders.

We are committed to ensuring the Company's actions are in keeping with our culture, values and strategic goals. This is achieved by understanding the critical role that strong corporate governance plays.

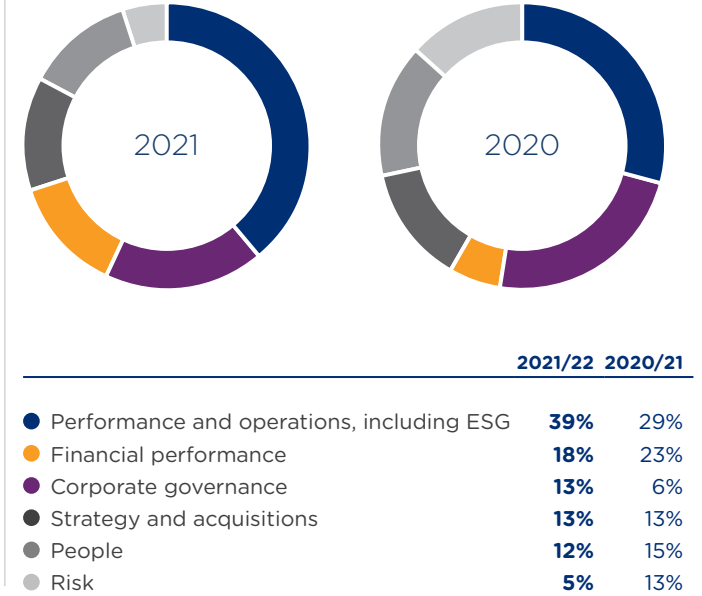
Board experience

The Board comprises Directors with a broad range of skills and experience. The chart below provides an overview of the experience around the Board table.



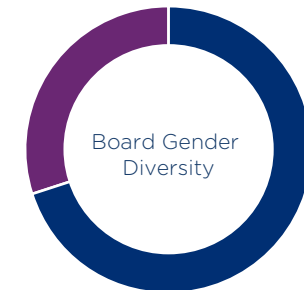
Board focus areas

The charts below show the proportion of the Board's time spent in each area.



Gender diversity

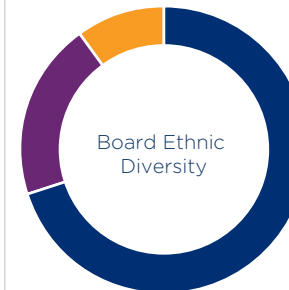
The chart below shows the gender split of the Board.



	2021/22	
Men	7	70%
Women	3	30%

Ethnic diversity

The chart below shows the ethnic diversity of the Board.



	2021/22	
White	7	70%
Asian	2	20%
Black	1	10%

OUR ESG GOVERNANCE FRAMEWORK

ESG embedded into annual incentive schemes at Executive Committee and CEO level.

External partners for issue-specific support (for example, Stop the Traffik, commodity/issue-specific specialist NGOs)

REGULAR BOARD OVERSIGHT

COVERED IN EIGHT MEETINGS PER ANNUM AND UPDATED TWICE A YEAR

EXECUTIVE COMMITTEE SPONSORSHIP SUPPORTED BY AN EXPERIENCED TEAM

› HEAD OF SUSTAINABILITY › HEAD OF DIVERSITY AND INCLUSION

INTERNAL SPECIALIST COMMITTEES AND STEERING GROUPS

PROCUREMENT, FOOD SAFETY AND INTEGRITY STEERING BOARD, SUSTAINABLE FINANCE STEERING COMMITTEE, TCFD WORKING GROUP, ETC.

ROBUST POLICIES AND PROCESSES

SUPPLIERS, GUESTS AND TEAMS

OPPORTUNITY

COMMUNITY

RESPONSIBILITY

DELIVERED BY

HR
OPERATIONS
COMMUNICATIONS
ALL MANAGERS

OPERATIONS
HR
FOOD AND BEVERAGE
NEW OPENINGS

SUSTAINABILITY
PROCUREMENT
CONSTRUCTION
OPERATIONS

CLEAR TARGETS, KPIS AND REGULAR REPORTING

FORCE FOR
GOOD

EMBEDDED IN OUR BUSINESS

DOING BUSINESS THE RIGHT WAY

Our Values



GENUINE



CONFIDENT



COMMITTED

At Whitbread, we know that while culture must and should be set at the top, it is the front-line workers who create and live our culture everyday. Being in the hospitality industry, over 34,000 of our team members are the face of Whitbread. They bring our hotels and restaurants to life, supported every day by their colleagues in the support centre. Our culture is very much about hospitality, based around cooperation and collaboration, rooted in driving excellent performance, and serving and delighting our guests.

