



Supporting
healthy people,
healthy
communities
and a healthy
planet



Strategic report

Sustainability report

Our mission is to provide everyone with the opportunity to start their journey towards a fitter, healthier and happier life.



John Treharne founded The Gym Group with a mission to make fitness accessible to everyone. He envisaged a safe and inclusive space for people to live happier, healthier lives. Delivering on this founding purpose of breaking down barriers to fitness for all is our passion. As a result, sustainability is authentically built into the DNA of The Gym Group, with an understanding across the business that strong execution of all our sustainability plans naturally supports our commercial performance.

Our sustainability strategy is based on the principle of supporting healthy people, healthy communities and a healthy planet.

Its five key pillars – identified through our materiality assessment and embodied in our strategic framework – enable us to focus our efforts on addressing the most significant environmental, social and governance impacts, ensuring alignment with stakeholder priorities.

Progress in 2024

As a trailblazer in climate action, Social Value and health and safety, we take pride in leading the way across the fitness industry. We are honoured to be the first global gym chain with a net zero target verified by the Science Based Targets initiative (‘SBTi’). Our dedication to Social Value and health and safety is reflected in our status as the UK’s first private gym chain to report on Social Value and achieve ISO 45001 certification – a globally recognised health and safety management benchmark.

Moreover, our 2024 attainment of Level 4 FITcert highlights our unwavering commitment to excellence, continual improvement and ensuring a secure and welcoming environment for our customers.

We recognise the importance of gender equality and have set ambitious targets for achieving gender balance within our Company. Whilst we acknowledge that we are currently not on track to meet this objective as planned, it is a critical component of our broader sustainability goals, and we are committed to taking meaningful action to address this gap (page 40).

As members of ukactive and EuropeActive, we support knowledge sharing across the sector, using our experience to ensure that effective strategies to enhance sustainability are available to more businesses.

	2023	2024	Progress	Key actions
Good health and wellbeing Increasing the percentage of members visiting our gyms 4+ times per month ¹ Delivering at least £900m in Social Value	52.3%	53.5%	✓	<ul style="list-style-type: none"> Partnered with behavioural scientists to launch a campaign driving member visits. Secured FITcert Level 4 certification, ensuring top tier operational standards.
	£890m	£962m	✓	
Good jobs, high quality education and lifelong learning Supporting 500 people to gain Level 3 Personal Trainer qualification by 2030 Achieving a minimum 60% internal promotion rate by end of 2025 amongst operational staff	38	105	↗	<ul style="list-style-type: none"> Established The Gym Group Academy to fuel industry-leading talent development. Expanded the ‘Fitness Trainer to Manager’ Emerging Talent Programme. Developed 79 future fitness trainers through the Accelerate PT initiative, boosting Level 3 qualifications.
	44.0%	58.1%	↗	
Diversity and equal opportunity 50/50 gender balance by 2030 40% female senior leaders by 2025 20% leaders of ethnically diverse origin by 2030	31.4%	31.4%	↘	<ul style="list-style-type: none"> Accelerated female development with ‘Women in Leadership’ and ‘Empower’ programmes. Invested in employee networks and piloted enhanced maternity coaching. Delivered an ethnic reverse mentoring scheme, elevating diverse voices across the business.
	30.9%	29.9%	↘	
	12.5%	13.8%	↗	
Responsibility to the environment Near term targets 50% reduction in Scope 1 and 2 emissions by 2030 Reduce Scope 3 emissions per gym by 55% by 2030	-3.4%	-2.2%	↗	<ul style="list-style-type: none"> Deployed 95 voltage optimisation units to cut energy use. Developed a robust Scope 1 transition plan. Tightened supplier contracts with stricter environmental reporting standards.
	-35.8%	-29.3%	↗	
Data security and privacy 100% GDPR and cyber security training completion rate	no data	98.8%	✗	<ul style="list-style-type: none"> Rolled out new cyber security training module for enhanced digital protection. Hosted Compliance Week, driving mandatory training completion rates.

Key:

- ✓ Achieved
- ↗ On track
- ↘ Not on track
- ✗ Missed target

¹ The figure for 4+ visits for 2023 has been restated to include like-for-like sites only and to exclude Saver members, members on freeze and members who have joined in a gym’s pre-opening period.

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Sustainability report *continued*

Good health and wellbeing

Link to the SDG



Physical exercise is fundamental to a healthy lifestyle, offering significant physiological benefits and a proven positive impact on mental wellbeing and life satisfaction. According to the World Health Organisation ('WHO'), regular exercise can reduce the risk of chronic diseases, improve mental health and increase life expectancy. In a world where stress and health issues are rising, the importance of exercise in promoting health and wellbeing has never been clearer.

See Progress against the Next Chapter growth plan on pages 19 to 23



At our annual employee conference, we celebrated a year of partnering with NHS Charities Together, a national charity with whom we share a mission to support healthier and fitter communities. In collaboration, our teams and members exceeded our £100,000 fundraising target, with The Gym Group Games events and in-gym fundraising activities providing opportunities to spread awareness of the charity's work. Our gyms are paired with 112 local NHS charities, creating employee volunteering and fundraising opportunities to drive national impact at a local level.

