

# Environmental, social and governance

## Our ESG Strategy at a glance

We recognise that we can only achieve our business ambitions by continuing to operate responsibly, sustainably and ethically. Our robust Environmental, Social and Governance (ESG) Strategy helps us do this, by providing a clear framework and helping us focus on the main outcomes we want to achieve. We focus our efforts in three main areas - People, Planet and Places - identified through engagement with our stakeholders. Our approach also helps our customers achieve their ESG goals.

## ESG activity benefits our stakeholders



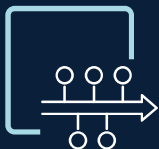
### Colleagues

We aim to empower our colleagues to perform at their best while creating opportunities for them to make meaningful contributions. Our focus remains on what truly matters, ensuring all voices are sought out and heard through continuous engagement.



### Customers

Working with customers to provide high-quality equipment while reducing the need to purchase, minimising waste and production for temporary use, and helping customers lower their greenhouse gas emissions.



### Supply chain

Collaborating with our supply chain to support, challenge and engage on ESG matters. Supporting our supply chain is integral to our success and the pursuit of shared goals.



### Investors

Our ESG activities instil confidence for our investors by ensuring effective risk mitigation, enhancing resilience to evolving market conditions and driving sustainable long-term value.



### Communities

We are committed to minimising environmental impacts both locally and globally by addressing the full lifecycle of our operations. Through thoughtful action and engagement, we support initiatives that enhance the environmental wellbeing of the communities we serve, helping to protect the planet for future generations.

## Highlights of our ESG journey so far:

✓ SBTi validated net zero targets

✓ Supply Chain Sustainability School & BITC memberships

✓ ISO50001, ISO45001, ISO9001 & ISO14001 accreditation

✓ 100% renewable energy in the UK

✓ Launch of our carbon literacy programme

## Our approach and alignment to UN Sustainable Development Goals



Objectives



Themes



Ambitions



People

### Investing in our people

- Everyone home safe and healthy
- Trust and autonomy
- Sustainable supply chain

- Eliminate harm
- Continually improve engagement
- Reduce attrition



Planet

### Safeguarding the environment

- Climate action
- Resource efficiency
- Circularity

- Reduce carbon emissions
- Fleet transition to support our customers
- Improve resource efficiency



Places

### Making a positive social impact

- Social mobility
- Social impact
- Nature and biodiversity

- Delivery of our social value plan





## People

### Everyone home safe and healthy

#### Our ambition:

To minimise the risk of harm to our workforce, customers and wider stakeholders.

#### Context:

We and our stakeholders operate in a variety of environments that present a number of risks. Proper management of these risks and associated hazards is crucial to prevent illness, injury, or loss of life. Maintaining a strong focus on eliminating potential harm is essential.

#### How is this being delivered?

- **Robust risk management:** We implement comprehensive frameworks to identify, assess and mitigate key risks, ensuring business continuity, protecting people and assets and supporting informed decision-making.
- **Proactive leadership and continuous improvement:** Our leadership drives agility and innovation by anticipating challenges and fostering a culture of ongoing improvement and strategic change.
- **High safety standards:** We uphold strict safety protocols for our hire fleet through regular inspections, maintenance and training to meet or exceed industry and regulatory standards.
- **Learning from experience:** We embed lessons from incidents and feedback into our systems to prevent recurrence and strengthen operational effectiveness.
- **Clarity and consistency:** We promote transparency and consistency in communication, service and decision-making to build stakeholder trust and reinforce our values-driven culture.
- **Diverse thinking and stakeholder engagement:** We embrace diverse perspectives and inclusive dialogue across our value chain to co-create innovative, effective solutions.

#### Examples of our success

- Launch of a refreshed Health and Safety Plan.
- Third party validation of our arrangements.
- Continually improving health and safety information for our customers.

### Employer of choice

#### Our ambition:

To invest in our people so they can support our customers and grow their careers with us.

