

Responsible Business Report

Overview

The Group's principles of fairness, integrity, and respect form the foundation of our responsible business culture. Our corporate responsibility framework reinforces this culture by promoting good governance and guiding our management of environmental and social impacts. This framework applies across all aspects of our business and encompasses Sustainability, Environmental and Social Governance (ESG), and Corporate Responsibility (CR), which are interrelated and mutually supportive.

OUR APPROACH

We recognise that ensuring sustainability across all operations is a key responsibility for the Group.

With c3,000 employees spread across 10 countries and more than 250 sites, we provide valuable services to thousands of customers in various markets. Our goal is to make sustainability a universal priority throughout the Group's network, where we all contribute towards mitigating climate change and biodiversity loss by minimising our environmental impact and striving for a net positive impact on biodiversity. We seek to provide further mitigation through investing in local community and conservation projects to further mitigate any negative environmental effects.

To evaluate our alignment with the United Nations' 17 Sustainable Development Goals (SDGs) and their corresponding targets, we conducted a thorough review. The Group are focused on 11 of the SDGs, listed below, and the presence of SDG icons throughout the report signifies where we are achieving progress towards these goals.



SDGs for our customers, investors and supply chain



SDGs for our people



Responsible Business Report

ACHIEVEMENTS

Our achievements in environmental developments over the past 12 months include:



Continued investment into increasingly **sustainable and electrified rental fleet** solutions



A **sustainability website** detailing our current and historic sustainability actions, a range of our innovative products and recent news articles – access via the QR Code above



We have made significant headway in **mainstreaming sustainability within our procurement** functions through publishing a sustainable procurement policy and integrating new supplier management software



We have committed to **science based emissions reduction targets** which were submitted to the Science-based Target initiative for validation in December 2022



The Group has achieved **Gold status with the Plant Charter** for excellence in our commitment to reducing carbon emission and air pollution



We have **achieved ISO 50001** - Energy Management System certification across all UK sites



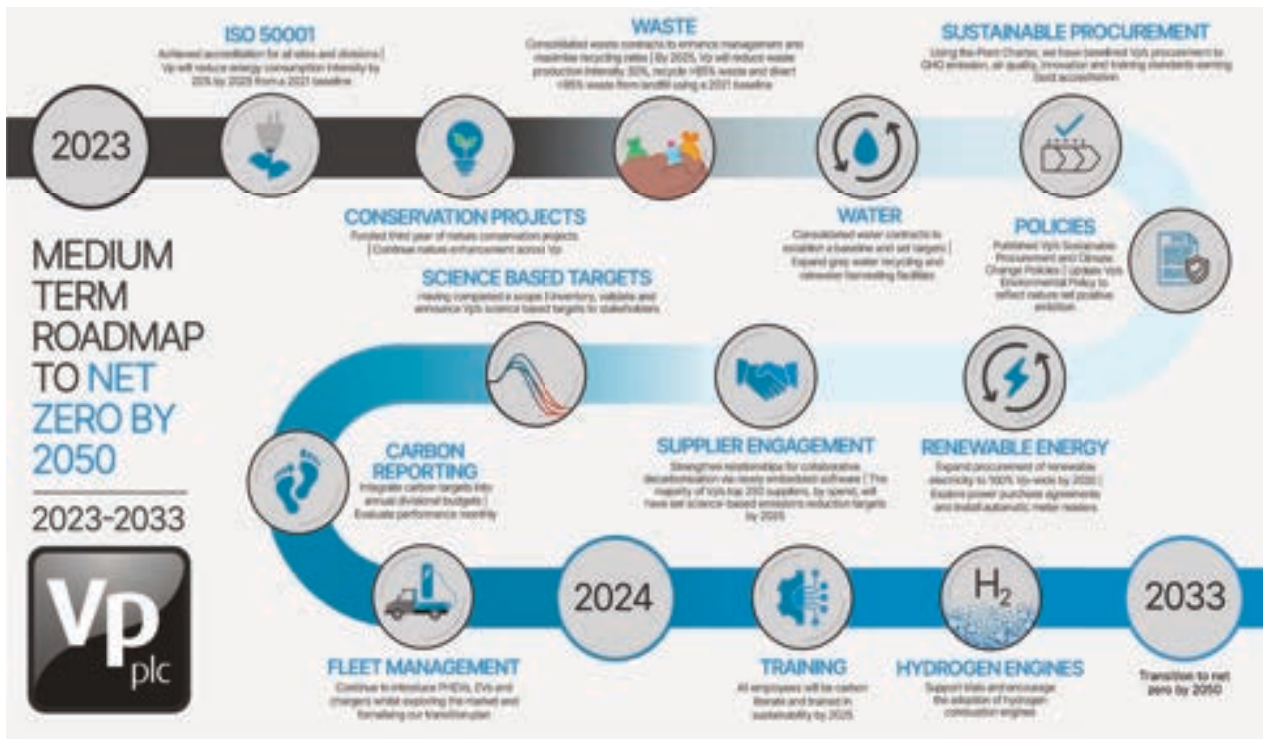
We have published a **Medium Term Roadmap** to Net Zero by 2050



We are supporting **three new nature conservation projects** focussed on the restoration of seagrass meadows, agricultural advisor training and the reintroduction of Lynx to the UK

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Medium Term Roadmap to Net Zero by 2050



NET ZERO CARBON

Net Zero Target

The Group commits to reach net-zero Green House Gases emissions across the value chain (scope 1, 2 and 3) by 2050 from a 2022 base year.

Short Term Targets

By 2025:

- The majority of The Group's top 250 suppliers by spend will have set science-based emissions reduction targets.
- All employees will be carbon literate and trained in sustainability.
- The Group will reduce its energy consumption intensity (kWh/m²) 20% from a 2021 baseline.
- The Group shall reduce waste production intensity 30%, recycle more than 85% waste and divert more than 95% waste from landfill using a 2021 baseline.

We have made the commitment to reach net zero carbon emissions with the Science Based Targets initiative in line with the Business Ambition for 1.5°C to ensure a robust transition plan.

Our transition plan to net zero comprises near term and short term targets described above. This strategy is designed and actioned via our Environmental Steering Group which is chaired by the Chief Executive who meet regularly.

To properly reflect the level of priority these issues occupy within the Board's governance structure, environmental, social and governance accountability has been formally recognised as a matter to be routinely reviewed at Board level. Coupled with our transition plan, our climate change strategy has recently



been ratified into our newly published Climate Change policy.

As a major supplier to the UK Government, we published our Carbon Reduction Plan in November 2022 in response to Procurement Policy Note 06/21 detailing our commitments, progress to date, pathways and initiatives.

We understand the need to be transparent and follow best practices with our reporting on climate change. Our carbon footprint was calculated in accordance with the World Business Council for Sustainable Development and World Resources Institute's Greenhouse Gas Protocol, along with HM Government's Environmental Reporting Guidelines and DEFRA's 2022 UK Greenhouse Gas Conversion Factors for Company Reporting.

