

Impact Report

2022-2023



Inspired
Villages

The *best* years of your life?

SCAN ME



view online

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Inspired impact in numbers



The importance of Integrated Retirement Communities

The Integrated Retirement Community sector sits between Retirement Housing (age-restricted but with limited amenity or care; often referred to as sheltered housing) and Care Homes. Supported by ARCO (Associated Retirement Community Operators), the body representing this sector, it is increasingly recognised for its wider contribution to society and has established a strong governance regime to protect customers.

Integrated Retirement Communities, known as IRCs, offer self-contained homes for older people to buy, rent or part-own through shared

ownership. Integrated alongside these homes are: lifestyle and leisure services like restaurants, gyms, cinemas, activities and social events; wellbeing and care services that can include a dedicated team on-site 24/7 and personal and domestic care; and connections with the wider communities the IRCs belong to.

The schemes Inspired Villages operates are IRCs, but you may also see us refer to them as retirement villages as that is how we describe them to our customers.

Economic and social benefits

An Integrated Retirement Community of **up to 200** 'extra care' units would generate the following economic benefits for its local area:

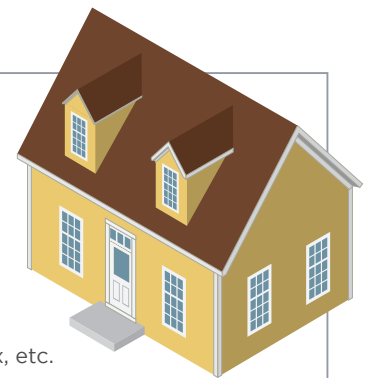
Construction jobs

(Direct and indirect). Approx 120 per year (4-5 years).



Revenue generation

Council Tax, New Homes Bonus, Business Rates, Stamp Duty Land Tax, etc.



Free up under-occupied homes

Suitable for families to move in and freeing up the housing ladder.



Additional employment on site

Sales advisers and domiciliary care workers (approx. 4-5) and indirect employment through the supply chain.

Operations jobs

Approx. 35 to 40 staff in a range of roles (admin and management, catering, housekeeping, gardening, maintenance, etc).



NHS and adult social care savings - The Homes for Later Living 'Healthier and Happier' report provided an analysis of the fiscal and wellbeing benefits of building homes for retirement living. It identified total savings towards the NHS and adult social care of £3,500 per person per annum. Once fully built-out, the development could accommodate 270 residents (average occupancy 1.35 persons per property) meaning annual savings to the **NHS and adult social care of approx. £945,000.**



The challenges of our time



“Energy is at a tipping point; our transition away from hydrocarbons and towards electrification via sustainable means is underway. We will all need to be energy experts and this represents an extraordinary energy transition opportunity. According to the International Energy Agency’s Net Zero by 2050 scenario, reaching Net Zero emissions requires a complete transformation of how we power our daily lives and the global economy, and lays out a narrow, achievable pathway to Net Zero emissions in the energy sector by mid-century. Change at this scale requires: accelerating the shift to non-emitting sources of energy; increasing energy efficiency; electrifying transport, industry and buildings; expanding the use of clean hydrogen and other low-emission fuels; and investing in emission-abating technologies, including negative emission technologies.

“Inspired Villages has the energy and innovative spirit of a company founded less than a decade ago, but the enduring purpose of a business that will be around for hundreds of years. It is a company found in a powerful and challenging idea; ageing is empowering.”

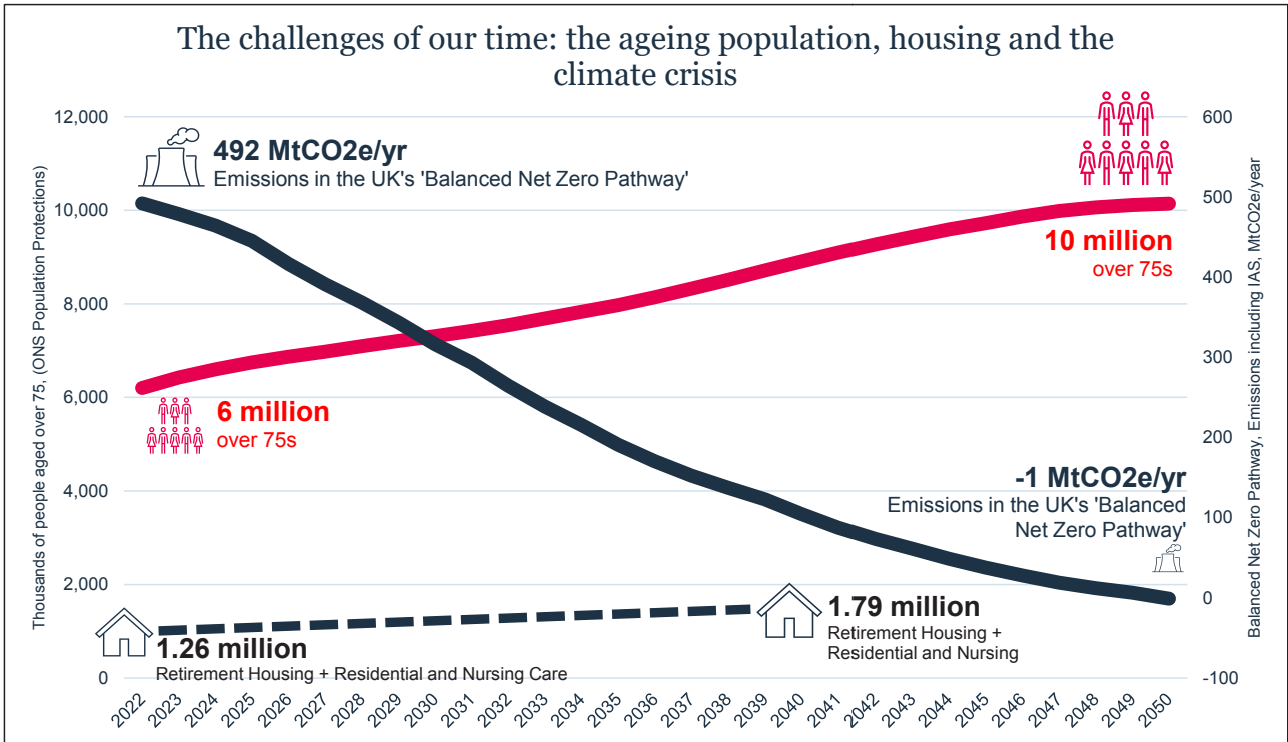
**Phil Bayliss,
Chairman of Inspired Villages**

Like everyone else on earth, we face the twin challenges of this century: repairing our planet and delivering for the needs of a rapidly ageing society, such as through the provision of housing and wellbeing.

No one company can solve these challenges alone; we need leaders, innovators and doers who can take the first steps, show what is possible, and steer the course to a sustainable and healthy future.

By 2050 the UK is likely to have more than ten million people aged over 75 – this offers a great challenge and opportunity. Our business is tailored to provide excellent services for this growing population. We empower our customers to live younger for longer, challenge expectations of getting older and work hard to leave the planet in a better condition than we found it. Our purpose is to create exceptional living environments for people to enjoy and extend their best years, and this in turn drives economic and social progress.





Sources: UK Sixth Carbon Budget; ONS Population Projections; International Longevity Centre

Too often, older people are characterised as the passive recipients of social and environmental ills. This could not be further from the truth and we are straining every sinew to develop new ways of transforming ageing alongside decarbonisation. The 'Balanced Net Zero Pathway', published as part of the UK Government's Sixth Carbon Budget, is shown in the chart above. This pathway can only be delivered with big changes in the behaviour of us all - people, businesses and governments. At Inspired Villages our solutions are already demonstrating how to meet growing social needs, like housing and wellbeing, while simultaneously reducing the amount of carbon used per resident.

We have worked hard to create a culture of belonging throughout the organisation. There are now more than 300 members of the Inspired Villages team, and our sector-leading offers on areas such as maternity and paternity pay testify to the importance we place on attracting and retaining the best in the business.



The Chief Executive's letter

Positively transforming ageing through our extraordinary villages and wonderful residents

In 2022 we opened our seventh and eighth villages and welcomed our 1,150th resident. I am proud to say that our villages set the standard in the UK for the positive transformation of ageing. There are many organisations offering insight into our ageing society. But there are not so many who can show - in bricks and mortar, kilograms lost, independence retained, and friends and healthy years gained - how to actually transform ageing. As we will explain in later chapters, the transformation of ageing has a powerful social impact.

Our team at Inspired Villages can show anyone exactly how to deliver on the promise of better ageing. Many residents are undertaking powerful personal wellbeing transformations and reducing their biological age.

This kind of early intervention and proactive approach to wellbeing is great for residents and their families. But its impact is so much greater - it



Jamie Bunce

is also of benefit to the National Health Service and social care provision for older people, driving savings in GP, nurse and hospital visits and health outcomes. This is the kind of transformative social impact that the Integrated Retirement Community sector is uniquely placed to deliver.

Our environments

We were founded the same year as COP15, the Paris climate conference where the 1.5°C target was set to try and avoid catastrophic climate change.

As a business driven by social purpose and society's future needs, from day one we knew that we would have to create a transformative energy strategy.

We are aiming for our villages to be Net Zero Carbon in unregulated energy by 2030, as well as our scope 1 & 2 business emissions. We are well on the way with our next village, Millfield Green in Bedfordshire, which will be our first Net Zero Carbon regulated scheme. This year we have also started the process of benchmarking our business scope 1 & 2 footprint, which will give us strategic direction for target setting in the future.

A powerful, scalable culture

Our team is now more than 300 strong and most of us work directly in our villages. Our culture is our strength and our distinguishing feature. Our retention rate is best-in-class and we are, for the second year, rated as a three-star world-class employer by the 'Best Companies' awards. We also saw 20 managers rated three stars - world-class. In today's labour market, these points of difference enable us to attract and retain great talent, which in turn ensures our exceptionally high standards of customer service.

This Impact Report

I hope you enjoy reading our second Impact Report. We publish the data in this report not because we have any obligation to but because we think it is the right thing to do for our team, the residents and our stakeholders.

The report sets out our foundations, what we have achieved in 2022 and our future commitments. As we grow, we look forward to continuing to build momentum - scaling our ambitions and impact year on year.



