

Streamlined Energy & Carbon Reporting (SECR) 2020

The Gym Group PLC

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Streamlined Energy & Carbon Reporting

1st January – 31st December 2020 Summary

Growth

Acquisitions

None within reporting year

Reporting Data Completeness

For all UK electricity and UK natural gas supplies

Meters Processed

217 Electricity

181 Natural Gas

Consumption data estimated

Current

Period: **9.1%**

Carbon & Consumption

Natural Gas

8,710,907 kWh

1,601.67 tCO₂e

Electricity & Heat

25,290,720 kWh

5,895.16 tCO₂e

Transport

263,430 kWh

61.88 tCO₂e

Carbon Intensity Metric

8.75 tCO₂e per gym

65.15 tCO₂e per million visits

32.21 tCO₂e per gym

239.79 tCO₂e per million visits

0.34 tCO₂e per gym

2.52 tCO₂e per million visits

Overall

41.30 tCO₂e per gym

307.45 tCO₂e per million visits

Energy Saving Projects

Implemented

- Ongoing energy efficiency improvements
- Profile Alerts consumption monitoring

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Executive Summary

Energy usage, associated emissions, energy efficiency actions and energy performance for The Gym Group PLC.



Streamlined Energy & Carbon Reporting

This report summarises the energy usage, associated emissions, energy efficiency actions and energy performance for The Gym Group PLC, under the government policy Streamlined Energy & Carbon Reporting (SECR), as implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

It also summarises, in the appendix, the methodologies utilised for all calculations related to the elements reported under Energy & Carbon.

The Gym Group PLC are a UK incorporated business. Under the new SECR legislation we are mandated to include energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented in our most recent financial year.

We have compiled a large amount of consumption data for our operations for the purpose of SECR – invoice data for 398 meters have been processed for this data collation.

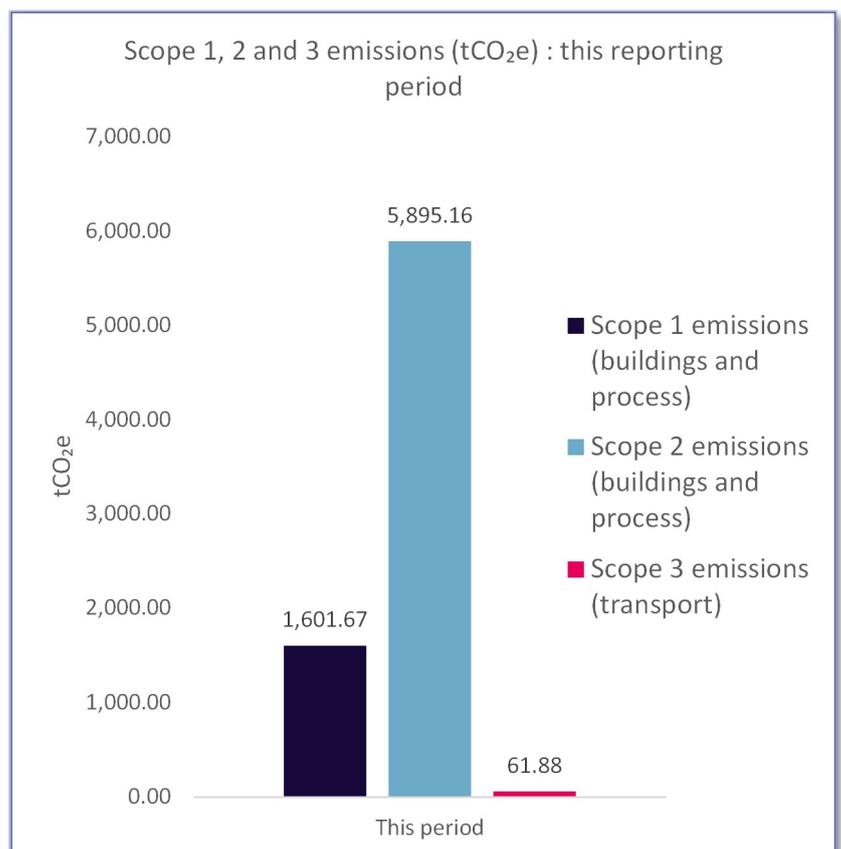
We are proud to say we achieved 90.9% verifiable data coverage with 9.1% of consumption data required to be estimated to achieve 100% data coverage.