The Whitbread Code of Conduct

The Whitbread Code of Conduct, setting out required levels of ethics and behaviour, is communicated to employees and training is provided. An externally hosted whistleblowing system is also available. The Code of Conduct makes reference to specific policies and procedures which have to be followed. Our teams are required to undertake tailored training on risk areas including information security, data protection, anti-bribery and anti-trust law.



Anti-corruption and anti-bribery

Whitbread is strongly opposed to any form of corruption and bribery. We recognise that it impacts societies in many negative ways. Our reputation is built on trust: the trust of our customers, our people, our partners and suppliers, our investors and the communities we serve. Our anti-corruption and anti-bribery policies apply our strict standards worldwide and are reinforced through training and our day-to-day conduct. We encourage anyone who has a concern to speak out and have facilitated this further through our Speaking Out helplines, enabling reporting of concerns on a named or anonymous basis.



RISKS AND UNCERTAINTIES

We know that we live in uncertain times. From social economic factors or conflict in other parts of the world, to changing regulatory requirements, or the cost of living, there are numerous risks that can impact our business. We work hard to understand and prepare for risks and have a clear risk management framework in place.



RISKS AND UNCERTAINTIES

CONTINUED

Our approach to emerging climate-related risks is no exception and we must be prepared for the weather changes, supply chain disruption and consumer trends that climate change will ultimately bring. To help prepare us for these, this year, we published our first full report against the recommendations of the Taskforce for Climate-related Financial Disclosure (TCFD).



The full TCFD report outlines the process we undertook to identify the principal climate-related issues which have affected and will potentially affect our businesses, strategy and financial planning. This included a detailed assessment of activity and climate-related risk and opportunity in the following areas:

- › Products and services
- › Supply chain
- › Adaptation and mitigating activities
- › Operations
- › Acquisitions or divestments
- › Access to capital

This process identified a number of risks and opportunities that are categorised by the following three risk types:

Transition risk

- › Policy, regulatory and legal changes
- › Technology shifts
- › Changing market demand

Physical risk

- › Acute: event-driven, e.g. extreme weather, flood risks
- › Chronic: longer-term shifts in climate patterns, e.g. sustained higher temperatures

Connected risk

- › Second order risks arising from transition or physical risk impacts, e.g. recessionary pressures

We then undertook climate scenario analysis aligned to the Network for Greening the Financial System (NGFS), a consortium of central banks that have developed climate scenario analysis tools. We analysed our key risks using three

NGFS reference scenarios: Orderly Transition (1.5-2 degree pathway), Disorderly Transition (1.5-3 degree pathway) and Hot House World (3-5 degree pathway), with existing and planned mitigating activity reviewed.

Working with key stakeholders across the organisation, we identified a number of key risks and opportunities related to climate change over a short-, medium- and long-term horizon. These are outlined in the table. Each risk and opportunity was assessed and analysed against three climate scenarios, and existing and planned mitigating activities were reviewed. Modelling was undertaken, where feasible, with the aim of understanding the quantification of each of the risks and the opportunities in our business. This process demonstrated no material concern in the short (0-2 years) or medium (2-5 years) term. In part, this is due to the strong mitigating activity already in place to manage our risks, and the further alleviation provided when the relating opportunities were taken into consideration.

Our aim is to develop this disclosure year on year as we build on the granularity of our data and processes in line with the TCFD, and continue to make sure that we are aware of, and prepared for, the impacts of climate change.

You can read the full report at www.whitbread.com/governance/reports-policies.

EMBEDDING SUSTAINABILITY IN OUR FINANCES

Green Bond

Last year, we issued a £550m Use of Proceeds Green Bond, an endorsement of our sustainability strategy and enabling us to demonstrate further how embedded our ESG programmes are within our core commercial functions. **Our Green Bond Framework** outlines the full suite of eligible projects we are able to allocate the funds to, which are aligned to the ICMA's Categories for Use of Proceeds Green Bonds.