Our villages	Location	Colleagues in each village	Homes (2022)	Year of opening
Bramshott Place	Hampshire	33	191	2009
Durrants Village	West Sussex	29	173	2013
Millbrook Village	Devon	37	164	2014
Austin Heath	Warwickshire	29	167	2016
Gifford Lea	Cheshire	25	143	2017
Great Alne Park	Warwickshire	28	122	2017
Elderswell	Bedfordshire	18	76	2022
Ledian Gardens	Kent	21	66	2022

The Chief Development and Property Director's letter

Sustainability

We are leading the IRC sector's approach to sustainability and social impact. As a company, we have set out our own target to be Net Zero Carbon (unregulated energy) by 2030 and we will measure this using science-based targets.

We are also blazing a decarbonising trail in our villages. At Millfield Green, for example, we are mid-way through the construction of the UK's first Net Zero Carbon (regulated energy) Integrated Retirement Community. Here all the buildings are designed with excellent insulation, ventilation and high-performance double-glazed windows. This will help to save energy and reduce heat loss, which is both good for the environment and residents' pockets. We're also enabling electric car charging points; a crucial part of delivering cleaner transport across the country. Each apartment has its own ground source heat pump and solar panels.

Across the business, we are delivering a comprehensive suite of environmental programmes. The construction team, for example, have delivered baseline work to expand the company's commitment to lowering carbon emissions through the delivery of an embodied carbon assessment of a typical village, our next step is to build on this.

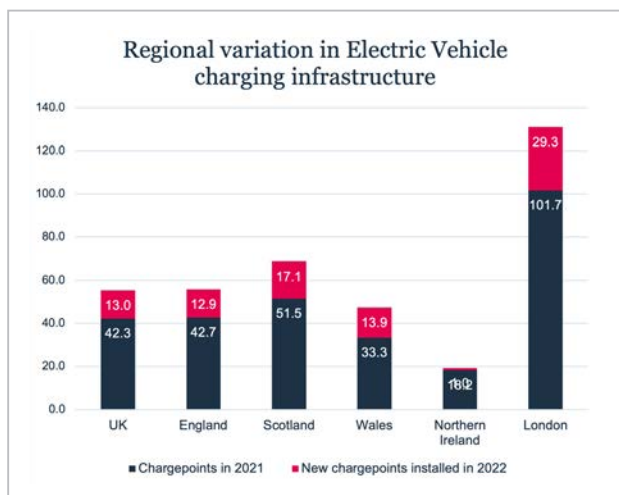


Neal Dale

As well as the environmental benefits accrued by our programmes there is a considerable beneficial impact to residents. The more we can produce our own energy within the villages, the more we can drive down residents' energy bills.

Social impact

We are relentless in our pursuit of new and better ways to serve the society that we rely on and are part of. Using the ever-growing body of work on behavioural science (or nudge theory), we create hints, tips, self-help and easy to access technology to help residents (and our wider communities) to work on their wellbeing. A great example of this kind of support are the Wellbeing Kiosks that we rotate around our villages. These interactive machines show residents their key biometric measures including their heart rate, blood pressure, body fat, weight and body mass index (BMI). With this data, the residents can see their own 'heart age' and 'QRisk 3' can be calculated. Social impact at a personal or household level comes in many different forms. We have designed our villages so that there are hundreds of opportunities to experience and create social impact. These opportunities sit



alongside our purpose-built housing, within our existing villages, and include libraries, swimming pools, event spaces, gyms, a craft room, an outdoor amphitheatre and a cinema.

Supporting workforce resilience

2022/23 has seen the UK's most significant cost of living crisis since the 1970s. The combination of inflation and energy costs hit our workforce as hard as they did any other, both in our central offices and at our villages.

The Inspired Villages teams dealt with these once-in-a-generation challenges with professionalism, grit and perseverance, and we in turn were determined to help our teams to withstand the damage. We therefore took big decisions quickly in 2022 to support our colleagues, including becoming a Real Living Wage employer.



Building our world-class capability to deliver Integrated Retirement Communities

Over the past six years we have developed a world-class capability which means that we have been able to take Integrated Retirement Communities from the drawing board to the first resident opening their new front door and enjoying the Inspired Villages community.

In 2022 we opened two new villages. The opening of a village is a landmark moment and a great achievement for everyone in the business because each new village is the culmination of the vision, skills, expertise, determination and focus of hundreds of people working over many years. With great pride, our development and construction teams hand over to their colleagues in sales and marketing, whose endeavours attract the residents who, in turn, are welcomed and supported by the operations team.

The Head of Sustainability's letter

2022 saw the highest annual average UK temperature, exceeding the previous record set in 2014, and so far in 2023 we have seen the ongoing challenges posed by extreme weather events. Many will remember the summer of 2022's extreme heat, with temperatures exceeding 40 degrees sparking wildfires and damage to property, and the Met Office issuing its first ever red warning for heat related danger to health. However, it was not just this period that broke records – 2022 as a whole set a new 139 year annual mean temperature and June 2023 was confirmed as the hottest on record.

We are beginning to feel the effects of human impact on our climate. As a developer and operator of Integrated Retirement Communities for a potentially vulnerable age group, this is a threat to which we must respond seriously. In our business model, I am reminded of the 1987 Brundtland definition of sustainability in that we are trying to strike a balance in “meeting the needs of the present without compromising the ability of future generations to meet their own needs”.

There is no doubt that to build nothing would be the most absolute way to address the impact of our emissions. However, in doing this we would fail to recognise some of the wider societal challenges we face, and our ability and purpose to unlock housing for all, whilst providing safe, secure communities where an increasingly ageing population can continue to live the best years of their lives. We have made a commitment that all new villages will be Net Zero Carbon (regulated energy) and we are building our first at Millfield Green. Our aspiration is for this pledge to include unregulated energy from 2025.

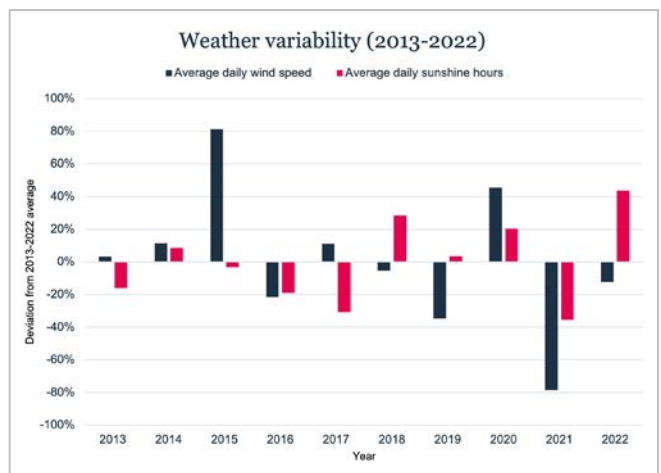
We have adopted a fabric first approach to our specification, building on the principles of the Future Homes Standard and Passivhaus to ensure we first reduce overall energy demand before looking at means of renewable energy generation. We have also begun to comprehensively appraise our existing portfolio of villages, to identify areas where we can drive down energy consumption, reduce emissions and give the residents stability in the cost of their energy. Looking ahead, we



James Willcox

must assess the effects of climate on our portfolio, considering resilience to overheating, drought, storm events and high winds.

We must also prepare ourselves for a regulatory response, with the UK Net Zero Carbon Buildings Standard just round the corner and to achieve this we will, in 2023, carry out extensive work into the feasibility of battery storage and micro grids on both existing and new villages.



“ When it comes to climate change, older people are among those groups most at risk from the effects. Yet their voices are rarely sought when it comes to solving the crisis. If we’re going to tackle the climate emergency, we need people of all ages to take action and help develop well-rounded policies. ”

The Centre for Ageing

Natural beauty

Our villages are beautiful spaces brimming with nature and we recognise the key role this plays in managing climatic effects, as well as its importance to wellbeing in post-pandemic society. This means going beyond the regulatory requirements for Biodiversity Net Gain being imposed at the end of 2023 and looking deeper into the opportunities afforded by nature. To realise our goal, we must place a value on nature that becomes part of each business case and identify where nature can take a leading role in designing for climate adaptation and wellbeing.



The residents’ experience

We want residents to experience the best years of their lives in an Inspired Village home. But we also recognise that, as an anchor institution, we have a responsibility to play our part in developing local economies and addressing place-based needs. We must build on the work of Inspired

Friendships and our Wellbeing Navigators to truly embed place-based social impact in all stages of our work, from site identification through to the opening and operation of each new village. We took the first step with this in 2022, baselining social impact during contract delivery. In 2023 we will be formalising this in the procurement of new projects with our contractor and design partners. A key outcome in this area is the collection and analysis of good quality, accurate data that can enrich the stories we have to tell.



Strategy

Target setting and collection of data will become an increasingly important part of our forward strategy. We have set ourselves strong ambitions to be climate positive and to demonstrate measurable, place-based social impact, supported by seven themes and a series of measurable objectives, which will be reviewed each year. We are aware of the need to demonstrate our progress with transparency, for example by identifying good governance and making links to established goals such as the UN SDGs. But we will also need to be honest about the challenges we face when affected by macroeconomic and societal factors beyond our control. This 2022-23 Impact report begins this process, outlining our achievements in 2022 and identifying where we will need to focus for the future.


I am not sure how easy it will be to achieve all our ambitions, but we must at least try. I am confident that, with the leadership of our business and the talent of our people, we have a strong foundation on which to build.

The Golden Thread



Inspired Villages has a clear purpose and in promising to help residents enjoy 'the best years of their lives'. Building on this promise is our vision to create a thriving, greener, healthier and better-connected society. We have two clear goals relating to climate and social impact, which are supported by further specific commitments, delivery plans and measurements.

The Golden Thread binds each layer of our business together with a powerful shared understanding of how important it is to honour (and deliver) our vision and purpose in everything we do.

Purpose		The best years of your life						
Vision		We are creating a thriving, greener, healthier and better connected society						
Goals		Becoming a climate positive business			Creating measurable social impact			
Commitments		Zero avoidable waste	Nature positive by 2030	Net Zero by 2030	Create jobs	Deliver place based social impact	Deliver health and wellbeing	Sustainable economic growth
Delivery		Waste reporting procedures	Nature strategy	Our roadmap to Net Zero	Anchoring in our communities	Spending with social enterprises	Inspired Friendships & Wellbeing Navigators	Spending with priority businesses
Measuring progress		2023 Targets						
Governance		Science Based Targets	Taskforce on Climate-Related Financial Disclosures	Taskforce on Nature-Related Financial Disclosures	Annual Reports	The Associated Retirement Community Operators (ARCO)	ESG Governance Structure	
Values		Straightforward and straight-talking		Stronger together	Courage	Deliver	Be inspired	

Inspired Villages is more than a housing business – we are a living organisation and a community of people. We know how to transform ageing, from reducing one person’s biological age to early interventions that can add more healthy years for thousands of people. We also know how to build, develop and operate exceptional living environments where people can enjoy their best years whilst also driving an ever-decreasing use of carbon – a comprehensive, integrated approach for the biggest challenges of the next decades.