Year 1

Our Scope 1 and 3 direct emissions (combustion of natural gas and transportation fuels) for this first year of mandatory reporting are 1,663.55 tCO₂e, resulting from the direct combustion of 8,974,337 kWh of fuel.

Scope 2 indirect emissions (purchased electricity and heat) for this first year of mandatory reporting are 5,895.16 tCO₂e, resulting from the consumption of 25,290,720 kWh of electricity and heat purchased and consumed in day-to-day business operations.

Our operations have an intensity metric of 41.30 tCO₂e per gym, and 307.45 tCO₂e per million visits for this reporting year.



Organisational Structure and Qualification



The Gym Group PLC

The Gym Group PLC is the holding company of The Gym Limited – a wholly owned subsidiary. 100% of the energy consumption and resulting emissions within the Group derive from operations of The Gym Group Limited.

The Gym Limited is required to comply with SECR, as we exceed the qualification thresholds of two of the three criteria (employee numbers, turnover, or balance sheet total).

Data Quality and Completeness

Invoices have been entered into a fully managed energy database up to 31st December 2020.



Data Completeness

All of our electricity and gas invoices have been entered into an energy database up to 31st December 2020, fully managed by Inspired Energy, and data quality checks have been carried out for data completeness and accuracy. All transport information has also been entered into the energy database up to 31st December 2020.

There were a number of instances, equating to 9.1% of the total reported consumption, where it was necessary to calculate some estimated consumption to achieve 100% data coverage. Methodology of these estimation techniques is detailed in the appendix.

Annual Reporting Figures

The total consumption and emissions figures for energy supplies reportable by The Gym Group PLC



Consumption (kWh) and Greenhouse Gas emissions (tCO₂e) Totals

The following figures make up the baseline reporting for The Gym Group PLC, as 2020 is the first year that we are required to report this level of information. Additional historic information on consumption and resulting emissions is contained within our Annual Report.

Scope 1 consumption and emissions relate to direct combustion of natural gas.

Scope 2 consumption and emissions relate to indirect emissions relating to the consumption of purchased electricity and heat in day-to-day business operations.

Scope 3 emissions are limited to The Gym Group PLC grey fleet (business journeys undertaken in personal vehicles).

Totals

The total consumption (kWh) figures for energy supplies reportable are as follows:

Utility and Scope	2020 Consumption (kWh)
Grid-Supplied Electricity (Scope 2)	25,272,315
Gaseous and other fuels (Scope 1)	8,710,907
Transportation (Scope 3)	263,430
Purchased Heat (Scope 2)	18,405
Total	34,265,057

The total emission (tCO₂e) figures for energy supplies reportable are as follows. Emissions calculated for 2019 for Scopes 1 and 2 (excluding transport) are included for comparative purposes. Conversion factors utilised in these calculations are detailed in the appendix:

Utility and Scope	2020 Consumption (tCO ₂ e)	2019 Consumption (tCO ₂ e)
Grid-Supplied Electricity (Scope 2)	5,891.99	9,542
Gaseous and other fuels (Scope 1)	1,601.67	2,035
Transportation (Scope 3)	61.88	-
Purchased Heat (Scope 2)	3.18	2
Total	7,558.71	11,579

Our emissions have been calculated utilising location-based emissions factors, as published by BEIS. Due to the renewable electricity procurement contract that we have had in place since 2019, should we utilise market-based emissions factors to calculate carbon emissions, our Scope 2 electricity emissions would reduce by 5,444.03 tCO₂e to **447.96 tCO₂e**.

