

Streamlined Energy & Carbon Reporting (SECR)

The Gym Group PLC

FY2024



SECR Highlights

The Gym Group PLC

Reporting Year: 1st January 2024 – 31st December 2024

Year-on-year Changes

- Natural Gas emissions have decreased by 12.93% in FY2024 due to the removal of gas from a number of sites where gas boilers were replaced by Air Source Heat Pumps. There was an increase associated with fugitive emissions throughout the portfolio in the year.
- Electricity and Heating emissions have increased by 3.63% in FY2024, driven by additional sites in the portfolio.
- Transport emissions have increased by 3.89% in FY2024 due to more gym locations requiring additional staff travel.

Energy Saving Projects: Highlights

- High-Efficiency Air Source Heat Pump (ASHP)
- Voltage Optimisation
- Replacement of Shower Heads
- Solar Panels

Table 1: Energy Source Breakdown for Total UK Location-Based Emissions

| | Natural Gas & Refrigerants | Grid-Supplied Electricity, Self-Generated Electricity & Heating | Transport | Total |
|---|----------------------------|---|-----------|------------|
| FY2024 Carbon & Energy Consumption | | | | |
| kWh | 8,828,082 | 43,725,416 | 597,445 | 53,150,943 |
| tCO ₂ e | 1,700.27 | 9,016.77 | 133.16 | 10,850.21 |
| FY2023 Carbon & Energy Consumption | | | | |
| kWh | 10,137,976 | 42,149,610 | 569,896 | 52,857,482 |
| tCO ₂ e | 1,884.27 | 8,700.81 | 128.17 | 10,713.26 |
| YOY percentage change (tCO ₂ e) | -9.77% | +3.63% | +3.89% | +1.28% |

Table 2: Emission Intensity Breakdown for Total UK Location-Based Emissions

| | Natural Gas & Refrigerants | Grid-Supplied Electricity, Self-Generated Electricity & Heating | Transport | Total |
|---|----------------------------|---|-----------|--------|
| Carbon Intensity Metric | | | | |
| FY2024 tCO ₂ e per Number of Member Visits (million) | 26.12 | 138.50 | 2.05 | 166.66 |
| FY2023 tCO ₂ e per Number of Member Visits (million) | 30.32 | 140.00 | 2.06 | 172.39 |
| YOY percentage change (tCO ₂ e) | -13.86% | -1.08% | -0.83% | -3.32% |

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Executive Summary

SECR disclosures are mandatory for listed and large unlisted UK companies with reporting cycles beginning on or after 1st April 2019.

This report summarises The Gym Group PLC's (The Gym Group) energy usage, associated emissions, energy efficiency actions and energy performance under the government policy Streamlined Energy & Carbon Reporting (SECR). This is implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. Mandatory information for compliance is outlined on pages 4, 6 and 7 of this report.

The appendix (page 7) includes the methodologies utilised for all calculations related to the elements reported under energy and carbon.

Under the legislation, The Gym Group must disclose its energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented for all UK operations.

The Gym Group is a UK-incorporated business. 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 the operations of The Gym Group Limited. An organisational boundary has been applied for the purposes of the reporting.

A total of 9.91% of consumption data used for SECR has been estimated to achieve 100% data coverage. This has increased from the 2023 estimation level of 7.78%.