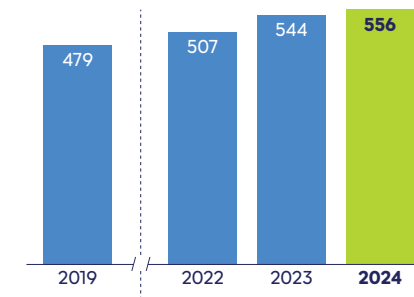
Supporting and protecting the health and wellbeing of our members as they progress on their fitness journey is central to our business and our purpose. We demonstrate this through our ISO 45001 occupational health and safety management system certification, innovative digital solutions and strong crisis management oversight. In 2024, we achieved industry-leading milestones, including receiving the Royal Society for the Prevention of Accidents ('RoSPA') Gold Award.

Measuring our social impact

The Social Value Model, created by Sheffield Hallam University and outlined on our website, focuses on member participation and the health benefits of regular exercise. It calculates the financial value resulting from reduced GP visits, enhanced life satisfaction, personal development, and the growth of social and community connections.

We are delighted to have surpassed our goal of generating £900 million in Social Value by 2025, achieving this milestone in 2024. Our contribution this year equated to £556 per member, up from £544 in 2023. This success is fuelled by both rising membership numbers and record engagement, with 53.5% of members visiting our gyms at least four times per month, compared to 52.3%¹ in 2023. Looking to 2025, we will continue to drive value for our members and communities through initiatives focused on further supporting member activity levels and engagement in our gyms.

Social Value/member £



Sustainability in action: Member visits

"To ensure members visit our gyms regularly and maximise the benefits of their memberships, we have reviewed the impact we can have in the gym on member visits. Encouraging and motivating our new members has a positive impact on developing exercise habits and increasing gym attendance. Our teams have therefore been working on identifying and interacting with new members, encouraging fitness product participation and helping to arrange their next workouts.

To support this initiative, we have optimised staffing during peak times and increased the capacity of inductions and classes."

Rob Neave |
Cluster General Manager

Driving safety and operational excellence at our gyms

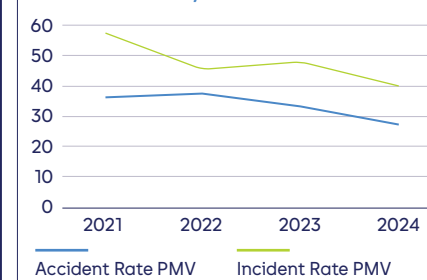
Protecting the health and safety of our members and employees is a key priority for us. Our mature health and safety management system is built around digital solutions for risk management and training. Moreover, our robust strategic and operational crisis management plans are overseen by our Sustainability Committee, ensuring strong oversight and accountability.

In 2024, we elevated our position with EuropeActive's FITcert[®] scheme and the new European standard for fitness centres, EN 17229, by becoming the UK's first 24-hour gym chain to achieve Level 4 certification. This further demonstrates our commitment to quality, safety and overall member experience.

Our work on standardisation has had a material impact on our accident and incident rates. These successes are driven by improved awareness of health and safety standards and enhanced processes across our gyms. Notably, we upgraded our digital learning product, Gym Safe, to include additional safeguarding training.

We continued to maintain positive relationships with local authorities through our Primary Authority partnerships with Wakefield Council (health, safety and environmental) and East Sussex Fire and Rescue (fire safety). We proactively engaged with both partners to standardise our approach for key risk areas, ensuring alignment with legislative frameworks and industry best practice.

Accident and incident rates per million visits, 2021 to 2024



Alan joined The Gym Group Hamilton over 10 years ago with the goal of keeping fit, considering a history of heart conditions in his family. In May 2024, while at the gym, Alan became unwell and lay down on the matted area. Two fellow members noticed his distress and rushed to assist.

Gym employees, Craig and Chloe, quickly joined to assess the situation. Realising Alan wasn't breathing, they called for help, began CPR and used the on-site defibrillator to treat Alan before paramedics arrived. By the time Alan was taken to hospital, he had a pulse and was breathing again.

Reflecting on the experience, Alan shared: "I had been going to the gym at least 4-5 times a week. The cardiac arrest could have happened anywhere, but the fact that it happened in the gym with required equipment and support to hand saved my life. The community spirit at The Gym Group is fantastic, and I realised that people do actually care."

Now fully recovered, Alan continues to visit the gym frequently. He says: "My swift recovery is thanks to my regular workouts – good heart health has never been more important to me. I have become more considered in how I exercise, monitoring my heart rate regularly."

Alan |
Member of The Gym Group, Hamilton



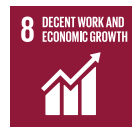
¹ The figure for 4+ visits for 2023 has been restated to include like-for-like sites only and to exclude Saver members, members on freeze and members who have joined in a gym's pre-opening period.

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Good jobs, high quality education and lifelong learning

Link to the SDGs



Supporting our people into great jobs and providing career opportunities through high quality education is essential to our success and the achievement of our strategic objectives. We provide clear paths for career growth and a nurturing environment enabling our teams to reach their potential.

See Progress against the Next Chapter growth plan on **pages 19 to 23**



We prioritise employee engagement to drive business performance and, alongside our career development programmes, we deliver a range of learning opportunities to enhance our teams' leadership capabilities, professional skills and personal growth.

In 2024, we emphasised creating early career pathways into fitness through the ongoing rollout of our Accelerate PT employability programme and the launch of The Gym Group Academy. Our Emerging Talent management development programmes also continued providing their participants with career-building skills.

Creating career opportunities: Accelerate PT

Our Accelerate PT framework supports job seekers starting careers in fitness by providing a Level 3 Personal Training qualification alongside employability skills such as interview techniques and work experience. In 2024, in partnership with the Department for Work and Pensions, The Prince's Trust and Shaw Trust, we delivered four cohorts of our Accelerate PT programme. We offered opportunities to 79 trainees, with 73% successfully gaining their Level 3 qualification and 58% of those securing roles within our gyms. Accelerate PT plays a key role in our commitment to supporting 500 people to achieve a Level 3 Personal Training qualification by 2030.