#### Context:

We employ a diverse workforce across the Group. Investing in people means creating opportunities for employees to grow their careers, develop their skills and feel supported in their roles.

#### How is this being delivered?

- **Apprenticeships and graduate schemes:** We invest in structured apprenticeship and graduate programmes to develop future talent, providing hands-on experience, skills training and professional development. These initiatives help build a strong pipeline of capable individuals to meet evolving business needs.
- **Competitive rewards and benefits:** Our competitive reward and benefits policies support attraction and retention by addressing the diverse needs of our workforce. With fair pay, performance incentives, flexible working arrangements and wellbeing support, we aim to create a positive and supportive work environment.
- **Recognition and career development:** Employee achievements are celebrated through regular recognition events and awards, reinforcing a culture of appreciation. We also offer clear career development pathways grounded in our core Vp behaviours, promoting personal growth and responsible business conduct.
- **Employee engagement:** We are committed to fostering high employee engagement through open communication, regular feedback and development opportunities, creating a workplace where people feel valued, empowered and connected to our purpose.

#### Examples of our success:

- Raising the volume on engagement through leadership visits and regular all-employee communications.
- 70th anniversary awards, apprentice awards and external divisional recognition awarded for industry excellence.
- Reviewing policies such as those on maternity and paternity.
- A balanced gender pay gap.
- Leadership development programme.

### Sustainable supply chain

#### Our ambition:

Integrating sustainability across our entire supply chain and associated processes, with each step contributing positively to people, planet and places.

#### Context:

Our supply chain is extensive and integral to our ESG approach, so we must continually consider how to add value in a proportionate way.

#### How is this being delivered?

- **Technology-driven supply chain visibility:** We continue to invest in upgraded procurement technologies that enhance engagement, visibility and reporting across our supply chain. These tools support better decision-making and strengthen accountability.
- **Cross-divisional collaboration:** A newly-established procurement working group comprising representatives from all Vp divisions has been formed to standardise processes, improve supplier management and drive consistency. This group also plays a key role in educating and upskilling both colleagues and suppliers.

- **Human rights and ethical practices:** We maintain a sustained focus on protecting human rights and eradicating modern slavery within our operations and supply chain. Ethical sourcing remains a non-negotiable standard.
- **Risk identification and mitigation:** Enhanced systems and processes help us identify and mitigate supply chain risks more proactively, reducing potential disruptions and increasing resilience.
- **Values-aligned supplier partnerships:** We foster strong relationships with suppliers who share our values, with a joint focus on innovation, quality and long-term sustainability.

## Diversity and inclusion

Through our Social Strategy we are working to build a workforce which fully reflects the diverse nature of the communities in which we operate. While our workforce remains predominantly male, our Executive team is 60% female. To materially change the overall gender split will take time and we continue to focus on ways to encourage women in to our business. The numbers of each sex divided by directors and senior managers are set out in the Corporate Governance section on page 50. Our Equality and Diversity Policy is on our website -

[www.vpplc.com/media/e0cjsl4i/53754-vp-group-equality-and-diversity-policy-jan25.pdf](http://www.vpplc.com/media/e0cjsl4i/53754-vp-group-equality-and-diversity-policy-jan25.pdf)

### Gender Split

Male

**83%**

Total: 2,360



Female

**17%**

Total: 483



### Case Study

## Celebrating remarkable achievement

In 2024, Vp celebrated its 70th anniversary. To mark this milestone, we held anniversary awards to celebrate our people's hard work, expertise and dedication, which are truly at the heart of Vp Group.

All employees were invited to nominate colleagues for their standout achievements and daily contributions to the business, to their teammates, and to their local communities.

The award categories were Great Team Player, Leadership Role Model, Wellbeing Ambassador, Outstanding Customer Focus and Environment and Community Champion.

There was an overwhelming response to the call for entries, with more than 400 nominations across the five award categories.

Finalists were invited to a lunchtime awards ceremony to celebrate their achievements and where the winners were announced. This opportunity honoured those whose efforts exemplify our values of being focussed, agile and fair, and show commitment to excellence.



