



## **Governance Statement**

### *Structure and Key Stakeholders*

The Company has a structure that allows for regular dialogue between Directors and the Executive Team for any matters that may arise, as well as key business priorities that are regularly discussed and updated as part of the long-term business plan.

The Company recognises its key stakeholders as shareholders, employees, guests, leisure members, suppliers, the local community and regulatory authorities.

### *Shareholders*

The Company holds a Main Board meeting four times a year which is attended by the Directors, Senior Executive Team and its shareholders, and their representatives. At every meeting the Board receives a full report on financial and operational performance, sales and marketing, compliance, key business opportunities and ESG (Environmental and Social Governance) matters. At these Board meetings, approval is sought for key decisions that will impact the Company.

### *Employees*

The Executive Team believes that engagement is key to the success of the Company, enhancing loyalty and employee longevity with the Company, as well as ensuring employees are immersed within the Company's values and vision. It ensures employees have a sense of purpose, value and belonging. Strong engagement drives delivery of product and guest experience, brand and ultimately the profitability of the Company.

### *Guests*

Guests are a priority and the Company trains its management team on the importance of service and standards. Providing guests with high standards of service is vital, as by understanding the guest journey Village can look to improve its offering.

Village has been able to adapt and change its brand procedures and policies based on suggested comments from guests, these insights give management and the Executive Team transparency of the top performing hotels and best practices that can be shared.

### *Leisure Members*

Village sees member engagement as one of the key elements in ensuring member retention and liaises with members on a national basis through direct marketing and member communications and regular updates in clubs that appeal to a more local base. The app also facilitates these direct communications with members.

### *Suppliers*

Village considers itself to be in partnership with its suppliers, operating an Ethical Code of Conduct and undertaking regular audits of all material suppliers to ensure good practice and accountability. The Procurement team undertakes visits to key suppliers on their premises and meets with their senior teams to jointly engage in regular dialogue, scoping out the need for both parties to ensure ethical, commercially viable and sustainable continuity of the supply chain.

### *Community*

The location of the hotels being outside of city centre locations means that the hotel is very much a part of the community in which it is located. Village has implemented several initiatives including the "Village Green" initiative to engage with both local and national communities, from charitable events, regular sporting clubs and networking events that ensure the local community is engaged as possible.

### *Regulators*

Village actively engages with local and national regulators to ensure compliance is dealt with in an open and transparent manner. This involves regular engagement with Environmental Health Officers, Police, Licensing Authorities, the ICO and HMRC. The Directors recognise that compliance and transparency are key to the growth of the Company.

### *ESG and Sustainability Impact*

Sustainability is a focus for the Village, and it continues to work with a third party in targeting a reduction in energy usage across the Company. The Directors encourage and support an approach to new initiatives and have encouraged members of the Executive Committee to oversee and drive forward energy management across the Company.

## **Environmental and Social Governance (ESG) and Sustainability**

The Company recognises that an essential part of being a responsible business is caring for the environment. Work around environmental issues is led by the Executive Management and their role is to encourage each hotel to reduce their impact on the environment and carbon footprint and create a clear and transparent path to Net-Zero.

The Company has policies and practices in place to focus on specific operations and how the Company's current impact on the environment can be mitigated.

The Company's strategy continued in 2023 with the ESG Steering Committee working on key pillars of Village Green, the company's ESG and Sustainability strategy. Sustainability Stars continue to operate at a local level across all Hotels and are tasked with implementing and tracking initiatives that are set to minimise the environmental impact and enhance the social impact in communities around Village.

One of the most impactful decisions was to change energy providers to 100% renewable electricity and a 'green gas' tariff, was implemented in 2023. In line with this decision the Company has launched a fully electric car scheme for employees.

The Company continues to engage a third-party environmental consultant, to incorporate monitoring systems onto its Building Management Systems (BMS) to evaluate energy usage and advise on actions to be taken to reduce energy consumption.

In 2023 Village partnered with Accenture to measure its carbon emissions with a view to setting a Science Based Target to reduce all emissions across all operations. The Science Based Target work remains in progress, but the work to date has calculated Village's carbon emissions for 2022 as follows;

Scope 1 14,985tco2e Scope 2 12,649 tco2e Scope 3 Tco2e Total 59,581 tco2e

An e-learning module on the staff training platform is also in development to ensure all staff are aware of energy usage and the impact of their actions and workflows, including regular communications with employees.

The Company's Streamlined Energy and Carbon Report can be found within the Director's report.