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NET ZERO CARBON (continued)

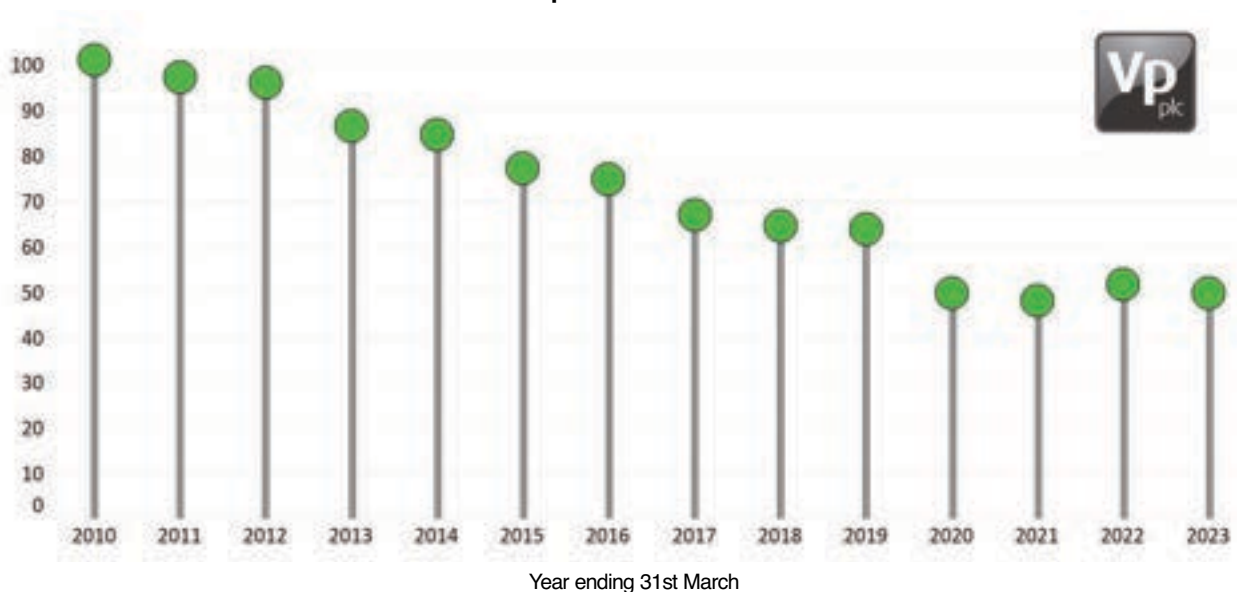
Our statutory greenhouse gas emissions data (scope 1 & 2) for the year ended 31 March 2023 is set out below:

		2023	2022
UK	Scope 1 (Tonnes CO2e)	15,363	15,322
	Scope 2 Location-based (Tonnes CO2e)	1,269	1,891
	Scope 2 Market-based (Tonnes CO2e)	-	66
	Total Scope 1 & 2 Location-based (Tonnes CO2e)	16,632	17,213
	Total Scope 1 & 2 Market-based (Tonnes CO2e)	15,363	15,388
	Energy Consumption of Scope 1 & 2 (kWh)	65.4m	64.2m
	Intensity Ratio Location-based (Tonnes CO2e per £m revenue)	50	54
	Intensity Ratio Market-based (tonnes CO2e per £m revenue)	46	48
Global	Scope 1 (Tonnes CO2e)	17,736	17,356
	Scope 2 Location-based (Tonnes CO2e)	1,463	2,574
	Scope 2 Market-based (Tonnes CO2e)	676	749
	Total Scope 1 & 2 Location-based (Tonnes of CO2e)	19,199	19,930
	Total Scope 1 & 2 Market-based (Tonnes of CO2e)	18,412	18,105
	Energy Consumption of Scope 1 & 2 (kWh)	76.4m	73.7m
	Intensity Ratio Location-based (Tonnes CO2e per £m revenue)	52	57
	Intensity Ratio Market-based (Tonnes CO2e per £m revenue)	50	52

Note: Location-based calculations use the average emissions intensity of the grid where we obtain the energy, while market-based calculations use the emissions intensity based on the specific energy mix that we procure.

The Group has a strong track record of decoupling our growth as a business and our carbon emissions. We have reduced our greenhouse gas emissions with CO2 equivalent tonnes per £m revenue from 101 tonnes per £1 million revenue in 2010 to 48 tonnes per £1 million revenue for the year ended 31 March 2023, a reduction of 52%.

Scope 1 & 2 emissions



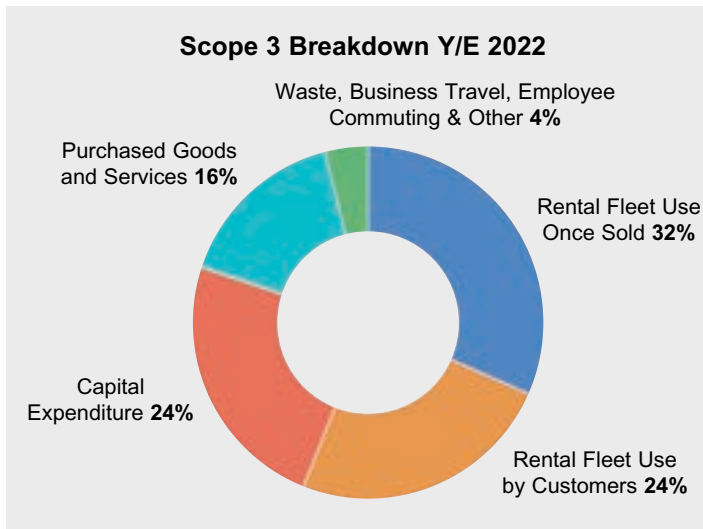
Responsible Business Report

NET ZERO CARBON (continued)

The Group seeks to maximise the efficiency of its energy consuming assets. We are pleased to announce we have achieved ISO 50001 - the Energy Management System accreditation in all UK sites. This has formalised continuous improvement in energy efficiency and reinforces sustainable behaviours.

Training throughout the Group on energy efficiency and environmental awareness has resulted in behavioural changes such as reduced engine idling and turning off lights and unnecessary heating and cooling. Embedding new behaviours combined with LED replacements in 2023 led to energy consumption reductions of c7% which equates to substantial reductions in carbon emissions. We expect to maintain these trends as we continue with site refurbishments.

A number of our businesses (Brandon Hire Station, ESS, MEP Hire and Groundforce) have recently achieved the Fleet Operator Recognition Scheme (FORS) gold certification across their entire branch networks. This attests to their meaningful improvements in efficient use of fuel, reductions in total fuel usage and transport related CO2 output.