This year, we have focused on allocation and impact measurement of the proceeds for the look-back period (36 months prior to issuance) and the first financial year post issuance. In total, we have allocated £404m of the Green Bonds across the following projects:

GREEN CONSTRUCTION:

£199m

- › Hotels and restaurants built to BREEAM Very Good and above, LEED Platinum or above, EPC B or above, or DGNB Silver or above
- › Leading to 45 sites being built to high environmental standards as above

GREEN OPERATION:

£174m

- › Renewable energy and pollution prevention and control
- › Leading to 311,000 tonnes CO₂ emissions being avoided

SUSTAINABLE PROCUREMENT:

£31m

- › Procurement of sustainable timber and sustainable fish to standards that protect aquatic biodiversity
- › Leading to 100% of all allocated consumables and fish being sourced to internationally recognised sustainability standards

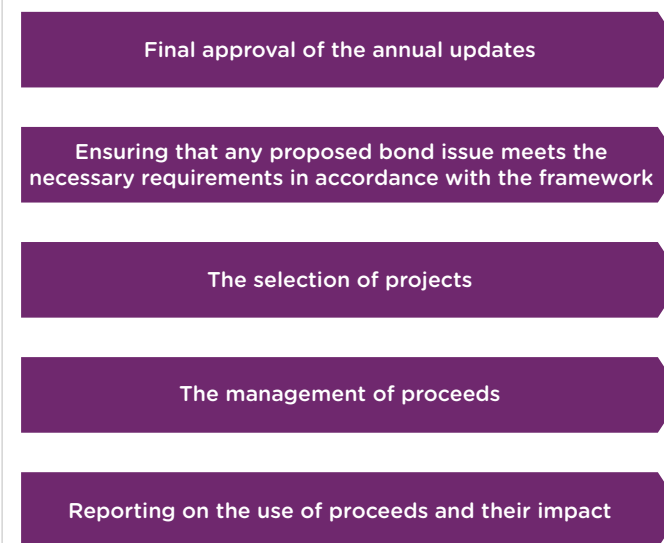
The management of proceeds and allocation across eligible projects is governed by our Sustainable Finance Steering Committee (SFSC) and allocation is independently assured to ISAE 3000 standard.

Our full allocation report can be found here

The SFSC is chaired by the Group Finance Director and administered by the Head of Sustainability. Members of this Committee include the General Counsel, the Group Commercial Director and Managing Director, Premier Inn and Restaurants, and the Group Operations Director.

The Committee is supported by the members of the sustainability team, the finance team, the property and construction team, and the procurement team, as appropriate, and meets twice a year as a minimum.

The SFSC is responsible for:



The SFSC will now allocate the remaining £146m of the Green Bond to eligible projects within the Framework.

LOOKING TO THE FUTURE

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

Introduction

Our approach

Environment

Social

Governance

Appendix

Whitbread ESG Report 2022 49

LOOKING TO THE FUTURE

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

As anticipated, carbon and energy reduction were identified as key issues. We have strong targets in these areas and have focused on Scope 1 and 2 carbon reduction over the last year, and next year we look forward to building on this and driving forward our reduction programmes. We will also focus on Scope 3 and will start working with our suppliers to reduce emissions in our supply chain.

Communication and engagement of our ESG strategy is also an area we will be focusing on over the next year. We know our stakeholders care about our ESG performance and we believe our strong track record here could be a USP for our brands, so we will be focusing on harnessing this opportunity.

Key areas of focus:

1 NET ZERO CARBON BY 2040

(80% by 2030)

Current position:

- › We only buy renewable electricity in our UK owned and operated sites
- › We build our hotels and restaurants to high environmental standards
- › We continue to roll out energy efficiency programmes across our estate

Priorities for this year:

- › Trial net zero hotel to test new energy efficient technologies including electric alternatives, moving away from gas
- › Progress our SBTi commitment to full accreditation
- › Define a clear glidepath and embed activity across functions to deliver interim target

2 SCOPE 3 CARBON REDUCTION 50%

by 2035, 64% by 2050

Current position:

- › Over 540,000 tonnes CO₂ in our supply chain (majority 43% in food and beverage goods and services)
- › Target has been communicated to suppliers

Priorities for this year:

- › Categorise suppliers into priority groups and engage with a targeted strategy. We recognise this will require a nuanced approach, including data management, and providing support in reducing emissions and, in some cases, product innovation
- › Review strategic carbon reduction, collaborating where required

3 DIVERSITY TARGETS FOR 2023 AND 2026 40%

female representation and 8% ethnic diversity in leadership population by 2023; 45% female representation and 10% ethnic diversity in leadership population by 2026

Current position:

- › At the end of this financial year, 41% of our leadership population are female and 5% identify as an ethnic minority
- › Our detailed D&I commitments on pages 25-26 detail the ways in which we will continue to drive progress in this important area, demonstrating no barriers to entry and no limits to ambition

Priorities for this year:

- › Driving our eight D&I commitments, continuing to focus on creating an inclusive environment for our teams and guests, alongside driving representation of underrepresented groups through positive action
- › In particular, this year, we will be focusing on developing a pipeline of diverse talent, through enhanced development, for all high potential talent at mid-senior level

LOOKING TO THE FUTURE

Key areas of focus continued

4 ENGAGEMENT AND COMMUNICATION

AMPLIFY

Current position:

We currently have a mature suite of reports for our Force for Good programme including: ESG report, ARA, CDP and CSA (formerly DJSI), supported by a strong internal communications strategy.

We undertake ad hoc external communications based on relevant announcements but we believe we have an opportunity to build external awareness of our Force for Good programme and develop this as a USP for our brands.

Priorities:

- › We want to make Force for Good front and centre with guests, customers, team members and our industry partners. This will involve integrating the programme with core brand marketing such as our Rest East campaign
- › We will be holding an ESG-focused Capital Markets Day to engage with investors on key issues

We are already addressing many of the issues that came through in our materiality assessment, through mature programmes of work (for example, responsible sourcing and carbon reduction). We have stretching targets and programmes in place for other issues that we need to accelerate (for example, plastics reduction and food waste) and others are on our radar, but we also need to develop a clear plan and ramp up our focus, for example, on the biodiversity of the land that we use to build our sites.

This year, we will be aiming to address this by continuing to drive forward the good work embedded across the organisation to deliver against our key targets, and spending time understanding what our response should be to those issues which are slightly less advanced.



We will also continue to build on our Taskforce for Climate-related Financial Disclosure reporting, working to understand more fully the risks and opportunities that climate change brings to the business.

Our people are at the heart of what we do, delivering great service for our guests in hotel and restaurant sites across our territories. Continuing to focus on the opportunities we provide our teams, enabled by our People plan, is incredibly important to Whitbread. We will continue to do this through creating a diverse and inclusive environment (driven by our D&I commitments), listening to our teams through surveys and Our Voice representatives, focusing on our physical, mental and financial wellbeing, and continuing to provide industry-leading training and development. This will ensure we continue to have a culture at Whitbread where there are no barriers to entry and no limits to ambition, for all our teams.

Although we have had much success this year, we know that we have lots of work to do, and a responsibility to drive ourselves to meet our targets and to ensure that every team member and supplier knows what an important part they have to play. We look forward to taking on these challenges next year and to reporting back on our progress in 2023.

APPENDIX

Related reports and policies	53
SASB Index	54
Mandatory Greenhouse Gas Reporting	55

RELATED REPORTS AND POLICIES

➤ [Assurance Statement](#)

➤ [Taskforce for Climate Related Financial Disclosure Report](#)

➤ [Green Bond Allocation Report](#)

➤ [Modern Slavery Act Statement](#)

We report against the below external frameworks

The Carbon Disclosure Project (CDP):

Climate Change 2021 - B

Water Security 2021 - B

Corporate Sustainability Assessment (CSA)

ESG Score - 60

Sustainability Accounting Standards Board (SASB)

Please see page 54 for our SASB response

SASB INDEX

Whitbread SASB report: 2021

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

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

The Group has not currently reported against all metrics within this standard and will aim to expand its reporting in the next 12 months, where relevant. Our 2021 report covers our UK operations only unless specified at the end of the table, and we are working to gather data for our all our markets for future reporting.