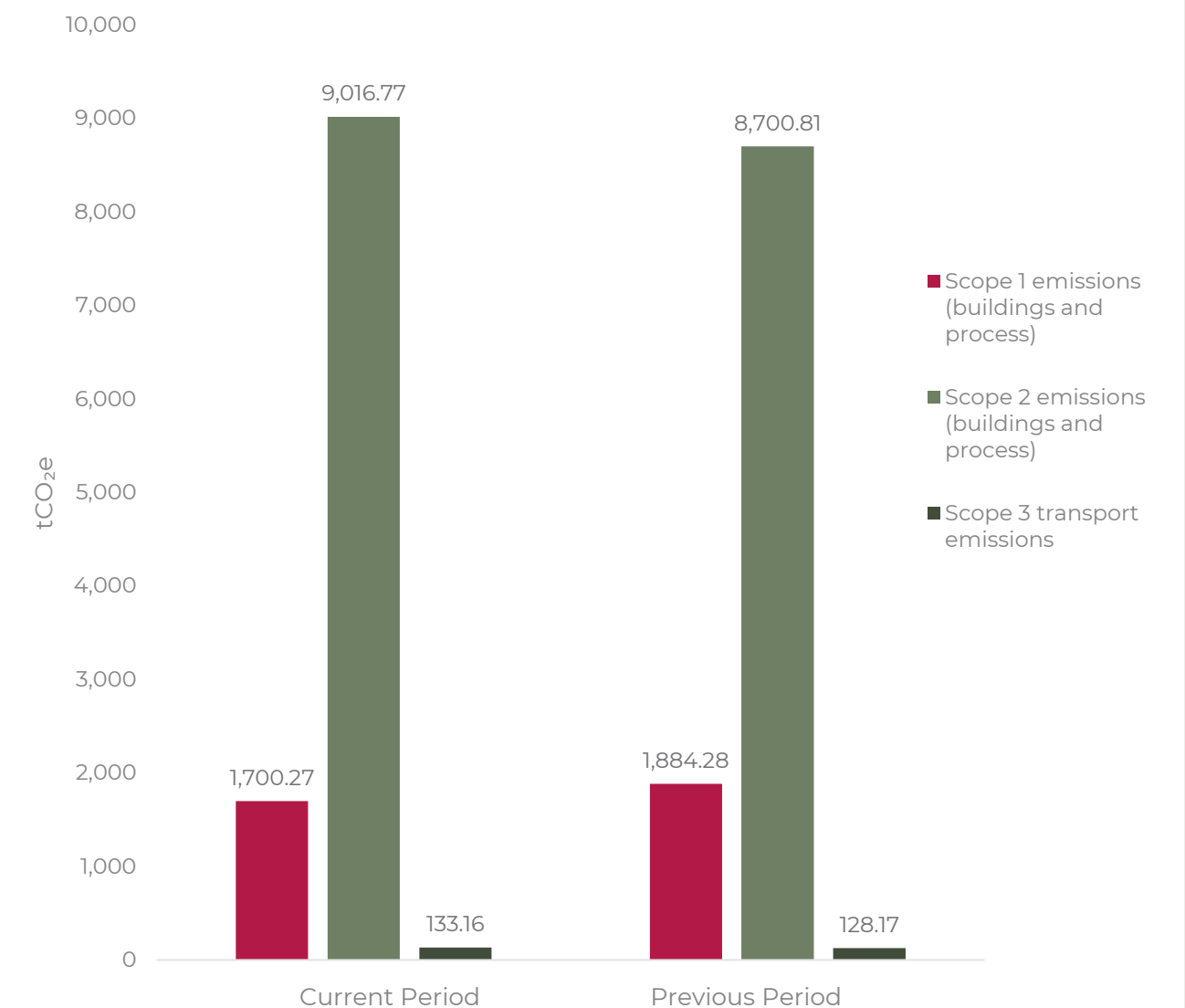
Reporting Year: January – December 2024

The Gym Group Scope 1 direct and Scope 3 indirect emissions (combustion of natural gas, transportation and refrigerants) for this reporting year are 1,833.43 tCO₂e, resulting from the direct combustion of 9,425,527 kWh of fuel. This represents a carbon decrease of 8.90% from last year ending December 2023 (Table 1).

Scope 2 indirect emissions (purchased electricity, heating, and self-generation) for this reporting year are 9,016.77 tCO₂e, resulting from the consumption of 43,725,416 kWh of electricity purchased and consumed in day-to-day business operations. This represents a carbon increase of 3.63% from last year ending December 2023 (Table 1).

The Gym Group's operations have an intensity metric of 166.66 tCO₂e per number of member visits (million) for this reporting year. This represents a decrease in the operational carbon intensity of 3.32% from last year ending December 2023 (Table 2).

Figure 1: Scope 1, 2 and 3 emissions (tCO₂e) for this reporting period vs the previous reporting period.



Annual Reporting Figures: Consumption & Location-Based Emissions

The following tables show the consumption and associated emissions for financial years ending December 2024 and December 2023 for all operations.

The Gym Group have chosen to disclose its consumption and emissions data for the group's operations, in addition to mandatory UK consumption and emissions data. Total consumption and location-based emissions are reported in Tables 4 and 5.