We have recently completed our scope 3 inventory for the year ended 31 March 2022, which has enabled us to prioritise carbon reduction initiatives not only relating to our business operations but in the wider context of our entire value chain. c4% of our total emissions relates to scope 1 emissions through the combustion of fuel in commercial vehicles and facility heating.

c54% of the Group's carbon footprint relates to the use of its rental fleet and sold items. We are reducing this through moving towards an increasingly lower emissions based fleet and, where fossil fuel powered fleet still provides the best solution, we invest in the latest technology to ensure the cleanest and most fuel efficient engines. c38% of our carbon footprint relates to the embodied carbon within the purchase of capital goods and other goods and services. Finally, three additional categories – waste, business travel and employee commuting make up the remaining c4% of our carbon footprint. Detail on how we are tackling these emissions can be found in the procurement section below.

To achieve our targets, our transition plan to net zero prioritises initiatives including:

- Working with suppliers to consider robust alternatives to petrol and diesel powered fleet;
- Roll out of our new supplier management software and integrated within procurement functions enabling closer management of our embodied carbon footprint;
- Electrification of our commercial and company car fleets where possible;
- Identify opportunities to co-locate on site reducing haulage and business travel emissions whilst providing closer customer support;
- Continue integrating telematics software for route planning and driver feedback;
- Targeted training and behaviour change programmes on efficient energy use and driving practices, and environmental awareness;
- Exploring the use of HVO fuel in our commercial vehicles;
- Increase our procurement of renewable energy.



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NET ZERO CARBON (continued)

Renewable Energy

The table below illustrates our worldwide energy consumption by source. 87% of our electricity is from renewable sources, as is 8% of our energy consumed overall. We have now transitioned the remaining UK properties onto our fully renewable electricity contract, backed by certificates of renewable energy guarantees of origin (REGOs) accredited by the Carbon Trust. The Group have invested c£150,000 to power four sites with solar energy with an additional four sites and c£200,000 of investment planned for the coming year. We continue to explore renewable heating options to reduce our consumption of natural gas.

Worldwide Energy Consumption by Source for the year ended 31 March 2023

Scope 1 (kWh)	Diesel	72m
	Natural Gas	3m
Scope 2 (kWh)	Renewable Electricity	7m
	Non-Renewable Electricity	1m



PROCUREMENT

In our continued use of ISO 20400 for Sustainable Procurement as a guide, we have established a forum with representatives from each business. Through this forum, and in collaboration with key suppliers, we have published a Sustainable Procurement Policy. Furthermore, we are integrating new environmental health and safety (EHS) software which includes supplier, carbon and social value modules. This will enable quantitative supplier-led reporting for sustainability performance data and our subsequent monitoring and evaluation. This data includes progress towards suppliers own ISO 50001 aspirations and the procurement of renewable electricity as well as metrics for health and safety, governance and quality.

The EHS software will also enable us to track supplier self-reported Scope 1 and 2 emissions. This data, together with the aforementioned sustainability performance data, will provide a backbone for more reflective, two-way, conversations with incumbent suppliers. In turn, this will allow for the opportunity to promote increasingly positive behaviour and, concurrently, a shift within the Group's procurement to focus on sustainability just as much as price, quality and service. For new suppliers, our aim is to select those who are aware of their own carbon footprint and have a similar ambition and track record as the Group in reducing it.

We are proud to announce that the Group has recently achieved Gold Status for the Supply Chain Sustainability School's (SCSS) Plant Charter. The SCSS is an online learning platform aiming to develop skills to deliver a sustainable built environment. Their Plant Charter is a set of minimum standards evaluating one's commitment to reducing carbon emission and air pollution. The Group's achievement of the highest award, Gold, demonstrates our excellence in combatting air pollution and carbon emissions through our high standards in procurement, stakeholder engagement, training and innovation. It is a priority for the Group to accelerate our transition away from rental assets powered by fossil fuel and towards those powered by battery and solar as well as non-powered products.



Future efforts will look at embedding the recommended standards of the First Movers Coalition (FMC). The FMC is a group of companies whose purchasing commitments help scale up and enable the environment for critical emerging technologies essential for net zero. We will look at the hard to abate sectors of Steel, Trucking and Aluminium as we not only want to reduce emissions produced through rental fleet operation but equally, reduce the embodied carbon through supporting the latest technologies and processes in the manufacture and transportation of our fleet.

Responsible Business Report

PROCUREMENT (continued)

We have made the following progress in reducing our carbon footprint:

- Divisional Product Review Groups have been established throughout the Group to focus on accelerating the transition towards a zero emissions at point of use rental fleet.
- We currently estimate that more than 60% of rental assets Group-wide are zero emissions at point of use.
- We are electrifying a fleet of 44 forklift trucks with significant carbon savings.
- We increasingly order more hybrid and electric vehicles where possible with 11 sites offering electric vehicle charging capabilities.
- Where electrification of our commercial vehicle fleet is currently not viable, we continue to enjoy reductions in emissions via replacements to more efficient technology.
- We have increased the amount of sustainable company cars in the fleet from 20% to 50% having introduced sustainable options in all bandings last year.
- Alongside customers, we have and continue to participate in “sites of the future” where up to 90% of all rental fleet is battery operated.



An example of this is the stressing equipment that we supply to the rail sector through our business Torrent Trackside. We have replaced 90% of our petrol powered rail stressing equipment for battery operated equivalents. The remaining 10% will be swapped out over the next 12 to 24 months.



HVO Fuel

Our business UK Forks has conducted HVO fuel trials with 2 of our larger housebuilding customers, to show performance and environmental benefits of using HVO fuel. This was independently verified results:

- 92% reductions in greenhouse gas emissions and;
- 75% reduction in particulates with HVO compared to diesel

Outcome:

One of these customers have subsequently moved to HVO fuel for 20% of their fleet and the other customer is currently running 80 machines on HVO and have committed to buying enough HVO fuel to run c50% of their hire fleet.

Examples of our new battery-operated tools and equipment including Airpac Rental's Electric Air Compressor:



Responsible Business Report

PROCUREMENT (continued)

CASE STUDY: Electric Forklifts

Our business Groundforce has made great progress in switching 44 of our diesel forklifts to electric powered which saves 600 tonnes CO2 per year as well as cutting down on air pollution for our employees and wider stakeholders.

CASE STUDY: SiteSafe SureLock Pro

As an example of working with our supply chain, through a process of collaborative design with their supplier Metal & Modular, MEP Hire have managed to reduce embodied carbon emissions of the SiteSafe SureLock Pro through using 85% less welding and 90% less power use. Through this innovation, MEP Hire has saved over 20 tonnes of embodied CO2 and brought a significantly more sustainable product to market.



Examples of Zero Emissions of Point of Use Products

Our business MEP Hire operates 5,000 mechanical low-level access platforms. The majority of which are zero emission and powered manually by the user.

Equally, our businesses TPA, Groundforce and Brandon Hire Station offer aluminium roadways, trench boxes and scaffold towers respectively, which are all fully recyclable.



An example of our low-level access machines that consume no energy (right).