Becoming a climate positive business

Becoming a climate positive business

Zero
avoidable waste

Nature positive
by 2030

Net Zero by 2030

Net Zero by 2030

We are the world's first movers in building Net Zero Carbon (unregulated energy) Integrated Retirement Communities. As we grow from eight villages to 34 and beyond, we are pushing the boundaries of the sector further and faster in the direction of carbon positivity.

To prevent a climate catastrophe, society now has no option but to meaningfully change how we live and do business. We are a long-term organisation, and we intend to shape the way that energy is produced and consumed beyond the boundaries of today's norms.

We are aiming for our villages to be Net Zero Carbon in unregulated energy by 2030, as well as our scope 1 & 2 GHG business emissions. We are well on the way with Millfield Green - our first Net Zero Carbon regulated energy site - and this year we began the process of benchmarking our scope 1 & 2 business emissions footprint, which will give us strategic direction for target setting in this area as we head into 2023.

Commitments

- All new homes minimum EPC B
- Open first Net Zero Carbon (regulated energy) village
- Baseline our carbon footprint and identify areas for improvement

The Greenhouse Gas emissions
of Inspired Villages (across all
scopes) in 2022 were





5,345
tCO₂e

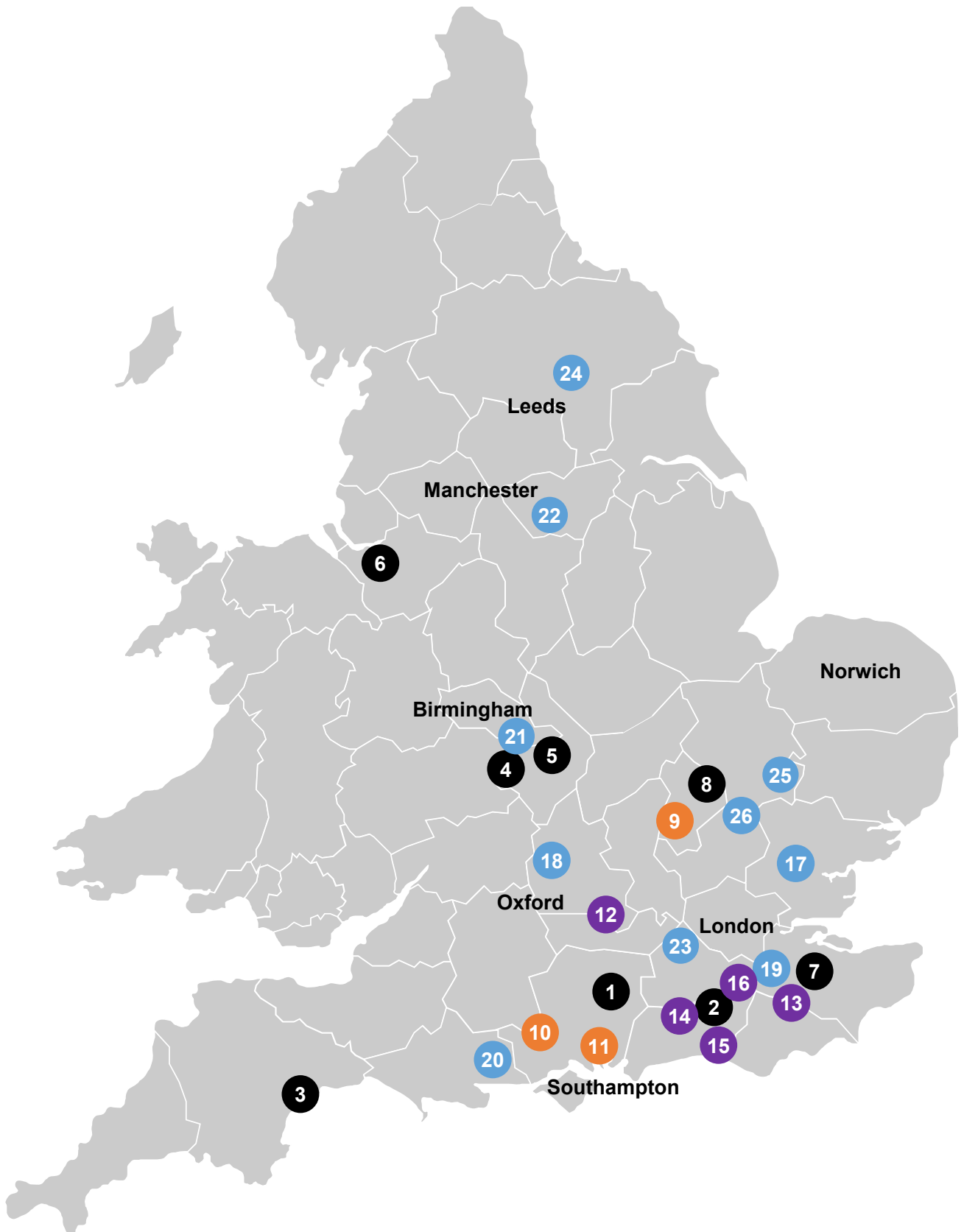


We are building back better

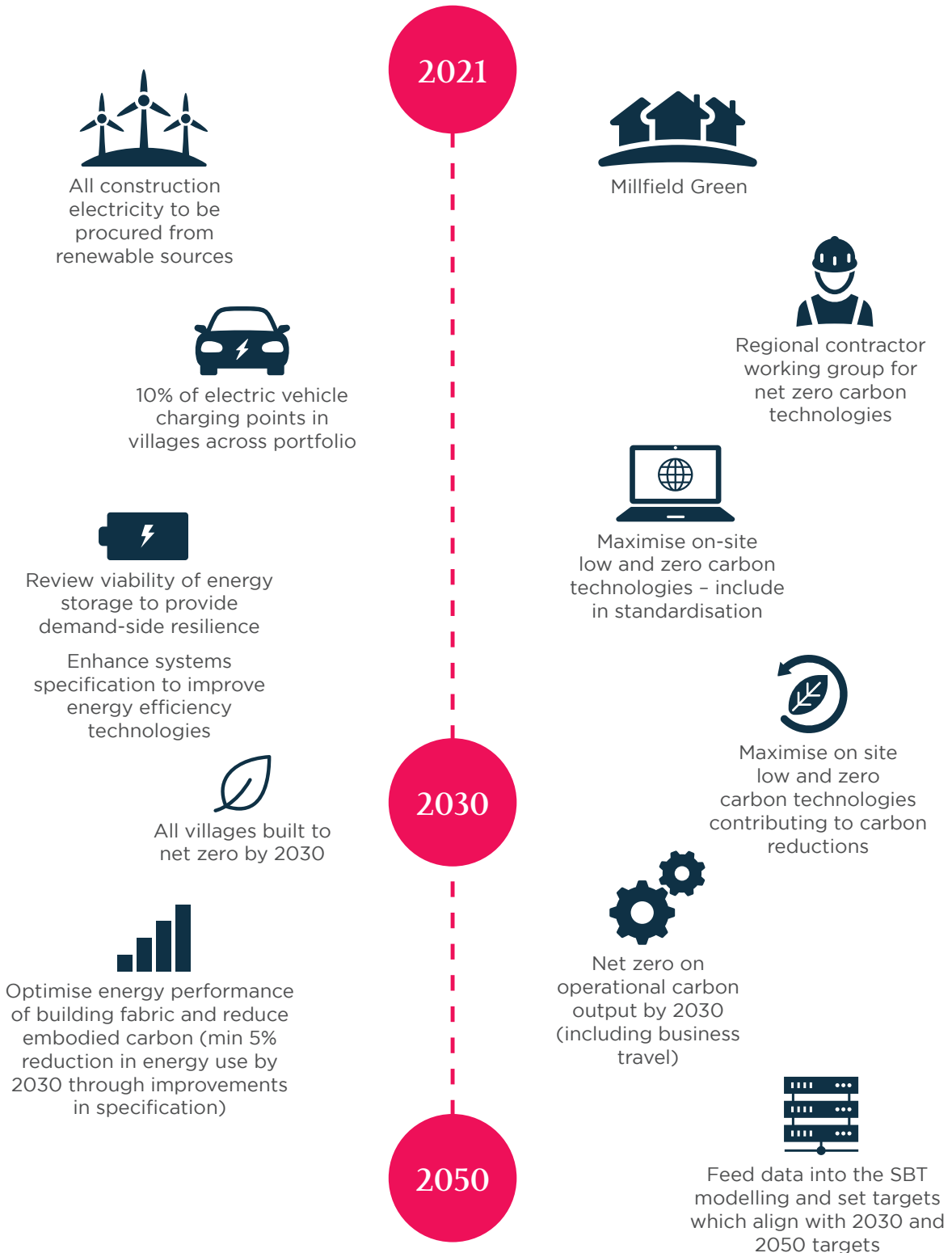
- 1 Bramshott Place, Hampshire
- 2 Durrants Village, West Sussex
- 3 Millbrook Village, Devon
- 4 Great Alne Park, Warwickshire
- 5 Austin Heath, Warwickshire
- 6 Gifford Lea, Cheshire
- 7 Ledian Gardens, Kent
- 8 Elderswell, Bedfordshire
- 9 Millfield Green, Bedfordshire
- 10 Ampfield Meadows, Hampshire
- 11 Blendworth Hills, Hampshire
- 12 Widcombe Park, Oxfordshire
- 13 Little Mount Farm, Kent
- 14 Arun Lea, West Sussex
- 15 Wellcroft Green, Sussex
- 16 Edenbridge, Kent
- 17 Great Leighs, Essex
- 18 Freeland, Oxfordshire
- 19 Halstead, Kent
- 20 Matcham's, Dorset
- 21 Knowle, West Midlands
- 22 Dore, Yorkshire
- 23 Sunbury-on-Thames, Surrey
- 24 Boston Spa, West Yorkshire
- 25 Comberton, South Cambridgeshire
- 26 Walkern, Hertfordshire

Key

-  Owned : operating
-  Owned : under construction
-  Owned : pre-construction
-  Legally contracted



Our roadmap to Net Zero Carbon



What we mean by Net Zero

The phrase Net Zero comes from the key climate goal set by the United Nations and means “not adding new emissions to the atmosphere. Emissions will continue but will be balanced by absorbing an equivalent amount from the atmosphere.”