Training for gym members: The Gym Group Academy

In partnership with two CIMSPA enhanced status training providers, we launched The Gym Group Academy in 2024 to provide opportunities for our gym members to become Level 3 qualified Personal Trainers. It was introduced in September as a six-month pilot to gauge the demand among members.

Early indications suggest strong interest, with 132 learners enrolling in the programme to become qualified Level 3 Personal Trainers. We are proud that 85% of people who completed their qualification have secured permanent roles within our gyms. We will review the pilot in 2025 to assess its feasibility for a full rollout.

Career progression: Emerging Talent

Throughout the year, we delivered four cohorts of our Emerging Talent management development programmes. The programme gives Assistant General Managers and Fitness Trainers the essential skills to advance their careers, covering topics such as sales, stakeholder management, member service and practical people management.

Although lower than in 2023, we continue to achieve good employee promotion rates among our programme graduates, supporting our internal progression rate target. We expect these figures to grow as new opportunities arise.

47%
promotion rate – Emerging Talent management development programme

30%
promotion rate – Emerging Talent Fitness Trainer programme

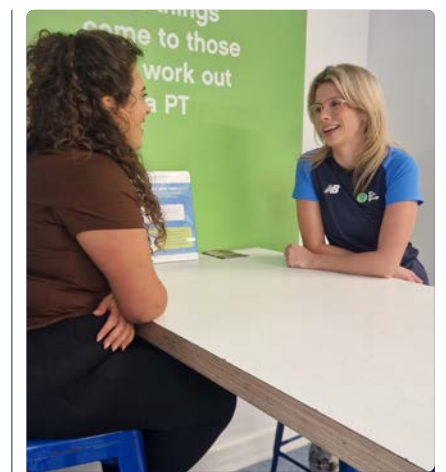
Alongside these core programmes, we continued to deliver various learning opportunities to upskill our teams. For operational managers, we delivered Discovery Insights profiling and workshops on conflict resolution and the Chimp Paradox framework to improve self-awareness, coaching, and leadership skills. For senior leaders, we focused on sessions to drive performance, commerciality and accountability. We also implemented core skills training in areas such as PowerPoint, Excel and data analysis to enhance our Gym Support teams' confidence and capabilities.

Lastly, we digitalised our 'Coaching for Performance' framework, driving improvements in our talent mapping and reporting capabilities. This has enabled us to target development for our high performing employees and identify our talent pipelines and succession pools.

Leaders in employee engagement

In 2023, we launched our new employee engagement survey, enhancing our employee feedback channels, insights into their experiences and benchmarking capabilities. We are thrilled that employee engagement has increased from 8.5/10 to 9/10 between October 2023 and December 2024. This places us within the top 5% of benchmark dataset for consumer services (hotels, restaurants and leisure). Survey feedback has guided our implementation of new initiatives such as improved employee health benefits.

We also launched our 'Workforce Engagement with the Board' initiative in 2024, led by our Chair of the Board John Treharne, to bridge communication between Board members and the wider workforce. This initiative ensures employees' views are heard and considered in decision-making and evaluated for their impact on workforce culture during Board and Committee meetings.



Sustainability in action: The Gym Group Academy

"Having previously qualified as an electronics engineer, I decided to turn my passion for fitness into a meaningful career. Fitness has played a huge role in improving my mental and physical health, and I feel passionately about building confidence in others to achieve their goals. The Gym Group has been instrumental in making this a reality.

Enrolling in The Gym Group Academy has been incredibly positive and insightful, and my TGG Personal Training Mentor provided me with valuable knowledge and guidance, helping me build a client base and career in fitness.

The supportive environment and relationships I've built through the programme, have encouraged me to reach my goals and grow my confidence. As a single parent of two, I'm thrilled to work in a role that offers flexibility to balance my career with family life."

Kristal Johnson |
The Gym Group Academy, 2024 graduate



Strategic report
Sustainability report **continued**

Diversity and equal opportunity

Link to the SDGs




Fostering an inclusive culture with equitable opportunities to succeed remained a fundamental focus of our equality, diversity and inclusion ('EDI') strategy in 2024.

To deliver this, we prioritised our efforts on:

- **improving employee wellbeing support;**
- **driving a culture of inclusion and belonging; and**
- **providing equitable development opportunities.**

See Progress against the Next Chapter growth plan on **pages 19 to 23**



Using data and insights, we continue to evaluate and monitor progress to ensure the right support is in place to enable our teams to reach their full potential.

We continue to work towards the EDI targets outlined in our sustainability strategy – focused on gender and ethnicity – and report progress regularly to the Sustainability Committee to ensure transparency and accountability, and drive meaningful action to promote diversity.

Progression towards gender equality

Whilst female representation has reduced in our senior leadership team by 1ppt to 29.9% since 2023, we are pleased to see areas of improvement, particularly increases in women occupying 'Head of' positions. We are also pleased to see a decrease in female turnover though gender balance across The Gym Group as a whole remained stable at 31.4%.

We remained focused on development and retention strategies, with various initiatives tailored to women. These included our Women in Leadership and Empower programmes; the delivery of an additional four cohorts of our Female Health First initiative; and the piloting of enhanced maternity support through Spring Back Returnity Coaching™, providing comprehensive coaching for women during their maternity leave and transition back into work.