WASTE, WATER, PLASTIC & PAPER

The vast majority of our old fleet when it leaves operational control, by both number and weight, is sold either directly to customers or via auction to increase its working life. We track and aim to minimise the amount of fleet sold directly as scrap metal and push for supplier buy-back deals to promote the circular economy whilst acknowledging some old fleet when sold is beyond economical repair and will be broken down into component parts. Where possible, we also look to repurpose parts of old fleet for extended life elsewhere and this is especially true with batteries.

YEAR	2023	2022	2021
% DIVERTED FROM LANDFILL	95%	96%	94%

In recognition of our waste strategy and progress, we have won a Green World Award. We maintain a high percentage of waste diverted from landfill and continue to increase the proportion sent to recycling. To increase our recycling ratio and decrease overall waste produced in line with our waste target, we have switched waste provider and consolidated all contracts onto one supplier for improved management and data provision.

18%
reduction in total waste produced



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WASTE, WATER, PLASTIC & PAPER (continued)

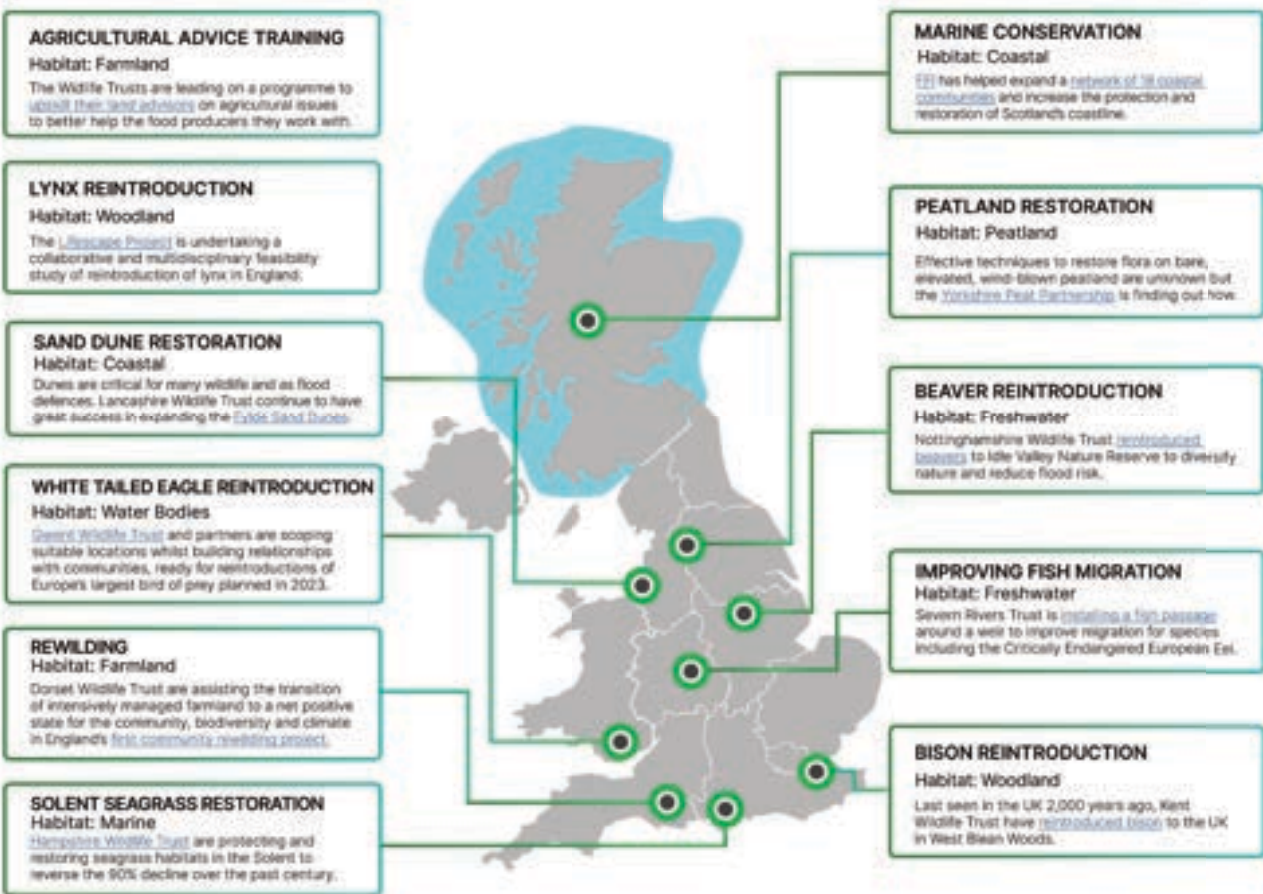
We continue to explore ways to reduce our single use plastic consumption and are exploring recycled personal protective equipment and end of life recycling methods.

Throughout the business, we continue to upgrade our interceptors to recycle rainwater and grey water, and where feasible we are investing in rainwater harvesting infrastructure. We have managed to consolidate the majority of our water contracts to enable tracking and evaluation of water use.



NATURE CONSERVATION PROJECTS

Below are the eleven projects which we have sponsored over the past three years.



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NATURE CONSERVATION PROJECTS (continued)

“Globally, over half of global GDP relies directly or indirectly on nature, making it the most productive component of our economy.” World Economic Forum

To date, the UK has failed to reverse the steep loss of biodiversity with 41% of UK species in decline and one in 10 species threatened with extinction. To do our part, the Group are proud to sponsor some of the best examples of nature conservation projects around the UK each year including the reintroduction of beaver, bison, lynx and eagles and the restoration of seagrass beds, wildflower meadows, sand dunes and peatlands. This year, we are especially proud to have committed support to the training of Wildlife Trust land advisors who, given more than 70% of the UK’s land is farmed, have a crucial role in promoting nature alongside our food production to the betterment of both.

To offset or not?

Most natural assets, and their resultant social benefits, are undervalued, overexploited and could be best protected through the Group empowering local organisations with direct funding.

Critics have raised valid concerns over the potential overuse of offsets, which could delay the much-needed transition away from fossil fuels. However, we acknowledge that a well-constructed offset portfolio that includes projects with significant biodiversity net gains can be valuable.



Last September, six employees from different divisions of the Group visited the Isle of Arran project site of the coastal conservation project we were supporting around Scotland for rock pooling and beach cleaning.

To maximise colleague involvement with these projects and the wider natural world, we select projects around the whole of the UK to give all colleagues a chance to participate and support with their time. Colleagues do not have to take leave to volunteer on these days.



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OUR PEOPLE

The 2022/23 year has been a challenging one, but we have continued to make progress in our efforts to create a great place to work, where our people feel valued and have the opportunities to fulfil their potential.

Wellbeing

We are committed to creating an environment that promotes good mental health and where all our people can thrive and feel supported. Further investing in the health and wellbeing of all our people is critical to delivering long-term success. We are therefore continuing to provide Mental Health First Aider training and rolling out our digital learning mental health awareness module to all employees. Through our Essentials of Management Programme, we are equipping our managers to implement our mental wellbeing policy and support employees who are experiencing mental health problems.