SASB code	Accounting metric	Response/report location		Additional references/comments
		2020	2021	
SV-HL-130a.1	Total energy consumed (GJ)	1,660,299	2,332,810	CDP Climate Change submission 2021 and 2022
	Percentage grid electricity	98.04%	98.70%	CDP Climate Change submission 2021 and 2022
	Percentage renewable electricity	98.78%	97.75%	CDP Climate Change submission 2021 and 2022
SV-HL-140a.1	Total water^ withdrawn (thousands of m ³)	3,236	4,949	CDP Climate Change submission 2021 and 2022
	Total water^ consumed (thousands of m ³)	87	Data available in Q3 2022	CDP Climate Change submission 2021 and 2022
	Percentage of each in regions with High or Extremely High Baseline Water Stress	39.2% ¹	Data available in Q3 2022	CDP Climate Change submission 2021 and 2022
SV-HL-160a.2	Description of environmental management policies and practices to preserve ecosystem services	Premier Inn Environmental Policy Statement Whitbread Restaurants Environmental Policy Statement		www.whitbread.co.uk/governance/reports-policies
SV-HL-310a.1	Voluntary turnover rate for lodging facility employees	20.3%	44.0%	
	Involuntary turnover rate for lodging facility employees	10.3%	3% ²	
SV-HL-310a.3	Percentage of lodging facility employees earning minimum wage	The impact of the Government job retention scheme means like-for-like comparisons of national living wage data is not available for this year	0% are on minimum wage All of our lodging facility staff earn more than minimum wage	
SV-HL-310a.4	Description of policies and programme to prevent worker harassment	There are many policies in place to prevent worker harassment. These policies are wide-ranging and cover everything from explaining what bullying, harassment and victimisation are, and their impact, to what is expected and the potential interventions. Whitbread has the following policies in place: Anti-Bribery Policy - Code of Conduct - Gifts and Hospitality Policy - Workplace Adjustments Policy & guidance - Diversity and Inclusion Policy & guidance - Health and Safety Policy - Human Trafficking Positioning Statement - Speaking Out Policy - Modern Slavery Statement - Human Rights Policy - Transgender and Gender Identity Policy - Personal Relationships at Work Policy - Employing Offenders or Ex-Offenders Policy		www.whitbread.co.uk/governance/reports-policies
SV-HL-000.C	Total area of lodging facilities (m ²)	2,585,810	2,740,741	

¹Refers to % of sites in regions with High or Extremely High Baseline Water Stress

²We have removed 'end of contract' from our 2021 'involuntary turnover figures'

While the table above covers our UK estate, which is our most material impact, some metrics also include our German business: **Responses covering all markets (UK and Germany) 2021** SV-HL-130a.1/SV-HL-140a.1 (Total water withdrawn)/SV-HL-000.C/SV-HL-310a.3/**2020** SV-HL-130a.1 (Total energy consumed)/SV-HL-000.C

MANDATORY GREENHOUSE GAS REPORTING

In order to comply with the requirements of the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, we have amended our environmental reporting accordingly.

We have considered the six main greenhouse gases (GHGs) and report in CO₂e for our Scope 1 (direct) and Scope 2 (indirect) CO₂ emissions. We have used the GHG Protocol Corporate Accounting and Reporting Standard methodology to calculate our emissions as well as DEFRA and International Energy Standards GHG Conversion Factors for Company Reporting.

Scope 1 includes emissions from the fuels we use in our hotels, restaurants and offices such as natural gas and liquid petroleum gas. It also includes CO₂e from business-owned vehicles, which includes company cars and food logistics vehicles, as we own the lease arrangements. CO₂e from company cars is calculated using the manufacturers stated performance multiplied by an uplift stated in the DEFRA standards methodology paper.

Scope 2 relates to the indirect emissions associated with the generation of the electricity consumed in our sites including district heating. When defining the scope of our data, we do not report on operations under Joint Venture agreements, on operations that are fully franchised, where we do not have operational control, such as Premier Inn (UAE). For reasons of materiality, small, one-man offices in Australasia and the Far East have been excluded. All other sites throughout the world are included.

Where possible, we have reported billed or AMR (Automated Meter Reading) data. For those operations which are currently beyond our reporting capabilities, we have used an estimation model based on historic budgeted or billed usage.