We are confident that these female-centric initiatives – alongside improvements to our employee talent mapping and monitoring – will support the progression of women within our talent pipeline.

Gender pay gap

We reported an increase in our mean gender pay gap as of April 2024, which stands at +9.4% (8.8ppts increase from 2023), largely impacted by changes within our senior leadership team. Our median pay gap remains at 0%.

Enhancing ethnic diversity

In 2023, we introduced a new pledge to drive positive action to support Black, Asian, Mixed and other ethnic representation within our senior leadership, with an ambition of improving this to 20% by 2030. We are pleased to report a 1.3 ppts increase to 13.8% diverse representation within the first year of this pledge.

Our first reverse mentoring scheme concluded in March 2024, pairing eight culturally diverse mentors with senior leadership team members. The programme successfully opened discussions around race and led to leadership sponsorship of our Cultural Diversity network group; participation in the WiHTL Ethnic Future Leaders development programme; and the planned rollout of additional reverse mentoring cohorts and inclusive leadership workshops in 2025.

Ethnicity pay gap

As of April 2024, our mean ethnicity pay gap reduced by 6.2ppts to +16.5% (+22.7% in 2023). Our median ethnicity pay gap remains at 0%.

The Gym Group's 2024 Gender and Ethnicity Pay Gap report provides full details of our pay gaps and the actions we are taking to drive progress.



Employee inclusion and belonging

We continued aligning wellbeing with our commitment to an inclusive and supportive workplace in 2024. Twelve of our Employee Relations Champions were upskilled in partnership with Mental Health First Aid England, strengthening our managers' wellbeing skills. We also launched a suite of digital mental health and wellbeing learning modules, hosted webinars and workshops on various topics such as fertility and men's mental health, and introduced two new health benefits, providing employees with 24/7 free access to GP appointments and virtual dental care.

Creating a welcoming and respectful environment free from harassment remains a key focus. Throughout 2024, we strengthened our approach to Dignity at The Gym Group by implementing mandatory 'Gymclusive', anti-harassment, bullying and bystander intervention training, and enhanced internal policies and practices. We are delighted to report an overall 94% completion rate for this learning. To further our commitment, we proudly joined ukactive's Safer Spaces to Move taskforce, which aims to reduce physical activity barriers for women and girls.

Our employee network groups continue to play an integral role in advocating inclusion and driving positive change. They have hosted events such as our Menopause Allies' workshop and Age Inclusion podcast; participated in local Pride events; and led initiatives like our inclusive traineeship, providing employability skills and work experience to individuals with disabilities or special educational needs.

We remain committed to participating in the 'Inclusion in EDI Maturity Curve Assessment' as an external benchmark for progress and best practices across our industry. We are proud to have maintained our silver award in 2024, based on the latest assessment, and track improvements in several areas, particularly the employee journey.



Sustainability in action: Employee network groups

"As leads of the LGBTQI+ employee network group, we aim to break down barriers, challenge the norm and lead the fitness industry to become an inclusive space for all.

This year we were proud to put that into action, leading The Gym Group in our first Pride events. Taking part in three different celebrations across the country, our gym teams and members came together to celebrate, engage with our local communities and demonstrate our unity with the LGBTQI+ community.

We have seen the positive impact this has had on our teams and member engagement and hope to continue to demonstrate the inclusiveness of our gyms throughout 2025."

Emily Carter & Jordan Flaste | LGBTQI+ employee network leads



Strategic report
Sustainability report **continued**

Responsibility to the environment

Link to the SDGs

The Gym Group is dedicated to fostering environmental stewardship through transparent, accountable and impactful actions. Our 2024 sustainability efforts reflect a comprehensive approach to reducing energy consumption and greenhouse gas emissions, conserving water and minimising waste. By embedding sustainability throughout our operations and value chain, we contribute to a healthier planet and a resilient future, ensuring accountability to our members, communities and stakeholders.

See Progress against the Next Chapter growth plan on **pages 19 to 23**



Our climate transition plan

The Gym Group is proud to be the first fitness operator globally to have our net zero emissions target validated by the Science Based Targets Initiative (‘SBTi’), aligning our targets to the Paris Agreement’s pledge to limit global warming to 1.5°C above pre-industrial levels. We know achieving our targets will require strategic planning, funding and steady progress across our emissions reduction initiatives. That’s why, in 2024, we further developed our climate transition plan. Following the best practice framework of the Transition Plan Taskforce, we advanced our progress across its three principles of Ambition, Action and Accountability.

Ambition

Our science-based net zero targets are the foundation of our commitment to ambitious carbon reduction goals and our leadership in driving sustainable transformation within the fitness industry. By 2030, we are committed to:

- reducing absolute Scope 1 and 2 greenhouse gas (‘GHG’) emissions by 50% compared to our 2019 baseline; and
- achieving a 55% per-gym reduction in Scope 3 GHG emissions, encompassing purchased goods and services, capital goods, energy-related activities, upstream transportation, waste generated in operations, business travel and employee commuting.

Furthermore, we are committed to ensuring that 25% of our suppliers, by spend, establish science-based emission reduction targets by 2028.

Looking ahead to 2045, we are committed to:

- achieving a 90% reduction in absolute Scope 1 and 2 GHG emissions from our 2019 base year; and
- reducing Scope 3 GHG emissions by 97% per gym.

To support us in achieving our headline targets, we are focused on four key commitments driving carbon reduction.

Suppliers:
We will actively collaborate with key suppliers, fostering alignment across our value chain.

Members:
By the end of 2025, we will launch a comprehensive member engagement plan to inspire and empower our community to support and advance our net zero objectives.