We also have begun to install defibrillators and delivering the accompanying training starting with our larger locations.

Systems

Following the investment in our HR and Payroll system, we have continued our programme of digital transformation, removing paper-based processes where possible across the function. We have implemented an automated process with the support of our internal IT Function to link our HR system and new Learning Management System (LMS), enabling timely and accurate updates of people information into the LMS. Future developments will include additional self-service options for our managers, a move to a digital process for the annual pay review, and a streamlined Gender Pay Gap reporting process.

Talent Attraction

Continuing to attract high-calibre new recruits at all levels across our business is key to our future growth and continued success. To further enhance our internal capability in this area, we have created a new role of Talent Acquisition Manager to lead our talent acquisition team. Further investment in maximising our use of LinkedIn and more fully utilising social media are current priorities.

Benefits

We have significantly improved our employee benefits package in the last year, including introducing an

employee benefits online portal enabling our people to easily access online discounts and wellbeing solutions. In addition, key salary sacrifice benefits such as a Cycle to Work Scheme and additional holiday purchase.

Development

We have continued to strengthen our Learning and Development resource capability, having created two new roles to facilitate this and accelerate the pace of rollout of our digital learning content, tracking learning and development. Our first two Developing Leaders programme, equipping our managers to effectively lead other managers in the future, have just concluded with very positive feedback.

The Essentials of Management Programme, developed to upskill all Managers across our Group, is now being rolled out in face-to-face sessions with colleagues from all the businesses learning together. The programme sees our people developing their skills, knowledge and behaviours alongside the relevant policies and processes. Our Managers will also benefit from being able to access additional tailored digital learning modules accessed through our recently launched digital learning platform.

We are now in the fifth year of our rotational Group Graduate Scheme, which continues to be a great success, providing an excellent pipeline of young talent for our Group businesses and central functions. The next intake will join in September and spend the next 18 months working in all our businesses and head office department. They will then undertake a business project prior to appointment in a variety of roles across the businesses in the New Year.

The annual recruitment for our Engineering Apprentice intake continues to progress and expand, with 49 new Apprentices being recruited to join our September intake to support our future succession planning across our branch and depot networks. Learners on our first ever Sales Apprenticeship for Sales Managers are successfully nearing completion and learners on our first Management Apprenticeship Programme are continuing to make good progress. We successfully launched our new LGV Apprenticeship, another internal development opportunity for our depot-based colleagues and our first Business Administration Apprenticeship is also in progress.

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Inclusion and Diversity

We know that having engaged employees is critical to the long-term success of our business. Being an inclusive organisation is important to us. We are committed to ensuring that everyone is treated with fairness and respect and encourage everyone to develop their skills and fulfill their potential. Whilst we are active in our drive for inclusivity and the progression of diverse talent, we acknowledge we still have a way to go. We are committed to driving positive, sustainable change to improve the experiences and opportunities for under-represented groups. Women are represented at all levels of our organisation. 17% of the Board and 14% of Senior Managers are female. As an equal opportunity employer, we are committed to promoting the same level of opportunities to all.

Workforce by gender*	Male Number	Female Number	Female %
Board of Directors	5	1	17
Senior Managers	86	14	14
Salaried	2,311	442	16

We are conscious of the targets relating to board diversity. Whilst we have not met all of these the Board is committed to supporting and developing a diverse pipeline of candidates for managerial and director roles within the Group.

Retention

We are delighted to have recently introduced a Long Service Recognition Programme, celebrating the valuable contributions of colleagues across the Group with 20, 30 and 40 years' service, and all the intervening years, critical to our business success to date. With c270 employees across the Group participating, this is testament to our ability to retain talent across all our businesses despite the challenges posed by the pressures of the current labour market. We continue to offer our people the opportunity to share in our success through our SAYE Employee share ownership scheme and encourage them to participate. Particularly pleasing despite the current economic situation and cost of living pressures, as at 31 March 2023, approximately 43% (2022: 38%) of our UK employees were participating in the Save As You Earn Scheme.

HEALTH & SAFETY

Excellent health and safety performance is fundamental to our business. It is essential that we provide a safe working environment for our employees and that the equipment we supply to our customers is safe and fit for purpose.



We strive to minimise accidents and dangerous occurrences. We aim to continually improve standards of health and safety within all our businesses and with our customers. The Group sets an overall policy for the management of health and safety. The Chief Executive retains oversight in this area and discusses performance on a regular basis with the individual businesses. He also reports to the Board on overall performance and any more serious incidents that arise.

Operational responsibility lies within the Group's individual businesses which are closest to and best positioned to manage their risks. All businesses, however, have clear policies and procedures and appropriate risk assessment techniques backed by training and clear communication.

Training is focused not only on specific hazards but also the wider obligations of management. These activities are overseen by appropriately qualified and experienced health and safety advisers and are subject to regular audit, both internally and externally.

As noted above Health and Safety performance is monitored at a business level. This incorporates analysis of accidents, near misses and dangerous occurrences. Where accidents, near misses or dangerous occurrences happen these are investigated in order for them to be fully understood and for appropriate action to be taken to minimise the risk of occurrence.

We ended the year with an Accident Frequency Rate of 0.28, representing an increase on our 2022 rate of 0.19.

The AFR is calculated by multiplying the number of RIDDOR reportable accidents by 100,000 (the average number of hours worked in a lifetime), divided by the overall number of hours worked by all members of staff.

	2023	2022	2021	2020
Accident frequency rate	0.28	0.19	0.29	0.27

Reportable accidents under the Reporting of Injuries Disease and Dangerous Occurrences regulations 1995 were 16, an increase from prior year (2022: 11).



COMMUNITY

We aim to have a positive impact on communities in which we operate. We actively encourage our teams to support their communities by providing their time and enthusiasm to raise money for local and national charities. In most cases the monies raised by employees are matched by the Group. During the year we donated £85,000 (2022: £61,000) to charities.

Responsible Business Report

BUSINESS RELATIONSHIPS AND ETHICS

The Group has always conducted its business responsibly and ethically. The Group is committed to operating with honesty and integrity, and all employees are expected to maintain these high standards. The standards expected are specified in codes of conduct and group policies to which employees are required to adhere. Some of our policies are based in applicable laws and regulations.

Policies

Anti-bribery policy

The Group has in place an anti-bribery policy, which clearly states a number of obligations for our employees, and is committed to zero-tolerance to acts of bribery and corruption. Each Division is required to update their specific risk assessment each year when business circumstances change.

Competition law policy

We believe that a competitive marketplace benefits both the Group and our customers. Accordingly, we compete vigorously but fairly, acting in full compliance with all applicable Competition Laws and Regulations. We are committed to conducting our business with honesty and integrity, and we expect the same of all employees. Awareness programmes are continually updated and rolled out to our Management teams and employees with potential exposure.