Intensity Metric

An intensity metric of tCO₂e per gym has been applied for our annual total emissions. An additional intensity metric of tCO₂e per visit has also been applied to the annual total emissions, and retrospectively applied to the 2019 emissions for the business.

The methodology of the intensity metric calculations are detailed in the appendix, and results of this analysis is as follows:

Intensity Metric	2020 Intensity Metric	2019 Intensity Metric
tCO ₂ e per gym	41.30	65
tCO ₂ e per million visits	307.45	248

Energy Efficiency Improvements

The Gym Group PLC are committed to year-on-year improvements in their operational energy efficiency.



Energy Efficiency Improvements

We are committed to year-on-year improvements in our operational energy efficiency. As such, a register of energy efficiency measures available has been compiled, with a view to implementing these measures in the next 5 years.

Measures ongoing and undertaken through 2020:

The COVID-19 pandemic had significant impact on the energy efficiency actions that we were able to implement throughout the year. Where possible, projects have been undertaken, but a number have been delayed for full implementation to 2021.

Ongoing efficiency improvements

We are very aware of energy efficiency when opening new gyms or installing new equipment. Any new builds or refurbishment programmes undertaken on the portfolio include reviews to all lighting, heating and cooling plant to ensure maximum efficiency when operating. This includes not only purchase of equipment with high efficiency ratings, such as LED lighting, but also the installation of motion sensors to lighting and air conditioning, and adoption of partial operation practices, particularly in lighting, where possible and safe to do so.

Profile Alerts consumption monitoring

Ensuring that utilities data collected is utilised for energy efficiency and energy management is something widely encouraged. As such, a Profile Alerts service has been in place within the business for a number of years. This allows for identification of above average consumption within the

portfolio, and supports the assurance that the sites are running as efficiently as possible.

Measures prioritised for implementation in 2021:

Net Zero Carbon Management strategy

We have always taken a keen interest in the longer-term carbon impact of our business and related operations. To that end, we are looking to implement a Net Zero strategy which will enable further understanding of the operational impact on the environment, and the steps needed to take in order to reach the business goals of Net Zero.

Compliance Responsibility

This report has been prepared for The Gym Group PLC by Net Zero Compliance: a division of Inspired Energy PLC



Inspired Energy

This report has been prepared by Net Zero Compliance (a division of Inspired Energy PLC) for The Gym Group PLC by means of interpreting the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 as they apply to information supplied by The Gym Group PLC and its energy suppliers.

The Gym Group PLC's registered CEO and CFO are ultimately responsible for complying with the Regulations. They must be satisfied that to the best of their knowledge all relevant information concerning The Gym Group PLC's organisation structure, properties, activities and energy supplies has been provided to Inspired Energy.

This includes details of any complex ownership structures (e.g. private equity funds, franchises for private finance initiatives) and generated on-site (including CHP), or supplied to/from a third party (i.e. not a licenced energy supplier or a landlord/tenant).

Appendix

Reporting Methodology

Scope 1 and 2 consumption and CO₂e emission data has been calculated in line with the 2019 UK Government environmental reporting guidance. The following Emission Factor Databases consistent with the 2019 UK Government environmental reporting guidance have been used, utilising the current published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for reporting year 01/01/2020 – 31/12/2020:

Database 2020, Version 1.0.

Estimations undertaken to cover missing billing periods for properties directly invoiced to The Gym Group PLC were calculated on a kWh/day pro-rata basis at meter level. These estimations equated to 9.1% of reported consumption.

Intensity metrics have been calculated utilising the 2020 reportable figures for the following metrics, and tCO₂e for both individual sources and total emissions were then divided by this figure to determine the tCO₂e per metric:

- | | |
|--|----------------------|
| • Number of gyms 2020 (2019) | 183 (178) |
| • Number of visits (million) 2020 (2019) | 24.59 (46.62) |