Renewable energy:
We remain committed to sourcing 100% renewable electricity annually across all sites where energy procurement is within our control, achieving and sustaining this target by the end of 2025.

Carbon abatement:
We are developing a robust strategy to remove and store carbon from the atmosphere, addressing the residual 10% of emissions that will persist once we achieve our 2045 net zero target.

These targets and initiatives reflect our commitment to addressing emissions across our operations, supply chains and stakeholder communities, ensuring meaningful progress towards net zero.

Action

In 2024, we continued to take action to help us achieve our emissions reduction targets. Our activities included the following:

Progress in transitioning to low carbon hot water heating

Decarbonising hot water systems is key to The Gym Group’s goal of reducing Scope 1 emissions by 50% by 2030. By the end of 2024, 54 gyms used Air Source Heat Pumps (‘ASHP’), with 14 gyms using electric or district heating systems and 177 still reliant on gas boilers.

We have replaced gas-fired boilers with ASHPs primarily during end-of-life replacements or system failures, leveraging these opportunities to minimise incremental costs. Seven more ASHP installations are planned for 2025.

Lighting control trials

In 2024, advanced lighting control systems were tested at two gyms, reducing energy use by 30–36%. Financial performance was variable however, and refinements in 2025 will focus on consistent performance across sites, targeting locations with higher energy use and greater cost recovery potential.

Remote air conditioning management

A trial of the MELCloud remote management system for air conditioning provided real-time insights, enabling energy-efficient adjustments and fault detection. Results indicate significant savings potential, with scalability across the estate under review.

Voltage optimisation

In 2024, 95 voltage optimisation units were installed to enhance energy efficiency, with more planned for 2025. Savings data will inform the initiative’s role in meeting our net zero targets.

Enhancing responsible sourcing

Through our Supplier Code of Conduct, we set clear environmental expectations and embed environmental accountability into supplier reviews and tenders, encouraging shared responsibility across our supply chain. We strengthened supplier contracts with stricter environmental requirements, including deadlines for reporting Scope 1, 2 and 3 emissions. This helps us identify high impact operations and collaborate on emissions reduction. By requiring emissions reporting, we can assess procurement impacts, target mitigation strategies and engage suppliers to set reduction goals in line with our SBTi targets.



Sustainability in action: Supplier Engagement

“When partnering with Origin Fitness, we’ve shared our sustainability targets and objectives from the outset, highlighting the importance of our net zero target by 2045.

Origin’s response to our joint commitment has been incredibly positive, accelerating some of their initiatives across their business, from product to packaging and beyond.

Examples include the removal of single use plastic from packaging and the introduction of 100% recyclable rubber crumb weight plates and sprint tracks. These in turn, have also created a cost saving whilst elevating the member experience and product quality.

We are committed to continuing to collaborate with our suppliers to innovate and reduce carbon emissions.”

Fraser Kennedy |
Equipment Development Manager



Strategic report
Sustainability report continued



Sustainability in action: Waste management

"Second Chance is a computer recycling charity that provides work-based training for individuals who are furthest from the job market and supplies refurbished computers to those in need. The charity supports people with physical disabilities, learning difficulties, or social, emotional and mental health needs.

In 2024, The Gym Group supplied the charity with 109 devices which, instead of becoming electronic waste, were repurposed and either sold or donated to struggling families.

We also donated £8,000 to the charity, the saving made possible by not disposing of the devices in the usual way. This provided for an additional 80 computers.

The relationship with Second Chance strengthened further when members of the Facilities Management Team used their volunteering days to paint the charity's offices, adding much-needed colour.

We are looking forward to continuing our work with Second Chance in 2025."

Ash Challen |
Head of Facilities

Accountability
Driving accountability and transparency: metrics to meet our sustainability goals

The Gym Group's sustainability strategy is underpinned by transparent reporting of material ESG performance data, including energy consumption, GHG emissions, water consumption and waste production. By adhering to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, we ensure that our Scope 1, 2 and 3 emissions are calculated consistently and accurately. This approach reinforces our accountability and commitment to reducing our environmental impact.

To support our journey to net zero, we continue to offset Scope 1, 2 and operational Scope 3 emissions through carbon credits purchased from Climate Impact Partners. These offsets are verified against global carbon standards, incentivising emissions reductions across our operations and investments while contributing to impactful projects worldwide. However, we prioritise direct carbon abatement initiatives, ensuring meaningful, long term reductions above reliance on carbon offsets.

The metrics and actions outlined demonstrate The Gym Group's unwavering commitment to transparency and accountability. They keep us on track to meet our ambitious sustainability targets, guide our progress and reinforce trust with stakeholders.

2024 carbon emissions

For 2024, our Scope 1 direct emissions amounted to 1,700 tCO₂e. Natural gas related emissions dropped by 12.9%, largely due to the replacement of gas boilers with ASHP across various locations. This contributed to an overall 9.8% reduction in Scope 1 emissions.

However, Scope 2 emissions for the year increased by 3.6% relative to 2023, due to the addition of new sites in the portfolio. These emissions totalled 9,017 tCO₂e, stemming from the consumption of 42,473 MWh of electricity, 1,240 MWh of direct heat and 13 MWh of self-generated energy.