Modern slavery statement

We support the objectives of the Modern Slavery Act and will not tolerate modern slavery or human trafficking within our own supply chain. During the year the Group conducted a further review of its supply chain and published its statement accordingly.

Respect for human rights

We do not maintain a standalone human rights policy. The Group supports and is guided by the Universal Declaration of Human Rights. The Group understands its responsibility to respect the human rights of the communities and workforces with whom it interacts, and employees are expected to behave accordingly.

Sustainable procurement policy (introduced in last financial year)

Vp's approach to sustainable procurement has been formalized, this acts as a guide to internal procurement teams as well as current and prospective suppliers. Vp's objective as a business is to deliver longer term value to our stakeholders whilst embracing our commitment to the highest environmental, social and ethical standards.

Environmental policy

We are acutely aware of our impact on the environment through our business operations. The policy lays out the expected practices recognizing the continual need to adapt to the many moving parts in this area of management and stakeholder engagement.

Climate change policy (introduced in the last financial year)

To complement the Environmental Policy the Group has added a Climate Change Policy in this financial year. Vp plc is aware of the threat to our collective future which climate change poses. As such we have recognized this area as a principal risk to Vp. To support this we felt it necessary to provide more guidance on the Group approach. See page 41 for further information.

Whistleblowing policy

Our whistleblowing policy ensures our employees feel empowered to raise concerns relating to malpractice or wrongdoing through a confidential hotline. In the financial year we have not received any material whistleblowing reports. Where incidents of whistleblowing are reported, there is a process for bringing this to the Board's attention to seek guidance on how to respond.

Responsible Business Report

NON-FINANCIAL INFORMATION STATEMENT

Our Annual Report and Accounts details our approach to environmental, social and employee related matters. The table below outlines where in this report you can find this information and where additional information can be found on our website.

Reporting requirement	Standards and policies that govern our approach
Business model, principal risks and non-financial KPIs	For the business model, see p.1 For principal risks, see p.39 For non-financial KPIs see, p.1, 18, 19, 26
Environmental matters	Environmental policy, see above and vpplc.com/responsible-business Sustainability, see p.15 Corporate responsibility, see p.15
Employees	Diversity and inclusion policy, see p.26 Health safety and wellbeing policy, see p.26 and vpplc.com/responsible-business Whistleblowing policy, see above and vpplc.com/responsible-business Recruitment and retention of staff, see p.40 (Risk section) and p.26 Employee handbook
Human rights	Modern slavery statement, see above and vpplc.com/responsible-business Corporate responsibility, see p.15
Social matters	Sustainability, see p.15 and vpplc.com/responsible-business Corporate responsibility, see p.15 and vpplc.com/responsible-business Diversity and inclusion policy, see p.26
Anti-fraud, bribery and corruption	Anti-bribery policy, see above and vpplc.com/responsible-business Competition Law policy, see above and vpplc.com/responsible-business Whistleblowing policy, see above and vpplc.com/responsible-business Employee handbook

Responsible Business Report

TASK FORCE FOR CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD) DECLARATION

General

The Board recognises global climate change and is committed to ensuring appropriate resources are allocated internally to the management of the many risks and opportunities to our business model and strategy.

In response, the Group has completed a full assessment of the TCFD framework and supporting guidance documents (listed below) including the FRC Thematic review. This report provides a point in time assessment of progress against the framework. The Group will periodically reassess the evolving risks and opportunities and modify our strategy and resultant reporting accordingly.

This year we have provided a greater level of transparency and granularity regarding elements of our sustainability strategy which is intrinsically linked to the overall risk of climate change. The details provided below illustrate the past, present and future elements of this strategy.

The Group has committed to become net-zero emitters of Greenhouse Gases by 2050 at the latest. Our aspiration is to meet this target before that date. In accordance with this ambition the Group completed its scope 3 emissions inventory in the financial year. Many workstreams have been unlocked by completing this milestone including the setting of Science Based Targets which are currently being validated by the Science Based Target Initiative (SBTi).

This section of the annual report covers all statements made by the Group regarding TCFD – it is not covered elsewhere in this report.

Governance

Describe the Board's oversight of climate-related risks and opportunities.

Describe management's role in assessing and managing climate-related risks and opportunities.

Climate change is included in the Group's principal risk statement (see page 41). The Board formally recognised this in the 2022 Annual Report. All principal risk areas are considered by the Board and by applying the Group's risk management processes – more details on these processes are included - see page 38.

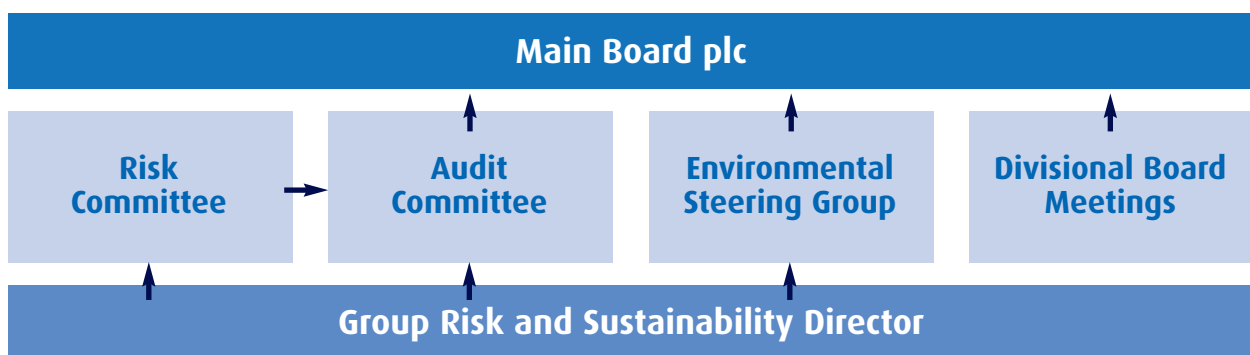
The Board takes responsibility for the management of risks and opportunities arising from climate change. The Board is informed by the Risk Committee and directly from the Chief Executive who chairs our Environmental Steering Group (ESG) which meets at least 4 times per year. In the financial year being reported on the ESG met five times. In the financial year 2023 the Group published a dedicated climate change policy.

In the reporting year the Group appointed a Group Risk and Sustainability Director (GRSD). This role sits on the ESG with selected other senior Directors and Managers from within the Group. With this collected knowledge the ESG supports the Board's climate responsibilities. The Board sets the strategy to ensure climate and sustainability risks and opportunities are being effectively managed – part of this is to consider whether further expertise is required to adequately inform the Board as a collective.

Regular communication is enabled between the ESG and wider management team through senior management meetings. This acts as a two way process:

- To inform management of the overall strategy and their obligations in fulfilling the elements of it; and
- Receiving feedback from the Group's Divisions regarding customer and other stakeholder expectations and requirements.