Scope 1 consumption and emissions include direct combustion of natural gas, refrigerants, for example, company vehicle fleets.

Scope 2 consumption and emissions cover indirect emissions related to the consumption of purchased electricity and heat (including Low Pressure Hot Water [LPHW] pumps) in day-to-day business operations.

Scope 3 consumption and emissions cover emissions resulting from sources not directly owned by The Gym Group i.e., grey fleet business travel undertaken in employee-owned vehicles only.

Table 3: The Gym Group PLC Total Emissions Intensity Metric.

| Intensity Metrics | Location-based | | Market-based | |
|---|----------------|--------|--------------|--------|
| | FY2024 | FY2023 | FY2024 | FY2023 |
| Total Number of Member Visits (million) | 65.10 | 62.15 | 65.10 | 62.15 |
| All Scopes tCO ₂ e per Number of Member Visits (million) | 166.66 | 172.39 | 55.00 | 56.26 |
| Percentage change | -3.32% | | -2.23% | |
| Total Number of Gyms | 245.00 | 234.00 | 245.00 | 234.00 |
| All Scopes tCO ₂ e per Number of Gyms | 44.29 | 45.78 | 14.62 | 14.94 |
| Percentage change | -3.27% | | -2.17% | |

Table 4: The Gym Group PLC Total Energy Consumption (kWh).

| Utility and Scope | FY2024 Consumption kWh | FY2023 Consumption kWh |
|-------------------------------------|------------------------|------------------------|
| | UK | UK |
| Scope 1 Total | 8,828,082 | 10,137,976 |
| Natural Gas (Scope 1)* | 8,828,082 | 10,137,976 |
| Scope 2 Total | 43,725,416 | 42,149,610 |
| Grid-Supplied Electricity (Scope 2) | 42,472,816 | 41,154,605 |
| Heat, steam & cooling (Scope 2) | 1,240,050 | 995,005 |
| Self-Generation (Scope 2) | 12,550 | 0** |
| Scope 3 Total | 597,445 | 569,896 |
| Transportation (Scope 3) | 597,445 | 569,896 |
| Total | 53,150,943 | 52,857,482 |

* Refrigerants have been recorded in kgs and, therefore, do not have an associated kWh emission factor. Therefore, they can only be included as tCO₂e (Table 5).

** Self-Generation was not disclosed in FY23.

Table 5: The Gym Group PLC Total Location-based Emissions (tCO₂e).

| Utility and Scope | FY2024 Emissions tCO ₂ e | FY2023 Emissions tCO ₂ e |
|--|-------------------------------------|-------------------------------------|
| | UK | UK |
| Scope 1 Total | 1,700.27 | 1,884.27 |
| Natural Gas (Scope 1) | 1,614.66 | 1,854.53 |
| Refrigerants (Scope 1) | 85.62 | 29.75 |
| Scope 2 Total*** | 9,016.77 | 8,700.81 |
| Grid-Supplied Electricity (Scope 2)*** | 8,794.00 | 8,522.06 |
| Heat, steam & cooling (Scope 2) | 222.77 | 178.75 |
| Scope 3 Total | 133.16 | 128.17 |
| Transportation (Scope 3) | 133.16 | 128.17 |
| Total | 10,850.21 | 10,713.26 |

***Self-generation (Scope 2) is only recorded in kWh.

The Gym Group dual-report on location-based and market-based emissions factors. Market-based emissions demonstrate the carbon reduction achieved by renewable electricity procurement. Market-based emissions are reported in tCO₂ only, and reflect the specific emissions associated with a supplier-specific fuel mix or residual grid factor. Refer to the appendix for market-based methodology. Total market-based emissions are reported in Table 6.

Where possible, supplier-specific emission factors were used for these calculations. Where supplier-specific emission factors were not available, UK Government published emission factors were utilised. The details of source data for these factors are outlined in the appendix.