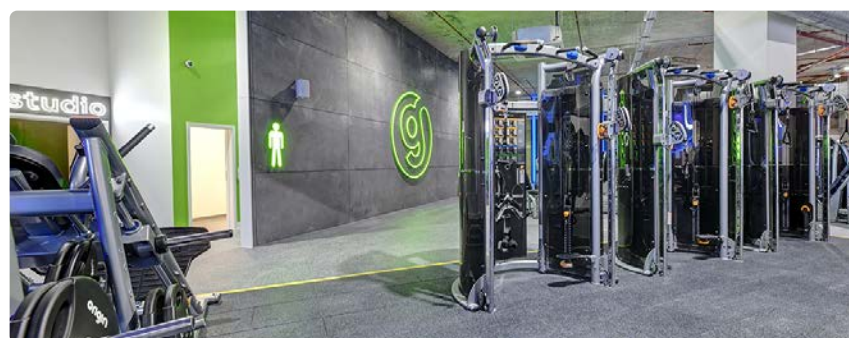
Scope 2 emissions have been calculated using location based emission factors published by DEFRA. However, under the market based approach – factoring in our renewable electricity procurement contract in place since 2019 – emissions would equate to 1,748 tCO₂e.

Scope 3 emissions increased by 15.2% in 2024, totalling 24,978 tCO₂e. This is largely due to increased capital expenditure across the organisation in response to 12 new gym openings in comparison to 6 in 2023.

Operational intensity metrics for the reporting period (Scopes 1, 2 and 3) stand at 146 tCO₂e per gym and 548 tCo2e per million visits. These values have increased since 2023 but reflect intensity reductions of 29% and 30% from the 2019 base year respectively.

100%

renewable energy
for all sites where we control the purchase of energy



Emissions year ended 31 December 2024

Total emissions (tCO ₂ e)	2019	2023	2024
Direct emissions from operation (Scope 1)	2,157	1,884	1,700
Purchased electricity and heat (Scope 2)	8,797	8,701	9,017
Indirect emissions in value chain (Scope 3)	25,660	21,657	24,978
Total emissions (tCO₂e)	36,614	32,242	35,695
% change from base year Scope 1 and 2		-3%	-2%
% change from base year Scope 1, 2 and 3		-12%	-3%
Intensity metric (tCO ₂ e per gym)	206	138	146
% change from base year		-33%	-29%
Intensity metric (tCO ₂ e per million member visit)	785	519	548
% change from base year		-34%	-30%
Total consumption (kWh)	2019	2023	2024
Scope 1 (Gas)	11,071,196	10,137,976	8,828,082
Scope 2 (Electricity)	34,409,373	41,154,605	42,472,816
Scope 2 (Heat)	10,907	995,005	1,240,050
Scope 2 (Self-generation)	-	-	12,550
Total (kWh)	45,491,476	52,287,586	52,553,498

Scope 3 Category	Emissions (tCO ₂ e)				
	2019	2023	2024	vs base	% of Scope 3
Capital goods	17,544	7,948	13,908	-21%	55.7%
Business travel	272	224	415	53%	1.6%
Employee commuting and homeworking	402	423	316	-21%	1.3%
Fuel and energy related	2,343	3,140	3,217	37%	12.9%
Purchased goods and services	4,488	9,501	6,811	52%	27.3%
Upstream transport	375	184	125	-67%	0.5%
Water and Waste	236	237	186	-21%	0.7%
Total	25,660	21,657	24,978	-3%	

Reducing our water consumption

With increasing pressure on water resources, effective management is important for The Gym Group. As we don't operate pools, our main water use is in shower and toilet facilities.

We have implemented measures to monitor, reduce and optimise consumption to address this. Following a 2023 trial, we rolled out remote meter reading systems to 60 sites, enabling real-time insights and site-specific benchmarks to drive improvements. This rollout enabled us to create league tables to identify and effectively address high consumption sites. We are planning to install the system in a further 40 sites in 2025.

Other initiatives include recovering condensate water from our air conditioning to flush toilets and replacing older shower heads with more efficient models. The latter has the potential to save more than half a million litres of water weekly. These initiatives showcase our commitment to reducing water waste while enhancing operational efficiency.

Enhancing waste management

In 2024, The Gym Group continued to build on its waste management achievements, reinforcing our commitment to sustainability. Over the year, we generated 782 tonnes of general and mixed recycling waste, marking a 4% decrease compared

to 2023, despite a growing estate and membership. This improvement reflects our focus on minimising resource use and enhancing operational efficiency. Key to this success was the implementation of initiatives to reduce non-recyclable materials, such as further decreasing blue-roll waste. This contributed significantly to a lower average waste per gym of 4.0 tonnes.

A milestone this year was our partnership with a new waste-handling provider to enhance our waste management strategy. Through this partnership, we are shifting our focus from waste-to-landfill targets to setting ambitious recycling rate goals to drive better resource recovery and a circular economy ethos.

Waste	2019	2023	2024
Total weight (in tonnes)	750	816	783
Average tonnes/gym	4.3	4.4	4.0
Recycled	Not tracked	48%	49%
Diverted from landfill	90%	97%	100%

Strategic report

Task Force on Climate-Related Financial Disclosures report

The Task Force on Climate-related Financial Disclosures ('TCFD') recommendations continue to guide our identification and assessment of climate-related risks and opportunities. They shape how we approach the physical impacts of climate change, and the transition risks linked to the UK's shift towards a low carbon economy.

This is our fourth TCFD report, providing disclosures aligned with its four core pillars of governance, strategy, risk management and metrics and targets. We remain fully compliant with the Listing Rules (Disclosure of Climate-related Financial Information) (No 2) Instrument 2021.

While our 2024 TCFD analysis reaffirms that climate-related risks and opportunities do not yet impact our financial performance or position, we consider their growing potential to influence our business in the future. Climate change therefore remains an emerging risk to the business (see Emerging Risks page 60). Through our ongoing commitment to proactive climate risk management, we will continue to refine our approach, enhancing our understanding of, and response to, the financial implications of climate-related risks and opportunities.