The below graphic illustrates the pillars of the Governance structure in place at Vp:



The ESG routinely monitors progress with, and redefines, the strategic plan. In the reported financial year the climate change risk register has been updated. The GRSD takes responsibility for this and reports directly to the Board on these matters.

TCFD Area	TCFD Area Description	Vp's Assessment
Governance a)	Board oversight of climate related risks and opportunities (CRRO)	Consistent
Governance b)	Management's role in assessing and managing CRRO	Consistent

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Strategy

Describe the climate-related risks and opportunities the organisation has identified in the short, medium and long term.

Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.

Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 degree C or lower scenario.

As described above the Board has ultimate responsibility for setting the strategy to achieve the Group's sustainable intentions. The development of these strategic objectives is informed by a risk and opportunity analysis (which is listed in summary form below).

The key elements of our sustainability strategy are:

- Overall **corporate commitment** regarding emission reduction – this includes our net zero commitment – which includes near term (as defined by the Science Based Target Initiative) emission targets (2033) and longer term net zero aspirations (2050). The transition plans related to near and long terms targets are under constant review. The ESG is content with the level of change being achieved. **Related risk** – Enhanced emission reporting. Requirement to comply with legal/regulatory obligations relating to climate change.
- **Composition of Vp's hire fleet** – Where possible, our divisions are actively investing in transforming our fleet to incorporate more environmentally friendly options, thereby reducing our impact on climate change. This ongoing process is driven by a combination of innovation and demand. A notable example of our commitment is our

submission to comply with the Plant Charter, and initiative led by the supply chain sustainability school. **Related risk** – Customer preference changes.

- **Sustainable Procurement** - Our scope 3 emissions inventory highlighted where the hotspots are in our value chain. Reducing embodied carbon in the products we procure for hire is the immediate priority. To this end our Sustainable Procurement Group has been active for over a year. Many workstreams have been completed and more specified for prioritisation, for example:
 - Investment in a system to enable robust assessment of suppliers and log the carbon emissions of the products they provide (initial implementation of the system is complete)
 - Development of a sustainable procurement policy (complete)
 - Consideration of the recommendations of ISO 20400 (Sustainable Procurement) - ongoing
 - Transitioning to low carbon supply alternatives (general supply and fleet for hire) – ongoing. **Related risk** – Transition to a lower carbon operation.
- Work to transition to a **low carbon operation**. The Group has been successful in gaining accreditation against ISO 50001 – the energy management accreditation. The Group has also consolidated waste and water supply ensuring better data is available to reduce usage. **Related risk** – transition to a lower carbon operation, customer preference changes.
- Awareness and training – Our Learning and Development module SAP Litmos will be used to deliver key messages to all employees in the Group. **Related risk** – transition to a lower carbon operation.

The following table highlights the principal risks and opportunities that have been considered by the ESG and Board. This analysis is an intrinsic part of determining our strategy. Areas highlighted as a priority for management are denoted with a (P). The analysis below is built up using our standard risk management model. This assesses risks and opportunities using an impact and likelihood scale. The position of the risk/opportunities on this scale will determine management's approach to mitigation of the risk or pursuing the opportunity.

Within Vp, impact or materiality is assessed using 3 methods – impact on Group profit, impact on reputation and potential disruption to the Group. Likelihood is based on the probability that the risk/ opportunity is to crystallise and over what time scale. The timelines used in our risk analysis are:

2023-2025 Short Term

2026-2030 Medium Term

2031-2050 Long Term

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Opportunities	Timelines	Perceived Impact	Response
Transition			
<ul style="list-style-type: none"> Changing fleet dynamic to meet customer demand – proactive innovation and reacting to demand (P) 	ST - Ongoing	Medium	Our Divisional Management teams are continually assessing fleet options through product review groups. Innovation is considered by the Board within the overall strategy for the Group
<ul style="list-style-type: none"> Market leadership through development of a sustainable range of products (P) 	ST - Ongoing	Medium	
<ul style="list-style-type: none"> Engaging with technological advancements in our strategy to reduce carbon emissions (P) 	ST - Ongoing	Low	
<ul style="list-style-type: none"> Value engineering of operational processes to consume less energy (P) 	ST - Ongoing	Low	
Physical			
<ul style="list-style-type: none"> Greater demand for our products related to temperature control and flood relief 	ST - Ongoing	Very Low	The Group may experience benefit from increased rental income as climate related issues become more prevalent
Risks	Timelines	Perceived Impact	Response
Transition			
<ul style="list-style-type: none"> Customer preferences change and regulatory requirements toughen to hasten the move to a 'cleaner' hire fleet (P) 	ST - Ongoing	Medium	Our Divisional Management teams are continually assessing fleet options through product review groups. Innovation is considered by the Board within the overall strategy for the Group
<ul style="list-style-type: none"> Requirement to comply with legal/ regulatory obligations relating to climate change (P) 	ST - Ongoing	Low	
<ul style="list-style-type: none"> Transition to a lower carbon operation (P) 	ST - Ongoing	Low	The varied workstreams agreed by our ESG address this risk. The completion of our scope 3 emissions inventory has unlocked many further areas to focus on. The Board is due to consider whether a formal scenario analysis is required
<ul style="list-style-type: none"> Availability of capital 	ST - Ongoing	Low	
<ul style="list-style-type: none"> Enhanced emission reporting 	ST - Ongoing	Low	The ESG and Board are comfortable with the concept of completing an emissions inventory, however we are awaiting validation from the SBTi
<ul style="list-style-type: none"> Carbon credit pricing 	Long term	Low	
Physical			
<ul style="list-style-type: none"> Flood, extreme heat, fire, water availability, rising sea levels, biodiversity loss 	ST - Ongoing	Low	The Board is due to consider whether a formal scenario analysis is required taking into account the geographic footprint of the organisation
<ul style="list-style-type: none"> Supply chain continuity risk 	ST - Ongoing	Low	

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Impact assessment

Physical - The Board recognise that the physical risk elements mentioned above are active threats. Some elements have experienced increased prominence in the financial year – heat stress is a good example.

We have overlaid the risk analysis onto our operating model in terms of operating and supply chain locations and reliance on key sites. The initial assessment has rated the residual risk as minor. As at the year end the Group has not completed a formal physical risk assessment linked to varying scenarios of planetary warming.

The Group is currently collecting the required data to facilitate this assessment. In the next financial year the Board will conclude whether a more formal physical risk assessment is required.

Transition - The transition risks are more immediate in timing. The Group continues to assess the impacts but at the time of writing these are considered minor. The greater demand for low carbon products (embodied and operation carbon) has been successfully built into our business planning. The Risk Committee will continue to review this analysis.

TCFD Area	TCFD Area Description	Vp's Assessment
Strategy a)	Risk and Opportunities identified	Consistent
Strategy b)	Impact of Climate Related Risk	Consistent
Strategy c)	Resilience of strategy considering climate related scenarios	Not consistent

Risk Management

Describe the organisation's process for identifying and assessing climate-related risks.