Net Zero Carbon regulated energy

Regulated energy is building energy consumption resulting from controlled, fixed building services and fittings, including space heating and cooling, hot water, ventilation, fans, pumps and lighting. Such energy uses are inherent in the design of a building.

We can regulate and reasonably predict demand for these outputs. Because we buy REGO (Renewable Energy Guarantees of Origin) backed electricity, we can, for the most part, control the carbon content of the supply. Net Zero Carbon regulated energy is when the amount of carbon emitted using controlled systems on an annual basis is zero or negative. Carbon can be offset by the contribution of on-site renewable energy generation.

Net Zero Carbon unregulated energy

Unregulated energy includes all small power used by Inspired Villages’ colleagues and residents, such as washing machines, cooking, TVs, lifts etc. As a business, our influence over this energy use is more limited because decisions about usage are largely controlled by residents.

Operational and embodied carbon

Operational carbon is a term which covers the emissions of all energy use, both regulated and unregulated. Net Zero operational carbon is when the amount of carbon emitted through a building’s operations, on an annual basis, is zero or negative. A Net Zero operational carbon building is highly efficient and powered by renewable energy with any remaining carbon balance offset.



The challenge of building while managing our carbon footprint

We are already delivering schemes to Net Zero Carbon regulated energy emissions and, from 2030, are committed to ensuring that this includes operational emissions. Our aspiration is to get there by 2025. We are also committed to reducing the embodied carbon of our homes, and in 2022 we took some key steps to support our progress against these commitments.

Calculating operational carbon emissions from the homes in our villages

Working with Legal & General Capital and BuroHappold, we defined our approach to estimating operational carbon emissions from the homes we deliver, as well as Energy Use Intensity (EUI). Our estimated performance was an encouraging 42-48 kWh/m²/year, which sees us well on the way to meeting the 2030 industry best practice benchmark and already below that set for 2025.

We appointed Hydrock Consulting Engineers (Hydrock) to provide detailed analysis of how the typical Inspired Villages' building designs perform, in terms of embodied carbon, using a representative example project to work from.

Three building archetypes were explored: the Cottage, Apartment Block and Village centre.



Apartment building

Our Apartment building baseline, which uses a timber frame, achieves 600kgCO₂/m². This falls within the RIBA/LETI banding of B. The baseline design was the best performing approach in terms of embodied carbon compared to the options tested. As there is no improvement from the structural design options tested, this archetype has not been improved.



Cottage

The Cottage baseline, which uses a timber over raft foundation design, is achieving 870kgCO₂/m². This falls within the RIBA/LETI banding of D. By moving from timber-over-raft foundations to timber-over-strip foundations, life cycle embodied carbon reduces by 12% from 870 to 767 kgCO₂/m². This would mean the Cottage would achieve a RIBA banding of C - close to the RIBA 2025 target.



Village Centre

The Village Centre baseline, which uses a light gauge steel framing design, is achieving 913kgCO₂/m². This falls within the RIBA/LETI banding of D. By moving from light gauge steel framing to timber over strip foundations, life cycle embodied carbon reduces by 5% from 913 to 866kgCO₂/m². This would mean the Village Centre still achieves a RIBA banding of D.

Commitments

- Review energy use across our existing estate and identify measures for its reduction
- Develop a strategy to further reduce the embodied carbon of our units
- Explore the feasibility of battery storage and microgrid technology across our portfolio

Accounting for operational and embodied carbon is a complex issue, and we welcome the cross-industry Task Force developing a 'Net Zero Carbon Building Standard'. In readiness for this, we will continue the work throughout 2023 to understand our operational energy use intensity and embodied carbon.

Measuring our carbon footprint

Hydrock is a respected professional climate specialist consultancy we have worked with in the past. Hydrock calculated Inspired Villages' 2022 emissions to be 5,345 tCO₂e.

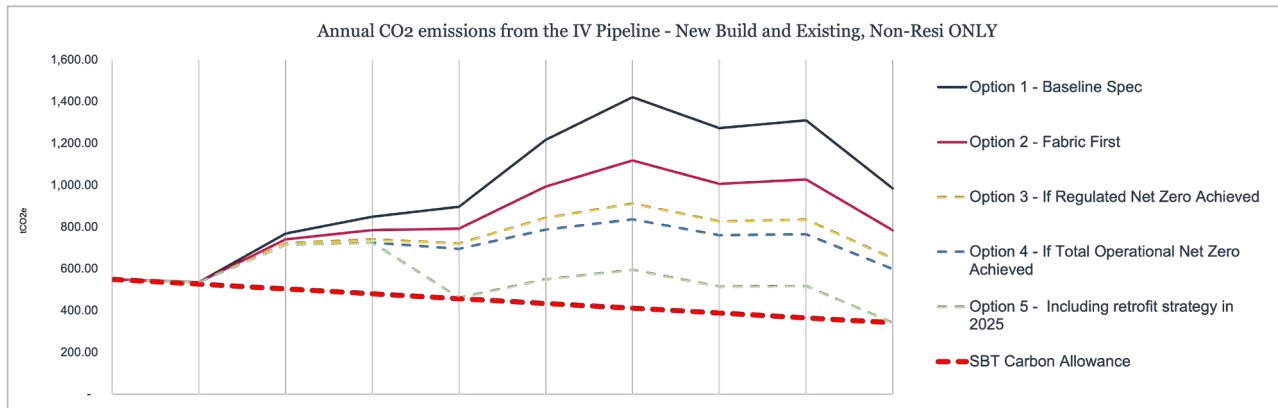
Inspired Villages carbon footprint in 2022

Scope 1, 2 and 3 emissions, tCO₂e



* Scope 2: There are no Scope 2 in this footprint because Legal & General (and therefore Inspired) reports market-based emissions rather than location-based emissions

Science Based Targets Initiative



As part of our relationship with our investors, we are required to report various environmental metrics to Legal & General Capital. This includes our scope 1 & 2 carbon emissions, the percentage of waste diverted from landfill, new homes' Energy Use Intensity and water consumption, certified timber procurement and new sites having a biodiversity net gain assessment.

As part of our science-based target (SBT) commitment to Legal & General Capital, we have modelled various scenarios of annual emissions from our forecast pipeline (graph above). Option 5, which assumes we continue on our targeted Net Zero path for new developments and includes an estate retrofit in 2025, delivers our SBT carbon allowance.

The Science Based Targets initiative (SBTi) is a leading partnership between CDP, the United Nation's Global Compact, the World Resources Institute and WWF, which helps companies define and communicate a sector-specific carbon reduction target in line with limiting global warming to 1.5°C. SBTi published the 'Net Zero Standard' in October 2021 which is the first global corporate standard for Net Zero targets.

When a company signs up to the SBTi, a set of SBTs must be developed according to the target requirements for near term (or interim targets) and long-term targets (or Net Zero targets). SBTs must be developed according to the target requirements set out in the graph above. The

boundary, ambition, timeframe and methods vary for near-term and long-term SBTs, as well as for targets applicable to scope emissions. In particular, the boundary and ambition level increases as it moves from a near-term to long-term (Net Zero) scope 3 target.

Legal & General Capital has set scope 3 SBTs for itself, however, these currently fall outside the scope of Inspired Villages' emissions boundary.



Water scarcity

Water scarcity in the UK is becoming an increasingly significant issue due to climate change, population growth and increasing water demand. While the UK is often associated with a relatively wet climate, specific regions within the country are facing water scarcity challenges. Areas in south-eastern and eastern England, such as East Anglia and the Thames region, are particularly prone to water stress. Rising temperatures and altered rainfall patterns have led to periods of drought and reduced water availability in certain areas. Climate projections indicate that the UK may face more frequent and prolonged droughts in the future, exacerbating concerns regarding water availability.

The UK Climate Change Risk Assessment (CCRA) projects that by the 2080s, water availability in southern and eastern England could decrease by 10-15%, primarily due to reduced rainfall and increased evaporation. Given our presence in the south of England, which is particularly affected, we have begun to take steps to reduce our impact. In 2022, we revised our standard specification to

deliver 100 litres, down from 110 litres, per person per day usage.

Greener transport

In our 2022 Fuze survey, 27.3% of respondents stated they would consider switching to an electric vehicle in the next 12 months if charging points were widely available. We have now installed 42 points across our eight operational villages to respond to this challenge. In 2022, use of these points resulted in 4412kg CO2 emissions avoided. We are operating a pilot scheme offering taxis for residents' use. If the pilot is positive, and early indications are promising, we hope to be able to offer climate-friendly vehicles in the rollout.

Commitment

- Develop a strategy to deliver water neutrality
- Review the potential for expansion of our Electric Vehicle charging infrastructure across our sites



Nature positive by 2030

The natural world and biodiversity are intrinsically linked to our push for Net Zero, as well as being a key contributor to the health and wellbeing of the residents.

All new projects brought forward for planning in 2022 completed a biodiversity Net Gain assessment and we are well placed, as a business, to meet new Biodiversity regulations.

Our goal is to become 'nature positive by 2030'. This means restoring and enabling species and ecosystems to regenerate, rather than observing their decline.

We are determined to ensure our new developments result in the creation of more valuable natural spaces than their previous use. As with climate and social impact, we are relentless in our pursuit of effective impact. We are exploring how we value nature and help it recover. In 2023 we will develop a strategic approach to nature capital so that it becomes a key consideration in the business plan for our new villages.



Residents can enjoy growing their own produce on one of the

23
allotments



Biodiversity case study in Great Alne Park village

Our Great Alne Park village covers 80 acres, including a variety of perennial wildflower meadows, grassland meadows, a woodland, a natural pond, allotments and formal gardens. There are several badger setts, as well as deer, rabbits, squirrels and grass snakes. It is also home to protected species, like slow worms, great crested newts and bats. The woodland itself has been subject to a 10-year woodland management plan and we are just about to write the next decade's plan. One of the key future pieces of work to maintain the woodland will be to thin the canopy and allow new growth on the ground.

We relish the challenge of maintaining our biodiverse meadows and 19,000 square metres of more formal gardens. We try to use cultural control as much as possible, but it can be hard to avoid the use of chemical treatments. The team have spray licenses and follow the code of conduct. In certain sensitive areas, we will also only cut or mow by hand. We avoid systemic insecticides to preserve our beetles. We will explore other options for pests, such as using nematodes to combat vine weevil.