Governance

Our Sustainability Committee (the 'Committee') is the Board Committee that oversees key climate-related responsibilities. In close collaboration with the Committee, the Sustainability Working Group, supported by the ESG workstreams, ensures senior management oversight and robust governance across the business to drive the effective implementation of our sustainability strategy and transition plan. Climate-related risk and opportunity management remains integral to the ESG workstreams' remit.

The Chief Development and Sustainability Officer led The Gym Group's sustainability strategy in 2024 and was responsible for monitoring and advancing our climate-related progress. The Business Development and Sustainability Director drives the integration of sustainability into our business strategy, oversees the monitoring of our net zero targets, and collaborates with leaders across functions – including Finance, Procurement and Facilities Management – to tackle climate-related risks and opportunities. Further information on our governance approach to climate and sustainability can be found in our Report of the Sustainability Committee on pages 90 to 91 and on our website.

Strategy

In 2023, we conducted a comprehensive climate scenario analysis to examine how climate change and the transition to a lower carbon economy might impact The Gym Group's operations. This analysis included a review of climate and weather projections, socioeconomic trends and operating environment predictions. In 2024, we revisited this analysis to confirm its relevance and the applicability of the identified risks and opportunities, ensuring our understanding remains aligned with emerging developments.

Our approach considered existing and potential future regulations to assess the risks they may pose to our business. By analysing a range of divergent scenarios, we evaluated the resilience of our strategy under various potential futures, enabling us to prepare to respond to a range of uncertain climate impacts.

We based our physical scenario analysis on the Intergovernmental Panel on Climate Change's Sixth Assessment Report (2023), supplemented by data from the Met Office's UK Climate Projections 2018.

We assessed three physical climate scenarios – Shared Socioeconomic Pathways ('SSPs') – as follows:

SSP1-2.6 Low emissions	A low GHG emissions scenario with global net zero emissions achieved by 2070, with projected warming of 1.3–2.4°C by 2100.
SSP2-4.5 Medium emissions	An intermediate GHG emissions scenario with global emissions stabilising at current levels until 2050, with projected warming of 2.1–3.5°C by 2100.
SSP5-8.5 High emissions	A very high GHG emissions scenario where emissions double by 2050, with projected warming of 3.3–5.7°C by 2100.

We utilised three scenarios to complete transition scenario analysis taken from the International Energy Agency's World Energy Outlook (2022):

Net zero emissions by 2050 scenario ('NZE')	A pathway to limit global warming to 1.5°C, achieving universal energy access by 2030.
Announced pledges scenario ('APS')	A pathway that assumes that all aspirational targets announced by governments are met on time and in full, including net zero and energy access goals.
Stated policies scenario ('STEPS')	A pragmatic scenario reflecting current policy settings and their likely outcomes.

We assessed these impacts across three time horizons:

Short term (to 2039, with a 2030 milestone)	Aligned with our near term emissions reduction targets and current business strategy.
Medium term (2040–2059, with a 2050 milestone)	Corresponding to the UK government's net zero target.
Long term (2060–2079, with a 2070 milestone)	Capturing longer term impacts where scenarios diverge significantly and aligning with the long lifespan of built-environment assets.

The scenario analysis covered all our UK operations, documenting regional vulnerabilities where applicable, based on the climate projections. The most significant risks and opportunities are detailed on pages 48 to 49. SSP5-8.5 is the scenario in which physical risks are most pronounced for The Gym Group, whereas transition risks and opportunities are most significant under the NZE scenario.

Through this iterative process, we continue to enhance our understanding of climate-related risks and opportunities, ensuring our strategy remains resilient and adaptable.

Risk management

The insights generated through scenario analysis informed updates to our climate-related risks and opportunities register. We held a collaborative workshop to evaluate the potential business and financial impacts of these risks and opportunities. Senior leaders and key stakeholders from across the organisation participated, providing valuable insights to ensure a comprehensive assessment of climate-related risks and opportunities across all relevant business areas.

The workshops reviewed existing control measures and highlighted areas requiring further analysis to deepen our understanding of risk exposures. The assessment considered potential impacts on financial position and performance for each risk and opportunity. This relative financial impact evaluation helped prioritise our most material risks and opportunities, guiding our management and reporting efforts towards those with the highest potential for financial significance. We directly integrated the insights and priorities identified into our proactive risk management approach, supported by our transition plan, summarised on pages 48 to 49. This plan outlines specific actions for mitigating risks, capitalising on opportunities and aligning our operations with a low carbon future.

We assessed risks using our corporate risk methodology. The climate-related risks and opportunities register evaluates the likelihood and impact of each climate-related risk alongside an outline of current and planned control measures. Gross risk scores were calculated by multiplying the ratings for impact and likelihood, each scored on a scale of 1 to 4.

Control effectiveness was also considered, reducing the net risk score relative to the gross risk score where applicable. More details on our approach to risk management can be found in the 'Principal risks and uncertainties' section of the Strategic report.

The consolidated findings from the TCFD risks and opportunities register were shared with the Audit and Risk Committee and the Board.

The Finance Director oversees the Company-wide risk register, assigning responsibility for specific risks and opportunities to relevant senior managers.

Strategic report

Task Force on Climate-Related Financial Disclosures report continued

This review, conducted semi-annually with input from the Executive Committee, ensures that actual and potential climate-related impacts are effectively controlled, mitigated or transferred and fully integrated into business decision-making. By embedding these findings into our transition plan, we take a proactive approach to risk management, ensuring that we remain well prepared for current and future climate-related challenges.