### Case Study

## Investing in young careers and inspiring change

Vp has an established track record of recruiting apprentices, hiring more than 180 apprentices and graduates in the past ten years.

As part of their learning and development, these colleagues take part in programmes with the Brathay Trust, a charity which supports thousands of young people each year by inspiring growth and positive change.

Through residential training, community programmes and virtual learning services, they build social, emotional and wellbeing skills, learn about teamwork and leadership, and develop resilience. The charity's income from training early career professionals plays a vital role in sustaining residential learning programmes.





## Planet

### Taking climate action

#### Our ambition:

Net zero emissions across our own operations and value chain by 2050.

#### Context:

We are committed to taking meaningful action to transition to a low-carbon business, supporting our customers to do the same.

#### How is this being delivered?

- **Divisional carbon reduction plans:** Each division has developed tailored transition plans to reduce carbon emissions and improve resource efficiency. These plans include clear actions, timelines and performance metrics, ensuring alignment with our overall sustainability goals.
- **ESG in investment decisions:** ESG is now embedded in our capital expenditure appraisal process, ensuring all major investments are assessed for environmental and social impact alongside financial return.
- **Sustainability in decision-making:** We have integrated ESG principles into strategic and operational decision-making, embedding sustainability into project planning, procurement, and governance.
- **Collaborating across the value chain:** We work with suppliers, customers and stakeholders to drive innovation and adopt circular economy practices reducing waste, extending product lifecycles and promoting reuse.
- **Colleague engagement and education:** We engage and educate our teams on climate change, carbon reporting and circularity through training and awareness initiatives, fostering a culture of sustainability.

#### Examples of our success

- Repositioning of the ESG Steering Committee.
- Focusing on Group-wide transition to net zero.
- Appointment of divisional sustainability champions.
- Launch of our carbon literacy programme.

### Improving resource efficiency

#### Our ambition:

Optimisation of key resources throughout their lifecycle; achieving net zero carbon emissions by 2050 and halving Scope 1, 2 and key Scope 3 carbon emissions by 2033.

#### Context:

We aspire to minimise resource consumption, enhance efficiency in resource management, reduce waste and pollution and harness technology to accelerate progress.

#### How is this being delivered?

- **Enhancing energy efficiency:** We have strengthened our internal processes to better identify and capitalise on energy saving opportunities. In parallel, we are implementing a programme of energy-efficiency upgrades across our estate, aimed at reducing consumption and lowering emissions.
- **Transition to low-emission vehicles:** As part of our broader decarbonisation strategy, we are actively transitioning our fleet to electric vehicles. This move supports our commitment to reducing the environmental impact of our transport operations.
- **Water resource management:** We are taking deliberate steps to reduce water consumption through both process optimisation and the integration of water-efficient technologies. These efforts contribute to more sustainable use of natural resources across our areas of operation.
- **Waste minimisation and material efficiency:** We remain focussed on reducing waste generation by improving segregation practices and decreasing our reliance on raw materials. Our approach promotes circularity and supports our ambition to minimise environmental impact.

#### Examples of our success

- Integrating rainwater harvesting into our panel wash facilities.
- Commenced installation of LED lighting and PIR sensors in areas with low occupancy.

### Circularity

#### Our ambition:

We strive to extend the useful economic life of our fleet where appropriate, while ensuring it remains well-maintained and of high quality for our customers.

#### Context:

Building on the inherent circularity of our business model, we encourage, influence and educate our supply chain to adopt circular economy principles.

#### How this is being delivered?

- **Advancing circular economy practices:** We are embedding circular economy principles across our operations and supply chain, focusing on waste reduction, extended product life cycles and responsible resource use.
- **Empowering teams and suppliers:** We are building knowledge of circularity across our teams and supply chain partners to better deliver sustainable, informed solutions to our customers.
- **Raising supply chain expectations:** We are setting clear sustainability expectations for suppliers, aligning them with our circular economy goals and long-term environmental commitments.