Voluntary Market-Based Emissions

Table 6: The Gym Group PLC Total UK Location and Market-based Emissions.

| Utility and Scope | FY2024 Emissions | | FY2023 Emissions | |
|-------------------------------------|-----------------------------------|-------------------------------|-----------------------------------|-------------------------------|
| | Location-based tCO ₂ e | Market-based tCO ₂ | Location-based tCO ₂ e | Market-based tCO ₂ |
| Scope 1 Total | 1,700.27 | 1,700.27 | 1,884.27 | 1,884.27 |
| Natural Gas(Scope 1) | 1,614.66 | 1,614.66 | 1,854.53 | 1,854.53 |
| Refrigerants (Scope 1) | 85.62 | 85.62 | 29.75 | 29.75 |
| Scope 2 Total | 9,016.77 | 1,747.56 | 8,700.81 | 1,483.71 |
| Grid-Supplied Electricity (Scope 2) | 8,794.00 | 1,524.78 | 8,522.06 | 1,304.96 |
| Heat, steam & cooling (Scope 2) | 222.77 | 222.77 | 178.75 | 178.75 |
| Scope 3 Total | 133.16 | 133.16 | 128.17 | 128.17 |
| Transportation (Scope 3) | 133.16 | 133.16 | 128.17 | 128.17 |
| Total | 10,850.21 | 3,580.99 | 10,713.26 | 3,496.16 |

Market-based emissions reflect the carbon reduction achieved by renewable energy procurement for sites where The Gym Group PLC controls the energy purchase, and a zero tCO₂/kWh supplier-specific emission factor with DRAX has been applied to these sites. A residual grid fuel mix factor has been applied for landlord supplies where contracts are unavailable.

Year-on-Year Changes

Natural Gas emissions saw a notable reduction of 12.93% in FY2024. This decrease is largely due to the transition away from gas boilers into Air Source Heat Pumps (ASHPs) at 54 sites. There was an increase associated with fugitive emissions throughout the portfolio in the year.

Electricity and heating emissions have increased by 3.63% in FY2024. This rise is primarily due to the expansion of the operational portfolio, with additional sites contributing to higher overall energy consumption.

Transport emissions have risen by 3.89% in FY2024, largely due to the expansion of gym locations, which has increased the need for staff travel.

Energy Efficiency Narrative

The Gym Group is committed to year-on-year improvements in its operational energy efficiency. A register of energy efficiency measures has been compiled, with a view to implementing these measures in the next five years.

Measures Undertaken In FY2024

High-Efficiency air source heat pump (ASHP)

The Gym Group have developed a high-efficiency air source heat pump (ASHP) solution for use in all new sites and to replace failed gas-fired boilers; 54 of their gyms now operate with an ASHP (up from 39 the previous year) while 72% of the estate operates with gas fired hot water (down from 78% previous year).

Voltage Optimisation

Voltage optimisation was installed in 95 gyms in 2024, reducing gym electricity consumption. The Gym Group will continue the roll-out through 2025 in 16 sites that will benefit from this technology.

Replacement of Shower Heads

The Gym Group has replaced old shower heads with high-efficiency ones in 80 sites, which has reduced water consumption by around 33%.

Solar Panels

The Gym Group have two sites operating photovoltaic (PV) solar panels as they continue to develop their strategy for on-site power generation. PV solar enables up to 30% of the required power to be generated on-site.

Measures To Be Addressed In FY2025

Reporting on Water Consumption

The Gym Group is rolling out a system to automatically capture and report gym water consumption. A central reporting system will identify any excessive consumption to prompt rapid action. Following an initial trial, this system is planned to be installed in 40 more sites in 2025.

Energy Audits

An on-going process of energy auditing as part of The Gyms Group's maintenance management programme continuously identifies operational energy saving opportunities, optimising control settings and educating local gym teams.

Replacement of air Handling Unit Motors

The Gym Group have instigated a trial to replace older air handling unit motors with new high efficiency motors combined with speed regulators to reduce consumption. They look to install these changes in 2025.

Appendix

Compliance Responsibility

This report has been prepared by the ESG division of Inspired 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 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 PLC.

This includes details of any complex ownership structures (for example, private equity funds, franchises for private finance initiatives) and electricity/gas usage that is covered by the EU Emissions Trading Scheme (ETS) or Climate Change Agreements (CCA) scheme generated on-site (including Combined Heat and Power (CHP)) or supplied to/from a third party (i.e. not a licenced energy supplier or a landlord/tenant).