Metrics and targets

Metrics and targets are integral to managing climate-related risks and opportunities, enabling data-driven decision-making, stakeholder communication and the measurement of climate impacts on business strategy, financial planning and risk exposure. Through our sustainability strategy, we collect and analyse material ESG performance data to enhance our understanding of transition risk exposure and track the

effectiveness of the climate-related initiatives outlined in the 'Strategy' section above. Central to this approach is our commitment to achieving net zero emissions by 2045, validated by the SBTi. Further details on our climate-related metrics and targets can be found on pages 42 to 45. Looking ahead, we will continue to refine and expand our suite of climate-related metrics, deepening our understanding and management of climate-related risks and opportunities.

Climate-related risks and opportunities

Risk	Potential financial impact	Control measures	Emissions scenario	Materialisation
Physical climate-related risks:				
Flooding: Increased frequency and intensity of extreme rainfall may lead to increased river and surface water flood events. Surface water flooding is projected to pose the highest risk in the urban areas where The Gym Group operates. Flooding may also occur due to sea level rise, putting gyms in some coastal regions at risk of flooding. This is most likely to impact gyms in Southeast England.	<ul style="list-style-type: none"> Revenue: Decreased revenue due to business disruption and/or closure of premises. Expenditures: Increased insurance costs; increased costs for flood mitigation updates. Assets and liabilities: Decreased asset value or write-offs due to water damage. 	We lease our premises, providing flexibility to exit leases in flood-prone areas. Our corporate insurance includes flood coverage, and flood risk mapping is assessed at policy renewal. During the acquisition of new sites, it is standard due diligence practice to determine any potential physical risks, including flood risks. Our nationwide network allows members to use alternative locations should their primary gym be closed.	Medium emissions	Short term
			High emissions	Short term
Prolonged water stress: Changing precipitation patterns may lead to prolonged drought conditions in Summer months. This could lead to potential water restrictions impacting The Gym Group's ability to provide shower facilities to customers and is most likely to impact gyms in Southeast England.	<ul style="list-style-type: none"> Revenue: Decreased revenue due to water restrictions impacting demand. Expenditures: Increased water costs. 	Our approach to water management and current initiatives are detailed on page 45.	High emissions	Short term
High temperatures: Sustained increase in median temperature, leading to increased cooling requirements at gyms and offices and a potential decline in appetite for fitness. This risk is most likely to impact gyms in Southeast England.	<ul style="list-style-type: none"> Expenditures: Increased costs associated with the installation and/or additional repair of air conditioning/cooling mechanisms. Assets and liabilities: Reduced lifetime of air conditioning equipment. 	Our '20 is Plenty' model ensures gyms operate at no lower than 20 °C, reducing energy used by air conditioning. Building insulation also minimises the cooling demand. The Gym Group is also working to attain a minimum EPC rating of 'C' across our gyms by 2025. Currently, 82% of gyms with EPC have ratings of 'C' or above.	High emissions	Medium term

Risk	Potential financial impact	Control measures	Emissions scenario	Materialisation
Transition climate-related risks:				
Legislative requirements: Increased legislative requirements related to the energy efficiency of buildings and office spaces, resulting in retro-fitting costs or new lease costs for aged building services.	<ul style="list-style-type: none"> Expenditures: Increased costs for building leases to meet evolving criteria and increased costs for retro-fitting. 	We are actively investing to improve energy efficiency across our site portfolio and outline our approach on pages 42 to 45. We are also working to achieve a minimum EPC rating of 'C' across our gyms by 2025. As a tenant in leased buildings, The Gym Group retains the flexibility to transition out of less energy-efficient sites if upgrades are not viable, ensuring our operations align with our sustainability goals.	Net zero emissions	Short term
			Low emissions	Short term
Decarbonising estate: Investment to purchase gym equipment with lower embodied carbon, improved energy efficiency, and phase out fossil fuels, including natural gas.	<ul style="list-style-type: none"> Expenditures: Increased capital costs to retire and replace existing equipment, facilitate transition and implement energy efficiency measures. 	We outline our approach to decarbonising our operations on pages 42 to 45. As part of our sustainability efforts, we are investing in plans to remanufacture and repurpose used equipment and building elements, extending their lifespan and minimising waste. Our approach, detailed further on page 45, enables us to manage costs over time while aligning with our commitment to a circular economy.	Net zero emissions	Short term
			Low emissions	Short term
Climate-related opportunities:				
On-site energy generation: Implementing on-site energy generation (e.g., solar panels) at gyms may reduce grid dependency and lower exposure to fluctuating fossil fuel prices.	<ul style="list-style-type: none"> Expenditures: Reduced operating costs (e.g., through efficiency gains and cost reductions). 	On-site energy generation has the potential to lower operating costs associated with purchased electricity. We have trialled solar PV installations at select sites and are evaluating the business case for future investments.	Net zero emissions	Short term
			Low emissions	Short term
			Medium emissions	Short term
Indoor exercise demand: Demand for climate-controlled gyms may increase during extreme heat events, whether short term (acute) or persistent (chronic).	<ul style="list-style-type: none"> Revenue: Increased revenue from gym memberships. Capital and financing: Increased investment from shareholders and higher share price. 	Storms, heat waves, hotter summers and wetter winters may make outdoor workouts less viable. Thus, there is an opportunity to attract more customers who previously exercised outdoors.	High emissions	Medium term