- **Driving innovation and capability:** Through collaboration and knowledge sharing, we promote innovation and help suppliers adopt circular practices and build capability.
- **Product stewardship:** We are working with suppliers to implement 'take-back' schemes for damaged or end-of-life products, supporting responsible disposal and resource recovery.
- **Optimising asset lifecycle:** We are improving maintenance, servicing and repair to extend the useful economic life of our fleet and reduce the need for new resources.

### Case Study

## JCB trial hydrogen-powered telehandler with Vp and Barratt Redrow

Hydrogen-powered heavy plant, with zero emissions, is a step closer to becoming the go-to solution on many construction sites, thanks to an innovative trial by JCB involving Vp and our customer Barratt Redrow.

We put the JCB Hydrogen Loadall through its paces at a Barratt Redrow site to test performance in a live environment. In doing so, we were able to show that hydrogen-powered vehicles are able to match the performance of their diesel counterparts as well as provide environmental benefits.

During the trial, the machine was constantly employed - unloading bricks and other materials from delivery trucks, emptying skips and lifting materials to trades on scaffolding for our customer Barratt Redrow. This real-life testing was critical for JCB.

As with other hire companies, heavy plant and machinery make up a significant part of Vp's hire fleet and we still rely heavily on fossil fuels to power these vehicles. It is vital as we transition to a low-carbon rental fleet that we fully explore all possible options to decarbonise using new technology and innovations such as hydrogen, which is why we were delighted to support JCB on this initiative.

Our Scope 3 emissions are a significant part of our total emissions - at over 95% - and heavy plant and machinery

make up a major proportion of these. Collaborations with our value chain are vital to rigorously test innovations on site to ensure they work in a real environment for our customers.

Since the trial, 11 licensing authorities across Europe have given permission for the JCB hydrogen engine to be sold, including in the UK.

Jennifer Woodhall, Group Sustainability Programme Manager, says: "Our customers are increasingly looking to us for new innovations in sustainable technology. No one business can decarbonise our economy alone, so collaborations like this, between Vp, our supplier and customer, are key to solving our climate challenges."



### Case Study

## Service centres contribute to a circular economy

Vp's dedicated service, repair and maintenance teams ensure our rental equipment is checked and serviced before every hire.

This achieves a key principle of circularity - to keep products in use at their highest value, for as long as possible. It reduces waste, cost and carbon emissions and improves equipment availability for customers.

This is especially critical at ESS, our specialist provider of precision survey, measurement and safety equipment for end markets including Energy, Construction, Infrastructure, and environmental management. ESS is an accredited service partner of Leica Geosystems, with fully accredited workshops across all regional locations.

Each workshop services and calibrates Leica equipment to exacting standards. As a result, we have reduced inter-depot transfers by 84% and eliminated the need to return Leica equipment to London or Switzerland for servicing, cutting transport costs, downtime and carbon emissions. Achieving and maintaining accreditation requires ongoing investment in people, specialist tools and training, which extends asset life, enhances performance and reduces carbon emissions.



# Environmental, social and governance continued



## Places

### Social mobility

#### Our ambition:

We aspire to foster social mobility by ensuring equal opportunities for all, creating an inclusive environment where everyone can thrive and reach their full potential.

#### Context:

We are committed to promoting social mobility by ensuring equal opportunities for all individuals, regardless of their background or circumstances.

#### How this is being delivered?

- **Refreshed recruitment process:** This focuses on skills, potential and lived experience, removing unnecessary barriers and promoting fairness at every stage. This approach helps attract a more diverse talent pool and supports the creation of a representative workforce.
- **Enhanced training and development programmes:** These offer structured learning through on-the-job training, formal courses, mentorship and leadership development—empowering employees to grow at every stage of their careers.
- **Promote a workplace culture where diversity is respected and valued:** Our Social Strategy supports fair policies and practices that celebrate individual differences and foster inclusion.
- **Clear and accessible career pathways:** These have been introduced to support progression, talent development and internal mobility. These pathways provide employees with transparency and direction, helping them advance with confidence while supporting long-term retention and engagement.