No compost or fertiliser is brought into site, with everything sourced from what naturally arises through maintenance. There is a large area made from reclaimed pallets where green waste and old cardboard boxes from village operations can be composted.

Zero avoidable waste

Waste is a significant source of emissions and cutting waste is therefore a vital part of reducing our carbon footprint. Our waste can be broken into three areas: that which arises through the construction of new villages, waste from our operation of offices and shared facilities, and the residents' waste. We are directly responsible for waste arising from our offices and shared facilities, but we recognise there is much we can do to work with our construction partners and residents to ensure nothing goes to landfill that doesn't need to. We currently report waste arising from our villages and require contractors to report waste from construction to us. Because

we are not directly in control of this process, we do not set targets around waste reduction but we do expect contractors to have their own.

Waste from our villages in 2022 totalled 26 tCO₂e. It typically comprises general recycling, glass recycling, food waste and landfill waste, and the largest contributors are our restaurants and communal areas. Data is collated centrally; however, reporting varies depending on the waste contractor employed locally, with some volumes recorded in tonnes and some in litres, which makes data interpretation difficult.



Commitments

- Develop and embed our Nature Strategy
- Review our waste reporting procedures to establish a more consistent approach across villages

The story of Millfield Green

Our villages have always been designed and built to the highest of standards and we are making great strides in reducing our use of fossil-fueled energy. Nowhere is this more the case than in Bedfordshire, where we are building Millfield Green – the UK’s first low-carbon energy sustainable retirement village, that is designed to achieve Net Zero Carbon regulated energy.

At Millfield Green we are committed to raising the bar when it comes to reducing our carbon footprint and making the world a more sustainable place. All the buildings are designed with excellent insulation, ventilation, and high-performance

double-glazed windows. This helps our residents to reduce heat losses and save energy – lowering their costs and environmental impact compared to conventional buildings. Each apartment has its own ground source heat pump, to provide heating and hot water, and solar panels harvest the natural power of the sun to provide clean electricity. We are also providing electric car charging points to enable residents to charge their vehicles. Across the village, any additional energy required from the national grid is sourced only from clean energy providers. Once completed, energy performance data from the village will be monitored to check that the village operates as designed.



Over £11 million in social value

As well as the village's environmental credentials we are creating social value. Our construction partner, Willmott Dixon, had by early 2023 created the equivalent SROI (Social Return On Investment) of £11.04 million. SROI includes local labour, local spend, and added social value. Projects include working with local schools, colleges and trainee programmes, as well as engaging with career fairs and offering work experience. Through Willmott Dixon, the social value calculations are verified by The Social Value Portal.

Impact	Outcome
Number of construction jobs supported on site / property services jobs supported at the asset	Nine new jobs created to date. This includes one young person who is NEET (Not in Employment, Education or Training) and has been employed as a result of one of our Building Lives Academies, and one management trainee employed following on from work experience and a (paid) summer internship.
Number of construction / property services apprenticeships supported on site / at the asset	107 weeks of higher apprentices
% fair payment policies	All Real Living Wage
% value of contract spend by priority group (e.g., local, MSME, VCSE suppliers)	C.£17.9 million with SME's, c.£14.6 million local spend within a 20-mile radius of site

Social impact is delivering the best years of your life

We prioritise social impact outcomes and our new community hub, combined with our friendship and community initiatives and employability programmes, will continue to enhance and change the lives of many people.

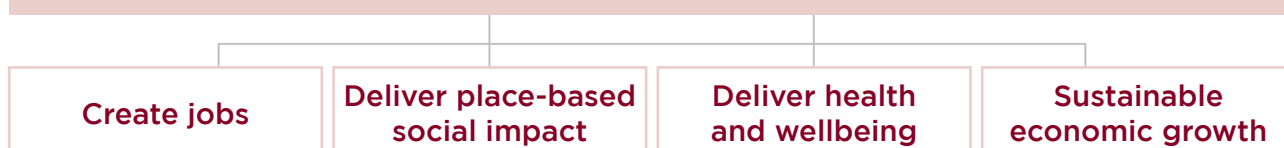
“Our commitment to sustainability runs through the core of our business - our golden thread. We believe we can give residents the best years of their lives, whilst ensuring we meet the needs of future generations. We do this by aiming to have a climate positive impact and ensuring we deliver measurable, place-based social impact.”

James Willcox
Head of Sustainability



Creating measurable social impact

Creating measurable social impact



Measurable social impact looks at the long-term, sustainable impact that our business has on society and the environment.

Social impact is also the measure of our long-term contribution to society, judged over years rather than weeks or months.

This chapter of the report explains how we are addressing the four parts of our social impact: creating jobs; delivering place-based social impact; delivering health and wellbeing, and supporting sustainable economic growth.

Creating jobs

In our role as an anchor organisation, both in the communities of (and around) our villages and at our head office in Nottingham, we are

actively creating jobs. The development of each new village creates new full time jobs in its operations, as well as in the supply chain, during construction.

Each new village creates around 30 new roles and we expect that, by 2034, our portfolio of villages will have reached 34.

The table sets out in simple terms the journey of the organisation so far. We estimate that the current eight villages workforce’s annual wage bill is in the region of £4.6 million – a significant boost to local spending power and tax revenue. A further 100 people work in our Head Office, with a contribution of just over £2 million. There are currently eight Inspired Villages where over 1,150 people live. By 2034, the villages will be generating £22m in staff incomes, as well as a larger head office function.

Our villages	Colleagues in each village	Homes (2022)	Year of opening
Bramshott Place	33	191	2009
Durrants Village	29	173	2013
Millbrook Village	37	164	2014
Austin Heath	29	167	2016
Gifford Lea	25	143	2017
Great Alne Park	28	122	2017
Elderswell	18	76	2022
Ledian Gardens	21	66	2022



Buying local

“Pound for pound of spending in smaller independent ‘local food’ outlets supports three times the number of jobs than at outlets of national grocery chains,” source Farming UK.

Our commitment to be an anchor institution in our communities is demonstrated in a range of our supply chain policies and the choices we make about where to source what we need to run the villages.

Independent local retailers are the bedrock of community commerce, often contributing significantly to the local economy with great social impact.



Our villages	Supplier	Spend in £000s
	MJ Baker	18
	Dartfresh	15
	Devon Quality Fish	5
	Christopher Piper Wine	2.5
	Kaighin & Daughter Butcher	13
	Bryant Brothers Greengrocer	8
	Johnson's Fish	4



Our chefs and buyers across the organisation believe in buying local and they do so at every opportunity.

As an illustration of how impactful our spending choices can be. If each of our villages spends in the region of £30,000 per year on local high streets and industrial estates, this could put £240,000 per year into the tills and accounts of local retailers.

The table shows how much the chefs in two of our villages, Millbrook and Bramshott, spend in their local communities. We hope that by disclosing our spending it will encourage more local buying.

Commitment to development

Inspired Academy

Within the business, we have developed our culture of 'belonging' over several years. Upskilling our people is vital for their career progression, satisfaction, and social mobility. We want our workforce to be an engine for the local economy.

In 2022 we delivered 13,275 hours of training through the Inspired Academy, including management and coaching programmes. 2023 sees us elevate our training programme further, through the development of employability skills workshops with our charity partner Switch Up, as well as sector-based academies with Bedfordshire County Council that we plan to roll out in other geographies. These programmes and workshops are designed to support underrepresented and marginalised groups, ensuring that we provide accessible learning opportunities across multiple communities.



Learning and development in 2022, in key numbers

13,275 hours of training

23 colleagues with formal coaching and mentoring

5 in-house mentors

20 colleagues joined the Line Manager Excellence Programme

41 onboarding Days delivered

Coaching and mentoring framework

Over the past year we have worked to develop an in-house coaching and mentoring framework.

As a result, by the end of March 2023, 23 colleagues in the business had received formal coaching and mentoring. We now have five in-house mentors who work with rising stars to further develop their own impact, influence and leadership.

Alongside this we rolled out our very first Line Manager Excellence Programme – giving new line managers the practical skills they need to lead their team in an Inspired way. 20 Colleagues joined the first cohort.

We also rolled out our 'Inspired Onboarding Day', designed to help new starters engage and get the most out of their new roles. In these sessions, we share our vision, purpose and values, and show how they link directly to employee benefits. In 2022 we delivered 41 Onboarding Days.

New learning offer

Last year we added Management Insight Sessions into our learning program and at our first event 16 colleagues war-gamed a range of workforce change scenarios. We plan to roll out this format, including sessions covering inclusive leadership behaviours, creating inclusive environments, and championing diversity.



Recognition at the highest level

Our colleagues are the reason that the company excels and grows; and in a post-pandemic world, where the UK labour market is tough, maintaining an appealing employer brand is a key determinant of effective recruitment and retention.

2022 is the second consecutive year that we are rated a three-star world class organisation. This represents a 13-point improvement on our previous score. 20 of our managers have received 3-star world class ranking.

We are proud that 29 of our 31 managers are accredited to use the internationally recognised MC3 management framework through which they can positively impact workplace engagement.

Inspired Villages also achieved recognition by winning the Health Investor Senior Housing award for Design, Built environment, and ESG (environmental, social, and governance).



Delivering place-based social impact

Inspired Villages are important members of their local communities. Residents contribute their time and experience to local causes and many of them work locally. We consider our local social impact at the start of development: by creating a place-based needs analysis to identify social priorities.

Social activism and the positive social impact created in our villages

<p>£9,368 raised in 2022 for the Devon Air Ambulance Trust</p> <p>Millbrook Village</p>		<p>In September 2022 a fundraising charity evening raised</p> <p>£2,523</p> <p>for Alcester Day Care Charity (86 non-residents attended).</p> <p>Great Alne Park</p>
	<p>'St Catherine's is delighted to have the ongoing support of the Durrants Village Community.</p> <p>Since the beginning of December 2022, we have received donations totalling £7,794, being attributed to this record".</p> <p>- Fundraising coordinator at St Catherine's Hospice.</p>	<p>Millbrook Village and Exeter School started intergenerational learning sessions in 2022 with an oral history project. Residents and students discussed various topics and presented their findings in a podcast.</p> <p>Millbrook Village</p>
<p>The Ladies Craft Group knitted scarves to be tied around the Royal Albert Hall to raise awareness of Lewy Body Dementia.</p> <p>The scarves were then sent to homeless charities and others in need.</p> <p>Durrants Village</p>	<p>Support for packing and delivering for FORCE Cancer Charity's - Cream Teas for Cancer</p> <p>Millbrook Village</p>	
	<p>Elderswell Village ran winter coffee morning's.</p> <p>Duncan (Wellbeing Navigator) visited local GP's.</p> <p>Gloria Hunniford and Trevor McDonald, spoke to the residents and our local community.</p>	<p>Terminally ill resident George Pert raised</p> <p>£3,740</p> <p>for the Hospiscare Men's Walk</p> <p>Millbrook Village</p>

Inspired Friendships

Our great Inspired Friendships

Social impact is delivered in many ways throughout the organisation, from the macro decisions we make at a Board level to the innovation and creativity of our social impact programmes.