In 2020/21, we continued our strong track record on the energy efficiency of our estate, with a focus around utilising our remote BMS control to allow us to achieve reductions without the need to visit sites. Through this control, we reduced the runtime of assets in unoccupied sites, saving energy whilst also extending the lifecycle of the assets. In addition, we utilised our energy management software throughout the year, during both trading and non-trading periods, to monitor and target sites to optimise energy consumption. We continued to trial new technologies, for example, we installed smart controllers to improve the efficiency of

our space heating and cooling, and air source heat pumps for efficient hot-water generation to reduce carbon.

In 2021/22, we were again impacted by lockdowns due to COVID-19 across our estates, with a national lockdown closing sites from March 2021 and a staggered re-opening with the majority of properties open by May 2021. We saw further closures over the Christmas period in 2021. Throughout 2021/22, we continued to implement the energy efficiency measures from the previous year as outlined above (BMS control and the use of energy management software).

In 2021/22, where possible, we have again worked to implement new technologies. For example, we have continued the replacement of grills to a more energy efficient version, this year installing 150 new grills across 103 sites, bringing the total of new grills to 520 since we started this project in 2018. This project has seen an overall 50% gas reduction in our chargrills. We also worked with an external partner to add an energy saving additive to 502 boilers across 400 of our restaurant sites. Year-on-year savings on some sites have already shown an up to 10% reduction on gas use over winter. We also utilised refurbishment projects to reduce energy consumption, for example, through upgrading lighting to LEDs.

MANDATORY GREENHOUSE GAS REPORTING

CONTINUED

Source of emissions	Scope	2021/22			2020/21			Total % change
		UK	Rest of the world	Total	UK	Rest of the world	Total	
Gas (tonnes CO ₂ e)	Scope 1	46,770	2,155	48,925	35,954	590	36,544	33.9%
LPG (tonnes CO ₂ e)	Scope 1	2,221	0	2,221	2,594	0	2,594	-14.4%
Fuel oil (tonnes CO ₂ e)	Scope 1	0	0	0	0	0	0	0.0%
F-gas (tonnes CO ₂ e)	Scope 1	7,098	0	7,098	3,921	0	3,921	81.0%
Fleet mileage (tonnes CO ₂ e)	Scope 1	5,338	133	5,471	3,110	85	3,195	71.2%
Electricity, district heating and EV charging (location based) (tonnes CO ₂ e)	Scope 2	67,143	6,525	73,669	51,509	3,483	54,992	34.0%
Electricity, district heating and EV charging (market based) (tonnes CO ₂ e)	Scope 2	2,777	3,238	6,014	2,711	2,114	4,825	24.7%
Gross emissions (location based)	-	128,570	8,814	137,384	97,088	4,157	101,245	35.7%
Gross emissions (market based)	-	64,203	5,526	69,730	48,290	2,789	51,079	36.5%
Floor area (m ₂)	-	2,616,379	124,362	2,740,741	2,516,989	68,821	2,585,810	6.0%
Tonnes carbon per m ₂ floor area (location based)	-	-	-	0.0501	-	-	0.0392	28.0%
Tonnes carbon per m ₂ floor area (market based)	-	-	-	0.0254	-	-	0.0198	28.5%
Gas (kWh)	-		11,766,080	267,115,560		3,205,701	198,747,710	34.4%
LPG (kWh)	-	9,645,034	0	9,645,034	11,263,465	0	11,263,465	-14.4%
Fuel oil (kWh)	-	0	0	0	0	0	0	
Fleet mileage (kWh)	-	21,732,565	461,275	22,193,840	12,237,601	333,754	12,571,355	76.5%
Electricity, district heating and EV charging (kWh)	-		28,462,624	344,683,455		13,272,101	234,205,061	47.2%
Self-generated electricity via solar PV (kWh)	-	4,365,016		4,365,016	4,406,461	0	4,406,461	-0.9%
Total (kWh)	-		40,689,979	648,002,905		16,811,556	461,194,052	40.5%

MAKING
A POSITIVE
DIFFERENCE

**ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT 2021/22**

Whitbread Court
Houghton Hall Business Park
Porz Avenue
Dunstable
Bedfordshire
LU5 5XE