Reporting Methodology

This report (including the Scope 1, 2 and 3 kWh consumption and CO₂e emissions data) has been developed and calculated using the *GHG Protocol – A Corporate Accounting and Reporting Standard* (World Resources Institute and World Business Council for Sustainable Development, 2004); *Greenhouse Gas Protocol – Scope 2 Guidance* (World Resources Institute, 2015); *ISO 14064-1 and ISO 14064-2* (ISO, 2018; ISO, 2019); *Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance* (HM Government, 2019).

Government Emissions Factor Database 2024 version 1.1 has been used, utilising the published kWh gross calorific value (CV) and kgCO₂e emissions factors relevant for the reporting period 01/01/2024 – 31/12/2024.

Estimations were undertaken to cover missing billing periods for properties directly invoiced to The Gym Group PLC. These were calculated on a kWh/day pro-rata basis at the meter level.

- For properties where The Gym Group PLC is indirectly responsible for utilities (i.e. via a landlord or service charge) or no data is available for the meter, an average kWh/m² consumption was calculated in accordance with CISBE (Chartered Institution of Building Services Engineers) Guide F standards at meter level and was applied to the properties with similar operations with no available data.
- For properties where The Gym Group PLC is indirectly responsible for utilities (i.e. via a landlord or service charge) or no data is available for the meter, an estimation provided by The Gym Group PLC based on their annual budgeted consumption was calculated and applied to the properties with no available data.

These full-year estimations were applied to 18 electricity supplies and 11 gas supplies. All estimations equated to 9.91% of reported consumption. This has increased from the 2023 estimation level of 7.78% due to challenges of getting complete HH electricity meter readings from suppliers; therefore, there was some incomplete data, and monthly consumption estimations were needed. Estimations were also required for landlord sites, and these estimations were calculated in accordance with CISBE standards, or The Gym Group PLC's budgeted consumption at the meter level (as mentioned above). Data quality will be improved for next year's reporting.

Market-based emissions reflect the carbon reduction achieved by renewable energy procurement for sites where The Gym Group PLC controls the energy purchase, and a zero tCO₂/kWh supplier-specific emission factor has been applied to these sites. A residual grid fuel mix factor has been applied for landlord supplies where contracts are unavailable.

The Gym Group PLC operated solar PV systems at two sites, generating and consuming 5,212 kWh from January to May. The annual figure has been extrapolated based on this data to reflect full-year performance.

Intensity metrics have been calculated using total tCO₂e figures and the selected performance indicator agreed with The Gym Group PLC for the relevant report period:

- Total Number of Member visits (millions) **FY2024** (FY2023) **65.10** (62.15)
- Total Number of Gyms **FY2024** (FY2023) **245** (234)

Glossary

Scope 1: Emissions associated with gas usage and transportation fuels (under the company's control).

Scope 2: Emissions associated with the consumption of purchased electricity are presented on both a location-based (using country average electricity emission factors) and market-based (taking into account any purchased renewable generated electricity) approach. Scope 2 emissions include heat emissions (including LPHWs) in daily business operations.

Scope 3: Company's value chain emissions, divided into 15 categories, as established by the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting & Reporting Standard. Under SECR this is limited to emissions resulting from sources not directly owned by the Company, i.e., grey fleet business travel undertaken in employee-owned vehicles only.

Location-based emissions: Methodology to calculate Scope 1 and 2 emissions using the average grid emissions factor of a region.

Market-based emissions: Methodology to calculate Scope 1 and 2 emissions using emissions factors specific to the contractual instruments in place.

tCO₂: Tonnes of carbon dioxide gas released into the atmosphere. This metric is often used when reporting electricity market-based emissions factors.

tCO₂e: Greenhouse gases have different global warming potentials and are converted to a carbon dioxide equivalent to ease comparison and reporting.

Quality Review

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| Issue Number | Date | Author | Description of Changes |
| 1 | 17/02/2025 | Nicholas Goodale | Initial Issue |
| 2 | 19/02/2025 | Nicholas Goodale | Amendments to Heat and Steam figures for FY24, and gas and electricity estimations. |
| 3 | 21/02/2025 | Nicholas Goodale | Amendments to Electricity consumption and alteration of narrative. |
| 4 | 11/03/2025 | Athena Whalley | Updates to energy narrative. |
| | | | |

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