11 examples of Inspired Friendships impact

- 55 Coffee mornings or lunches (for about 20 members)
- 7 Fun at the flicks - 'Silver Screen Cinema' (average 10 members)
- 4 Friendship Bus days out
- 4 Hollywood Bowling (average 25 members)
- 4 Digital Kent IT classes - two large groups (30+) and two small groups
- 12 Friendship Walks (average 10 members)
- 6 Garden Parties (c.15 members)
- 1 Jubilee party (25 members)
- 1 Railway trip (average 20 members)
- 25 One-to-one home visits
- 500 Telephone calls

Peer support with home visits

One of the most positive rewards from Inspired Friendships happens when members form independent friendships. When one of the members is poorly, or simply going through a tough time, we know the friends in the group are there for each other. When Richard was discharged from hospital, a visit from Inspired Friendships members Roz and Paul brought a huge smile to his face. When a member lost her husband, the support she received from her Inspired Friendships 'friends helped her through some very dark days.

"I want to let you know what the Inspired Friendship group means to me. I have been lucky enough to meet new people and make some lovely friends. I come home after our coffee mornings and days out feeling happy."

Linda C, 73



"Inspired Friendship means so much to me as it gets me active with lots of great friends. I love all the trips and activities. Our individual needs are catered for. The group helps especially when you are feeling down. Inspired Friendship has made a great deal of difference to enrich my life, I owe them a massive thank you."

Linda S, 71



The Inspired Villages' Friendship Bus

Friendship, connection and community are the vital underpinnings of a kind and secure place to live. Sometimes, though, a little help can be needed to link people and build community. This is why our colleagues organised the 'Friendship Bus' to encourage conversations amongst older people and support their confidence to use public transport.



The first Friendship bus left King Street in Maidstone in Kent on Tuesday 14 June on its journey to the Hollywood Bowl in Ashford and Elwick Road in Ashford, for a full day of activities.

Operating monthly for Inspired Friendship members, the bus visits destinations including the Isle of Sheppey, the historic city of Canterbury; and the Cat Café in Tonbridge.

As well as a promise of friendly faces, guests can enjoy lunch together, have a walk and visit the sights.

"The Friendship Bus not only breaks down the barriers for those who find it difficult to socialise day-to-day, but also helps them to gain confidence again after routines were shifted by the pandemic and people were forced to stay inside."

Jamie Bunce
CEO of Inspired Villages

Inspired Friendships' member Linda Ross says *"When we feel we have support and are not alone, we are more resilient, often coping more with difficult times in our lives... I was introduced to this group by my best friend and dialysis buddy, and I am so grateful that she did as I have met a wonderful group of people that make you feel very welcome."*

Managing Director of Stagecoach South East, Joel Mitchell: *"We are thrilled to be working with Inspired Villages to help tackle loneliness with the Friendship Bus. Buses play an important part in bringing people together."*

"For some, the only person they speak with all day is the bus driver. Through this brilliant initiative, we have created a space for people to come together to let them know they aren't alone whilst making new friendships along the way."

The scheme also complements the Friendly Bench, which is not connected to Inspired Villages, but a separate charity which also aims to tackle loneliness by designing mini community gardens where people can sit, chat and connect. www.thefriendlybench.co.uk

The Friendship Bus and Stagecoach South East won a gold award in the community awards sponsored by Heathrow..

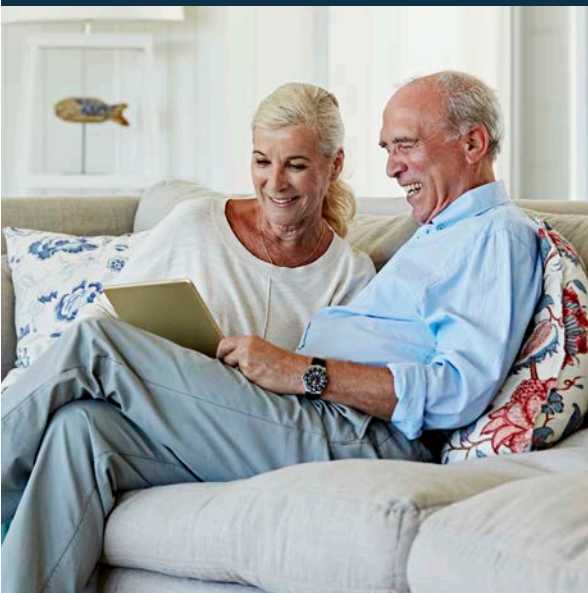


Creating digital inclusion

Using technology can be an important part of keeping in touch with family and friends. During the pandemic we learned the importance of having the technology to talk to each other, and increasingly, to access services. We understand how vital this can be and so we offer networking with Kraydel and the Alcove Video Carephone for the older members of Inspired Friendships, mostly those over 90. Distribution of Video Carephones helps to reduce loneliness and isolation, enabling video access with families and friends at the touch button, supports independent living for longer.

Inspired example - working with the experts at Digital Kent

Being 'stronger together' is a valuable and much recognised value. We work with several organisations who specialise in helping to support older people in many different aspects of their life. One such organisation is Digital Kent who deliver group information and advice sessions for us. For many older people, the world of IT can be a scary place, but our sessions have been fun and easy to understand. We now have a large and ever-growing WhatsApp group, and this year Inspired Friendships won an award for the work we delivered with the team at Digital Kent.



Giving something back to society

Our workforce donated 91 'giving something back' days in 2022-23, amounting to social value of £12,325.

At Inspired Villages we believe in giving something back and, to help our teams do the same, all colleagues are entitled to three volunteering days per year - starting from day one of joining. To ensure we look after our own wellbeing, if colleagues have already given two days of their time to charitable organisations, they can use the third as "me time" to focus on their own wellbeing.

Neil Taylor's story

"For our giving back day, we participated in MacMillan Longest Day Golf Challenge.

"The day involved four full rounds of golf in a day, starting at 4:50am and finally finishing at 8:30pm. The day was very challenging but also very rewarding; all in aid of this amazing charity that does so much for so many people.

"We raised an amazing £1,140, which we feel is a fantastic amount.

"I took on this challenge with my colleague and friend Mark Jazdzijewski as well as our former boss from a previous employment.

"The event took place at Bromsgrove Golf Course, Bromsgrove, Worcestershire."

Adam McCann's story

"My two days of giving something back were spent at a local village community hall on the site of an old church which has a graveyard attached. The grass had become very overgrown and looked unsightly.

"Over the two days we strimmed the graveyard, and strimmed and mowed the garden area behind the hall. I did this with two of my colleagues, both of them doing one day each. The place looked so much better after and it was much appreciated by the people who run the hall."

Delivering Health and Wellbeing

The Health and Wellbeing of residents

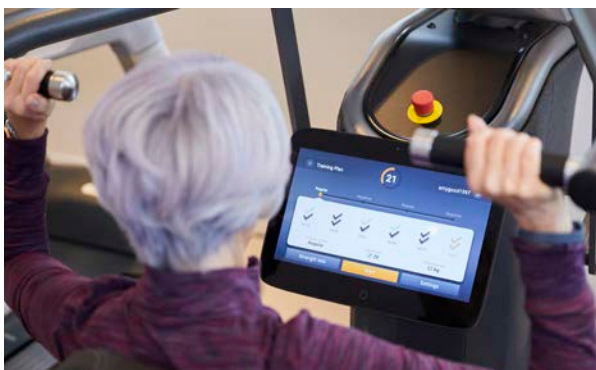
The Inspired Villages philosophy and, practice, is centred on residents' physical, social and mental health, and living better for longer.

Commitment

- Launch Communities Platform

Biological age and gym use

Many residents are undertaking powerful personal wellbeing transformations and reducing their biological age.



We do everything we can to help support residents' goals and strategies. Crucially, the tools and guidance that can help focus on wellbeing are available in the villages. Over and above great purpose-built housing, within our existing villages, there are libraries, swimming pools, event spaces, gyms, a craft room, an amphitheatre and a cinema. These facilities are not gated away from the local community; in most cases our neighbours and friends can enjoy some of the facilities the villages have to offer.

8.8 years younger

- Residents completed **4,394** gym sessions in 2022
- Each user averaged **4.82** sessions per month
- In total, residents did **46,207** strength exercises
- They had increased their strength by **13.7%**.
- The most popular day to exercise was a Tuesday and the most popular time 8am!

