

# Independent Assurance of Whitbread's Sustainability Data 2018/2019

## ISAE 3000 Statement

April 2019

## The nature of the assurance

This is a report by Corporate Citizenship for the management of Whitbread plc.

Corporate Citizenship has undertaken **limited** assurance of the sustainability data within the *Whitbread Annual Report & Accounts 2018/19* against the GRI Principles for Defining Report Quality.

The data relates to Whitbread Hotels and Restaurants and Costa in the United Kingdom, and international operations where Whitbread has a majority stake. The assurance covers the Whitbread financial year 2018-2019 (1st March 2018 – 28th February 2019). Selected sustainability metrics were assured spanning the three Force for Good focus areas: Opportunity, Community and Responsibility, including:

- WISE (Whitbread Investing in Skills and Employment): Whitbread Apprenticeship Programme, work experience placements and employment placements
- Charity partnerships: GOSH (Great Ormand Street Hospital) and Derwen College
- Sustainable sourcing
- Nutrition
- GHG emissions (Scope 1; Scope 2 location-based and market-based)
- Water
- Waste and recycling

Whitbread is entirely and solely responsible for the production and publication of the data assured, Corporate Citizenship for its assurance.

This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and the relevant subject-matter specific ISAE for GHG data (ISAE 3410, Assurance Engagements on Greenhouse Gas Statements).

The carbon emissions data has been prepared using the UK Department for Environment, Food and Rural Affairs (DEFRA) Environmental Reporting Guidelines: Including mandatory greenhouse gas reporting guidance (June 2013) and the appropriate GHG conversion factors for company reporting, as published by DEFRA and the International Energy Agency (IEA).

GHG quantification is subject to inherent uncertainty due to factors such as incomplete scientific knowledge about the global warming potential of different GHGs and uncertainty around the models and parameters used in estimating GHG emissions.

Corporate Citizenship has complied with the requirements for independence, professional ethics and quality control as stipulated by ISAE 3000.

## Assurance work performed

The assurance work commenced in March 2019 and was completed on 25 April 2019. Detailed records were kept of meetings, assurance visits and correspondence relating to the assurance. A team of three, led by an Associate Director, undertook the assurance and commentary process. A Director acted as adviser to the project.

The assurance engagement was undertaken to a limited level, and involved the following activities:

- In-depth management interviews with key persons responsible for sustainability data to understand the overall management of these programmes, and to discuss key trends and the process for collecting, validating and consolidating the data, relating to the following areas:
  - Whitbread Sustainability Strategy (overarching) – Director of Sustainability;
  - Environment – Head of Energy & Environment, Environment Manager, and BiU (energy consultants)
  - Charity partnerships (GOSH);
  - Nutrition – Technical Development Operations Manager, NSF;
  - Responsible Sourcing – Senior Category Buyer; and
  - WISE – WISE Funding & Data Manager.
- Site visits to two Premier Inn hotels and a Beefeater in Milton Keynes to conduct on site audits of data collection processes and procedures;
- Checks on a sample basis of consolidated data to underlying records to check for consistency and accuracy of reporting;
- Reviews of the systems used to record and analyse sustainability performance data to assess robustness;
- Review of GHG calculation methods, including emission factors used and aggregation to the final GHG footprint;
- Review of re-calculated baselines (relevant to environmental reduction targets) in light of the sale of Costa Coffee by Whitbread in January 2019; and
- Examination of the 2018/19 Annual Report & Accounts to assess the sustainability content against the Global Reporting Initiative's Principles for Determining Report Quality, namely: balance, comparability, accuracy, timeliness, clarity, and reliability of reporting.

## **Our experience and independence**

Corporate Citizenship is a specialist management consultancy, advising corporations that seek to improve their economic, social and environmental performance around the world and is a leading assessor of corporate responsibility and sustainability reports. Corporate Citizenship has worked with Whitbread since 2002 and has provided assurance of their sustainability reporting since 2007. During the reporting period our work with Whitbread focused exclusively on the assurance of their sustainability data and reporting except for assisting Whitbread to respond to the Dow Jones Sustainability Indices and to CDP's climate change questionnaire.

## **Conclusion**

Based on the scope of work and assurance procedures performed, nothing has come to our attention that causes us to believe that the sustainability data is not prepared, in all material respects, in accordance with the GRI Principles for Defining Report Quality and in accordance with the DEFRA Environmental Reporting Guidelines.

Corporate Citizenship Limited

London

26 April 2019

# Appendix 1

## List of indicators checked

### Environment

- Scope 1 GHGs (tCO<sub>2</sub>e)
- Scope 2 GHGs (tCO<sub>2</sub>e) – Location and market-based methodologies
- % reduction of carbon per £m turnover against 16/17 baseline (progress against Science-based Target)
- Water consumption (m<sup>3</sup>)
- % reduction of cubic metres of water per £ million turnover since 14/15 baseline
- Waste volumes (tonnes)
- % direct operations recycling rate
- % of waste diverted from landfill
- Procurement of renewable energy (%) for Whitbread-owned sites in the UK
- Number and percentage of Whitbread hotels with solar panels

### Nutrition

- Average sugar reduction in Beefeater milkshakes, based on sales weighted average and vs. 2015 baseline (%)
- Average sugar reduction in Beefeater puddings, based on sales weighted average and vs. 2015 baseline (%)
- Average sugar reduction in Brewers Fayre puddings, based on sales weighted average and vs. 2015 baseline (%)
- % reduction in total fat, saturated fat, total sugars across Beefeater brand
- % products (all brands) meeting PHE's 2017 Salt Guidelines

### WISE

- Number of full apprenticeships achieved since 2014/15
- Number of work experience placements since 2014/15
- Number of employment placements since 2014/15
- Number of external placements since we started our Derwen partnership in 2013
- Number of students that have gone on to take up permanent roles in Premier Inn since the Derwen- Premier Inn partnership began in 2013

## Charity

- Amount raised for GOSH this year (£)
- Amount raised for GOSH since partnership began (£)

## Responsible sourcing

- % of critical suppliers registered on internal procurement platform
- % of wild caught fish products accredited to MSC
- % of Rainforest Alliance accredited coffee
- Number of cotton farmers enrolled via CottonConnect in 2017/18

## Other KPIs

- Number of impressions from the 'Think like a chef campaign'
- Ranking (overall and accommodation category) in Development International's Global Governance FTSE 100 League Table