Describe the organisation's process for managing climate-related risks.

Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management

As described in pages 38 to 42, the Group's embedded risk management approach applies equally to climate change as it does to any other area of management. An incumbent part of the Group's risk management process is to horizon scan to assess any changes in the risk environment.

The responsibility for assessing climate risks ultimately falls with the ESG. Significant issues are formally reported to the Risk Committee and the Board to determine the approach taken to achieve appropriate mitigation. The governance structure within Vp is that the Risk Committee is a sub-committee of the Audit Committee.

The Board is routinely made aware of the following information:

- Risks relating to Climate Change and Sustainability matters
- The strategy determined by the ESG
- The progress on key workstreams that support the overall strategy

Our standard risk register model details risk owners and control owners. It is the risk owner's responsibility to ensure that the controls are delivered on a timely basis and continue to mitigate the risk identified. Where owners are multiple and/ or spread across the organisation it is the responsibility of the Group Risk and Sustainability Director to monitor the mitigation. Exceptions will be raised at Risk Committee level.

The effectiveness of our risk management is continually reviewed by our internal audit function who carry out independent review of all principal risk areas and report into our Risk and Audit Committees. Where areas where shortcomings are raised, these will be prioritised for remediation with an action plan raised. During the financial year the Group internal audit function provided a review of the calculation of scope 3 emissions and the issues raised were immediately addressed.

TCFD Area	TCFD Area Description	Vp's Assessment
Risk Management a)	Process for identifying and assessing climate related risks (CRR)	Consistent
Risk Management b)	Management of Climate Related Risk	Consistent
Risk Management c)	Integration of Climate Related Risk management into overall risk management	Consistent

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Metrics and Targets

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

The principal metrics the Group calculates and reviews are **Emissions, Waste and Energy** use. The Group has robust processes in place to facilitate the Environmental Steering Group and Board to review metrics which drives the following actions:

- Provision of an indicator of the risk related to a particular part of the business
- Provides a measure of trends
- Provides a measure of achievement (or likely achievement in the case of longer term goals) of our targets to have a positive impact on the environment.

The Group has disclosed some of the above metrics highlighted above in the Responsible Business Report on pages 16 to 24.

Emissions

The Group continues to calculate Scope 1 and 2 emissions and provides a relative measure in relation to Tonnes of CO₂e in relation to £m of revenue. The detail is included on page 18 of this report. One significant change the Group made is the purchase of REGO back renewable electricity in 2021. Depending on the stability of supply the Group has committed to increase the purchase of renewable electricity to 100% of electricity purchased by 2030.

Our Scope 3 emissions inventory has been completed as directed by GHG Protocol Technical Guidance. The Group is using a base year of 2022 i.e. year ended March 2022. We have not disclosed these figures in the annual report as the calculations and assumptions are being validated by the SBTi. Along with the scope 3 inventory we have submitted our near term and long term targets to be net carbon zero by 2050. When our inventory and targets have been validated

by the SBTi (current expectation is August 2023) the Group will disclose the baseline figures and progress against the SBTi pathway for reducing carbon emissions. The metrics the Group utilises continue to be developed and plans formalised to drive the reductions we are seeking.

Financial Impact

Other metrics used by the Group are change in average cost prices in our capital expenditure, energy consumption and remediation of physical risks (insurance/ repair costs). As part of our annual review none of these cost elements are showing a material impact on the Group's operations or finances. The financial impacts are deemed gradual. As the impact of climate change is felt more acutely and financial impacts are deemed to be increasing it will become possible to provide meaningful quantification.

An example of the gradual change is asset values and useful lives of our hire assets. The Group constantly review this on a Division by Division basis. The Board feel that this review process would trigger any required changes under TCFD.

Targets

The Group's overall target is to be net carbon zero by 2050. Some of our more specific short term targets are detailed on page 17 of the Responsible Business Report.

The Group is currently in the process of consolidating supply in relation to our water use. This will allow the Group to formally set targets.

During the year under review the Group has gained ISO 50001 accreditation. Part of the process of gaining accreditation is to formalise year on year targets for energy consumption reduction. To achieve these targets the Group will need to demonstrate the progress to the ISO auditor at the time of future certification.

Executive Pay

The current remuneration packages for Executives and Senior Management are not linked to climate related metrics. The Remuneration Committee will retain this under review as progress is being made with formalising metrics.

TCFD Area	TCFD Area Description	Vp's Assessment
Metrics and Targets a)	Metrics used by the Organisation	Consistent
Metrics and Targets b)	Scope 1, 2 and 3 emissions	Partially consistent – see compliance statement (page 34)
Metrics and Targets c)	Targets used by the Organisation	Partially consistent – see compliance statement (page 34)

Responsible Business Report

TCFD Compliance Statement – concluding analysis

In knowledge of the extensive assessment undertaken, the view of the Board is that this TCFD statement is not fully consistent with the complete TCFD framework. In its simplest form this refers to the fact that our sustainability strategy has been formally defined but not fully implemented. The Board is committed to be consistent with the TCFD and aim for this to be achieved for year ended March 2025. We have identified the key elements of work to ensure consistency with TCFD and we now are confident we have an appropriate governance structure and resource to achieve this.

Reconciliation of consistency

TCFD Area	TCFD Description	Vp's Current Position	Vp's Roadmap to Consistency
Strategy (c)	Resilience of the organisation's strategy into consideration of different climate related scenarios.	The Group has not completed a formal external physical risk (scenario analysis) assessment incorporating different planetary warming levels.	The Group is preparing data to consult with our advisors to consider materiality levels. The Board to formally decide whether a physical risk assessment is required. This will be based on the perceived risk to the overall business. December 2023.
Metrics and Targets (b)	Scope 3 carbon emissions.	We have submitted our Science Based Targets and Scope 3 inventory to the SBTi. We are awaiting validation.	As soon as these elements are approved by the SBTi the Group will publish for stakeholder review – September 2023.
Metrics and Targets (c)	Targets used by the organisation to manage climate-related risk and opportunities and performance against targets.	Scope 1 and 2 have been reported on pages 17 to 19 of this document. Scope 3 emissions – our Scope 3 inventory and Science Based targets are yet to be validated by the SBTi. Water metrics are being finalised.	Emissions targets will be operational in September 2023. Water targets will be operational by March 2024.

Reference Documents Used

Issuing Body	Guidance Name	Date	How Used
FRC	CRR Thematic review of TCFD disclosures and climate in the financial statements.	July 2022	Advisory on completion of TCFD Statement
TCFD	Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures (Annex)	October 2021	Section C - Guidance for all sectors Section F - Fundamental principles for effective disclosure
FCA	Primary Market Technical Note TN 802.1	February 2022	Advisory on completion of TCFD Statement
FCA	Primary Market Bulletin 36	November 2021	Advisory on completion of TCFD Statement