Community health and wellbeing

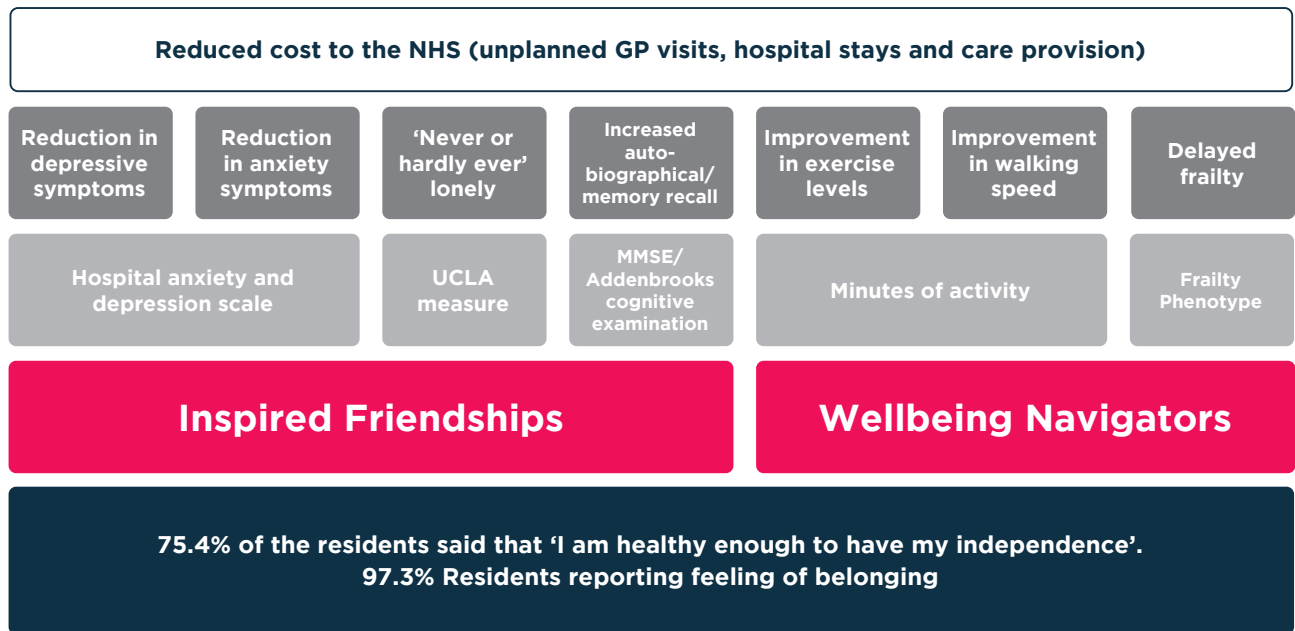
As the thrust of the government's health policy moves out into communities, the NHS is set to become a more local organisation working alongside GPs, clinics, pharmacies and housing providers as well as a range of other community stakeholders. We are doing this already. We are committed to playing our part as this approach spreads through the country.

Our villages are important local institutions, anchored in their communities. The idea of an anchor institution began in buying goods and services from local suppliers, particularly local food producers. However, we see our anchor relationships covering a great deal more than our financial choices and regard our holistic approach to wellbeing as a great boost among our communities.



- Quarterly Tenpin Bowling sees 20–25 members aged between 62 and 92 getting together to stay active and engage with others.
- Monthly Fitness Walks are attended by between six and 20 members aged between 62 and 92. The walks provide social interaction alongside active and engaging activities.

The table below shows the significant impact of two of our wellbeing programmes: Inspired Friendships and Wellbeing Navigators. Programmes such as these can benefit the National Health Service and social care provision for older people, driving enormous savings in GP, nurse and hospital visits and health outcomes.



Quality of life

To achieve greater social impact, we use sophisticated data analytics and qualitative research to enhance our excellent customer experience. We are determined to remain, best in class, in all that we do.

We have chosen to publish key data from our research to show the impact of our approach. We use data generated by Fuze to understand how the residents experience quality of life. 78.7% of respondents strongly agreed 'I feel lucky compared to most people' (top two scores). This was followed by 'I am healthy enough to have my independence' (75.4%) and then 'I have control over the important things in my life' (74.9%).

The highest rated aspect of the social activity programme was the 'ability to participate in activities I like' with 66.4% of respondents rating this as excellent.

On key quality of life issues like safety and privacy, the residents were positive: 82.1% strongly agreed that 'I feel safe and secure where I live and 'I have the privacy I want' (79.7%).

Satisfaction rate (%)	Key quality of life issues
97.3%	Belonging in their village
78.7%	Good fortune
75.4%	Health and independence
74.9%	Control over important things
66.4%	Taking part in liked activities
82.1%	Feeling safe and secure
79.7%	Privacy

Our colleagues' health and wellbeing

The culture of belonging we have created with all colleagues is supported by a sector-leading health and wellbeing proposition. We are continually improving our employee benefits with the most recent example being able to buy extra days of annual leave. In 2022 we introduced the option for colleagues to buy additional leave each year. This has proved to be very popular, especially among women, with 28 team-members purchasing extra days, 68% of whom were women.

66%
of men would change jobs for a better paternity leave package, so this has never been more important.
Source: Parent Promise

The importance of being a family-friendly employer

One of the largest shifts in the UK's job market is the significant increase in the numbers of working mothers. The graph shows the 14 percentage point increase in the number of women with dependent children (less than 1 year old). This trend contributes to the ongoing growth of households with children where both parents work – 50.4% of 'couple families' see both parents working full time.



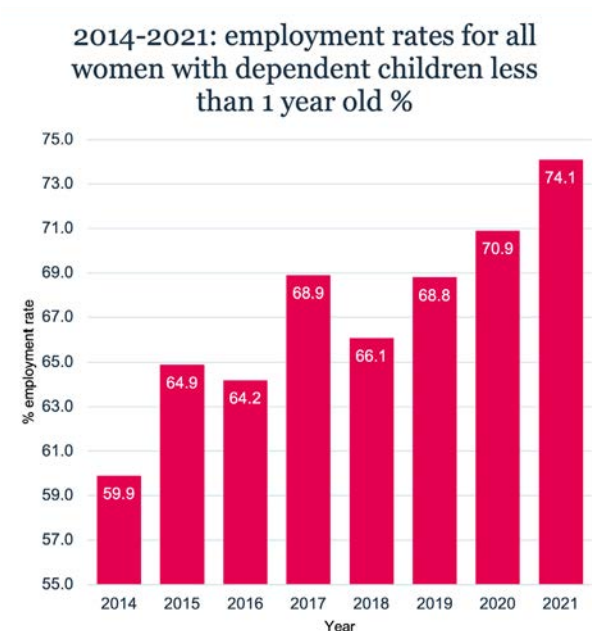
These changes in the job market, amplified by the pandemic, make it crucial to have an attractive and progressive approach to key employee benefits including maternity and paternity arrangements.



Maternity and Paternity

In 2022 we decided to review our arrangements for colleagues who become new parents. The outcome of this review is a more generous entitlement for new mothers and for new fathers. After five years at Inspired, a colleague is entitled to six months at full pay followed by 26 weeks at half pay.

Statutory Maternity Pay is worth c.£6,500 over 30 weeks and our new offer is nearly double this at £11,250 over 30 weeks.



An illustration of our new maternity and paternity package compared to the statutory minimum.

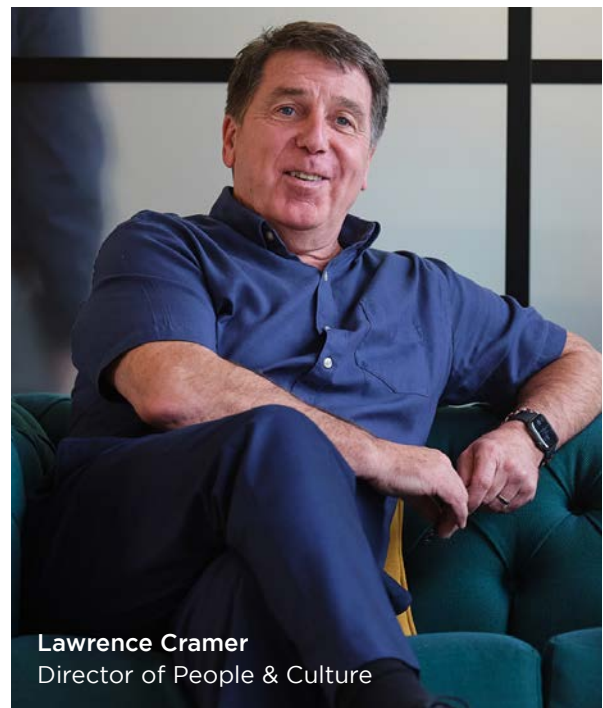
Female employees		Male employees	
<p>The Inspired Villages Maternity Pay will consist of 20 weeks at full pay, followed by 10 weeks at half pay (or SMP, whichever is higher)*</p>	$20 \times \pounds 450 = \pounds 9,000$ + $10 \times \pounds 225 = \pounds 2,250$ = $\pounds 11,250$	<p>Paternity – four weeks at full pay</p>	$\pounds 450 \times 4$ = $\pounds 1,800$
<p>Statutory Maternity Pay</p>	$6 \times \pounds 475 = \pounds 2,850$ + $24 \times \pounds 151.97 = \pounds 3,674$ = $\pounds 6,524$	<p>Statutory Maternity Pay</p>	$\pounds 172.48 \times 2$ = $\pounds 345$

Supporting a colleague to address an ongoing health condition

This example shows the kind of innovative thinking that helped a colleague make progress with a serious health condition. Our colleague was awaiting a laparoscopy (exploratory surgery) to confirm a diagnosis of endometriosis. She had been waiting for an appointment with the NHS for three years and during this time two appointments had been cancelled.

Frustrated by ongoing uncertainty, our colleague obtained quotes for a private healthcare plan, in a bid to have the condition dealt with and she was quoted £35.65 per month, with an excess of £500 and a condition that no previous conditions would be covered.

In this case we were able to register our colleague with the Inspired Villages corporate scheme. They were quoted £18.80 per month, with no excess, and cover for previous conditions and diagnoses. In this way, our colleague has been able to move forward in addressing the condition.



Lawrence Cramer
Director of People & Culture

*The calculations in the chart do not include any taxes or other aspects workforce income. The chart is intended only to show the difference between the two scenarios using publicly sourced data.

Sustainable economic growth

The UK is struggling to grow its economy out of the crisis of the past several years. Productivity, a key measure of economic performance, is poor compared with our big competitor nations.

Alongside this challenge is the path to Net Zero by 2050, all the while adapting taxes and services to support a significantly different demographic profile.

We can help the UK to unlock its sustainable growth.

Commitment

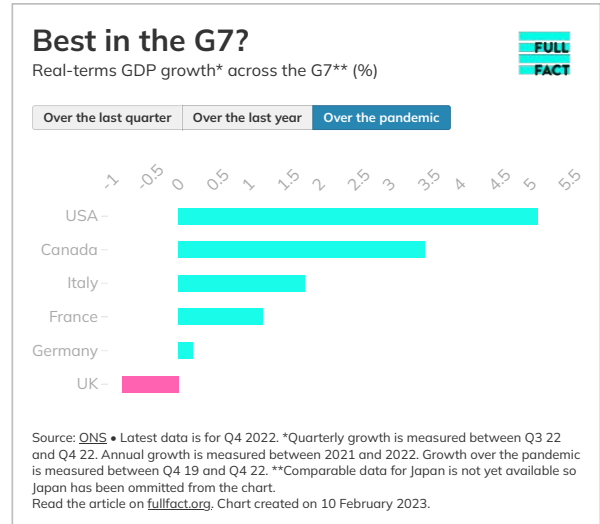
- Increase use of local supply chains and priority group businesses

Our growth plan

Our £500 million Joint Venture between NatWest Group Pension Fund and Legal & General Capital is designed to fund 34 villages that will provide homes for over 5,000 residents. The development of this portfolio will generate significant sums of genuinely sustainable growth as we develop and then operate the estate.