#### Examples of success

- Created a plan to support local communities through our work with BITC, including initiatives to support people gain employment.

### Social impact

#### Our ambition:

To make long-term, meaningful contributions to society, the environment and the economy by adopting and promoting responsible business practices that drive sustainable growth and positive impact.

#### Context:

The scope of our operations and the diversity of our value chain offer a strong foundation for making a positive societal impact.

#### How this is being delivered?

- **Fairness, transparency and accountability:** We are committed to the highest standards of ethics, integrity and governance. This means ensuring fairness, accountability and transparency in all business operations, and treating employees, customers, suppliers and partners with respect. Robust policies help prevent unethical behaviour and support open, responsible decision-making.
- **Supporting colleague wellbeing:** Our people are central to our success. We prioritise their physical, mental and emotional wellbeing through a safe, inclusive and supportive environment. This includes access to wellbeing resources, flexible working and development opportunities that empower individuals to thrive.
- **Community accountability:** We aim to positively impact the communities where we operate. Through volunteering, local employment, charitable partnerships and engagement initiatives, we strive to make a meaningful, lasting difference. Our approach is guided by listening to local needs and delivering long-term social value.

#### Examples of success

- Donated circa £100,000 to charitable organisations.
- Launched Vp Social Value Group and developed the Social Strategy.



## Case Study

## Simplifying carbon reporting

Groundforce, our market-leading rental provider of specialist construction solutions, has made it easier to measure the carbon impact of hired equipment and encourage more of our customers to embrace circularity, with the development of a Carbon Calculator tool.

This measures the carbon impact of hired equipment by accurately measuring emissions on a project-by-project basis. It accounts for usage by factoring in utilisation rates and the equipment's useful economic life - often exceeding 10 years. It includes transport emissions, calculated using distance travelled, vehicle type and load size. This level of detail empowers customers to report on emissions with confidence.



## Supporting biodiversity and our communities

As we evolve our Nature Strategy, our transition plans, resource efficiency and waste management are enabling us to reduce our impact on nature and biodiversity emergencies. Our support of conservation projects, through direct donation and colleague volunteering, helps enable regeneration in the communities in which we, and our customers, operate.

Our focus includes:

- Continuing to evolve our understanding of our impact on nature and biodiversity.
- Working with our customers to support them in their obligations under Biodiversity Net Gain.
- Improving resource efficiency, waste management and the circularity of our business and supply chain.
- Reviewing the Taskforce on Nature-related Financial Disclosures (TNFD) framework and refining our approach.
- Lancashire Wildlife Trust peatland restoration – restoring peatland in Sites of Special Scientific Interest and protecting threatened species.
- Lifescape Project Lynx reintroduction – reintroducing the Eurasian Lynx to Scotland and the north of England to manage invasive species and improve biodiversity.

This year we supported five restoration and conservation projects – our fourth year of charitable support. Projects were shortlisted which focus on long-term impact, improvement of ecosystems and opportunities for employee involvement. Employees voted for their preferred projects. The chosen projects use high-impact interventions that are actively addressing climate change and biodiversity loss.

The five projects we are supporting in 2025 are:

- Durrell Wildlife Conservation Trust – rewilding peatland and forest, river restoration, breeding and reintroduction.
- Sussex Wildlife Trust kelp recovery – restoration of kelp on the Sussex coast to improve carbon storage, wildlife and coastline protection and water quality.
- Sheffield and Rotherham Wildlife Trust flood management – flood defence and peatland repair to protect communities and habitats for seriously endangered species.

Throughout the year employees volunteered to remove invasive plant species, prevent flood risk and peat damage in Sheffield, and placed used Christmas trees along the Sussex coast to prevent erosion.

The TPA Worksop and Group Sustainability teams volunteered with the



Sheffield and Rotherham Wildlife Trust team to cut down invasive tree species and position them to prevent water run off and downstream flooding and to protect exposed peat.