Delivering the Joint Venture's growth plan means that we continue to secure two things: exceptional off-market land sites; and planning permissions - often in difficult locations. 2022 and early 2023 saw Inspired Villages: exchanging on three sites and acquiring a further four; submitting five planning applications; securing four valuable permissions; and starting construction work on four new sites and phases.

In May 2022 Highwood Construction made a start on-site at Ampfield Meadows in Hampshire, where we expect the village centre to be completed in mid-2024. July 2022 saw the completion and handover of 39 homes at Gifford Lea in Cheshire. As of spring 2023, we had a total pipeline of 31 sites (including those in legals).



Opening two new villages

Sustainable economic growth means maintaining an economic growth rate that doesn't generate price pressures, doesn't deplete resources and doesn't significantly damage the environment.

Maintaining this as our business grows is paramount to Inspired Villages and underpins our overall approach to Net Zero and social impact.

In 2022 we maintained our commitment to Net Zero Carbon, investing in our people and looked after the residents – as well as opening Ledian Gardens and Elderswell for residents.



The Real Living Wage

In 2020 we made a commitment to become a Real Living Wage employer by 2023. We achieved this target and completed the process of accreditation at the end of 2022. It supports our aim of being an employer of choice and ensures we attract and retain the best talent.

The Real Living Wage (RLW) is a voluntary commitment that has been made by more than 12,000 UK companies. The rate of the RLW is £10.90 (outside London) and applies to over 18s.



Wage	Rate	Age
The Minimum Wage, set by the government	£10.18 across the UK	21+
The National Living Wage, set by the government	£10.42 across the UK	23+
The Real Living Wage, set voluntarily	£10.90 UK except London	18+

A responsible role model



A responsible role model

The world in 2023 is significantly different from the world in which we built our first villages. The UK economy is adjusting to life outside the European Union. We are all recovering from the impact of the pandemic and confronting a cost of living crisis.

We work in a new, rapidly expanding, sector of both society and the economy. To be a great employer in the 2020s challenges the traditional norms of attracting and retaining talent.

This section of the report sets out how we define what a responsible role model looks like in the IRC sector of the 2020s.

Our culture and values

We are a values-led organisation, a genuinely new company born in the challenges, and knowledge, of the twenty first century.

Our values remain strong and deeply embedded in every part of the organisation, and they are the constant underpinning of the choices we make every day.

As a business, we deliver great results because we have nurtured a strong and vibrant culture of belonging, built on the surety of our values.



Be inspired

Be an expert in what you do and be an inspiration to those around you. We love what we do and why we do it.



Stronger together

With our residents and each other, we succeed when we work together. There's always time for a cup of tea and a chat to make things better.



Courage

Dream big, make the tough decisions and follow them through. We're not frightened to make mistakes and we learn fast.



Deliver

We keep our promises to deliver the right results. We don't do average.



Straightforward and straight-talking

We keep things simple; we don't waffle.

The United Nation's Sustainable Development Goals

GOOD JOBS AND ECONOMIC GROWTH 8 	SUSTAINABLE CITIES AND COMMUNITIES 11 	CLIMATE ACTION 13 	LIFE ON LAND 15 	GOOD HEALTH 3 
Increase use of local supply chains and priority group businesses	All new homes minimum EPC B	We will develop a strategy to further reduce the embodied carbon of our units	Develop a strategy to deliver water neutrality	Launch Communities Platform
CMSI -> Sustainable Economic Growth	BACPB -> Net zero by 2030	BACPB -> Net zero by 2030	BACPB -> Net zero by 2030	CMSI -> Deliver Health and Wellbeing
Maintain ExCo Diversity	Open first net zero regulated village	Baseline IV carbon footprint and identify areas for improvement	Develop and embed Nature Strategy	X
CMSI -> Create jobs	BACPB -> Net zero by 2030	BACPB -> Net zero by 2030	BACPB -> Nature Positive by 2030	x
Maintain overall gender diversity at c.50%	Explore the feasibility of battery storage and microgrid technology across our portfolio	Review energy use across our existing estate and identify measures for its reduction	Review our waste reporting procedures to establish a more consistent approach across villages	X
CMSI -> Create jobs	BACPB -> Net zero by 2030	BACPB -> Net zero by 2030	BACPB -> Net zero by 2030	X
Improve application to offer for under-represented groups by 2.5%	Review the potential for expansion of our EV charging infrastructure across our portfolio			
CMSI -> Create jobs	BACPB -> Net zero by 2030			
Balance external recruitment by filling 30% of roles internally, ensuring progression pathways for our team	Develop and embed Social Impact Toolkit			
CMSI -> Create jobs	CMSI\Place-based Social Impact			

2023 Targets	
Mapped against the United Nations' Sustainable Development Goals	
The relevant Inspired Villages Golden Thread goals are identified by the cell colour	
CMSI	Creating measurable social impact
BACPB	Becoming a climate positive business

Diverse workforce, inclusive workplace

We're a growing company, with an ambitious plan, which we know can only be achieved through the work of our amazing colleagues. We value each other, having built a culture of belonging with wellbeing at its heart.

We work hard to welcome new colleagues into the Inspired Villages community and hope that they quickly feel that they have joined a family. We want our colleagues to develop a career with no limits; learning new skills and creating new experiences every day.

We're proud to have already seen many of our people develop and grow into different roles across the business and we are looking forward to supporting many others in their career with us in the years to come.



Commitments

- Maintain ExCo Diversity
- Improve application to offer for under-represented groups by 2.5%

	2021-2022		2022-2023		Change
	Female (%)	Male (%)	Female (%)	Male (%)	
Total workforce	55	45	57	43	+2/-2
Grade 5	36	64	39	61	+3/-3
Grade 4	50	50	50	50	-/-

Establishment of Women in Retirement Living (WiRL)



There is rapid growth in the UK retirement living sector. As the sector develops there is a particular need to be conscious of diversity, gender inequality, and social mobility. So IRC professionals, including our Design Director Sonia Parol, decided to address this by setting up 'Women in Retirement Living'.

WiRL's mission is to empower women and other under-represented groups within the sector through networking, knowledge sharing, and mentoring.

“ WiRL began after last year's panel discussion at ARCO's annual conference regarding diversity and social movement. I am very passionate about diversity and inclusion in terms of age, sex, culture and ethnic background. Being a woman who attended Grammar School and grew up in Poland with French family background, I feel I can relate to and represent a lot of people in terms of diversity and inclusion.

As an architect, working in the construction industry I was exposed to discrimination and a male dominated culture. However, I was lucky to be surrounded by supportive people who saw my potential and helped me drive my career. This is why

I understand how important it is to help younger people who come from different backgrounds and create an environment where everyone has the same opportunities to develop their professional skills.

“Together we can help the sector grow, we can support each other and we can help new talent to come to the sector. Being part of Inspired Villages gives me a great platform to help others and influence the sector growth.”

Sonia Parol
Design Director

	2021-2022	2022-2023	Change
Total number of people promoted	24	31	+7
Number of women promoted	16	19	+3
% of promoted people who are women	67%	61%	-6pp

Age is just a number

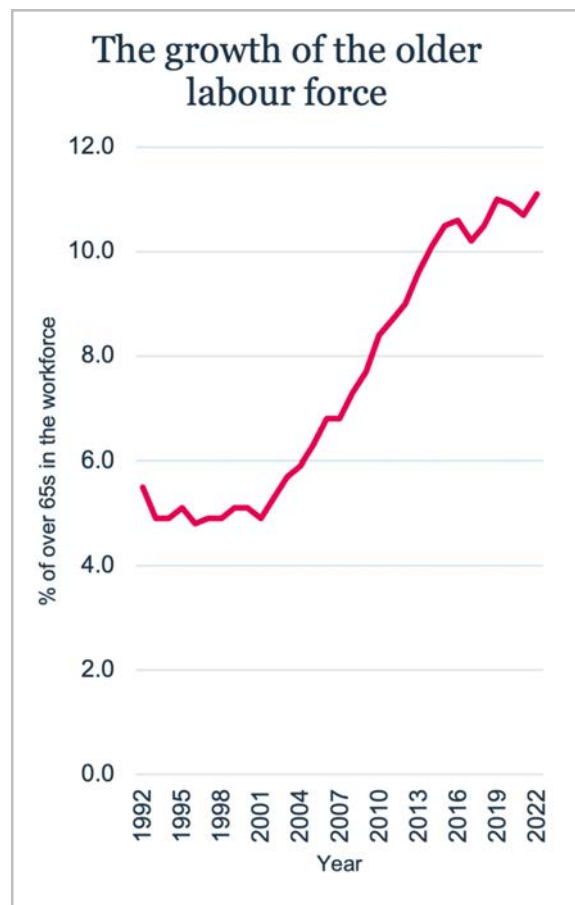
We are a people business and changes in the job market really matter to us. Our purpose is to 'live the best years of your lives', and it applies not only to the residents but to everyone in the organisation. Our culture of belonging has been built up carefully over years and its welcome and support are just as powerful to a 68 year old accountant as they are for a 22 year old chef.

Why should a talented graphic designer hang up her laptop because she was 68 on her birthday?

In April 2011 the UK government scrapped the 'Default Retirement Age', that allowed employers to force workers to retire at 65. In the decade following, successive UK governments continued to reshape the legislative landscape for later living. For example, the end of compulsory annuitisation has further changed the way that people manage their finances. For many people planning their financial strategies, the age at which they will qualify for a state pension is increasing.

As the graph shows, the number of people over 65 and working has nearly doubled since the turn of the millennium. For those who want to carry on working, this is great news and brings considerable benefits to the economy and our society.

Paid employment is, of course, not the only kind of employment and millions of older people are working (without payment) providing childcare and informal social care.



Recruiting experience

For Inspired Villages the growth of the older labour market is great news on two fronts. First, it creates a much larger group of experienced people that we can ask to join our workforce. Second, there are more job opportunities in the labour market for the residents who want to continue to work.

As the table (below) shows, we are making overall progress - we have increased the percentage of our workforce aged over 55 and there is more work to be done for both the over 60s and over 65s.

% of workforce	2021-22	2022-23	Change
55+	29%	34%	+6pp
60+	14%	15%	-1pp
65+	4.1%	3.3%	-0.8pp

Our unwavering commitment to creating an inclusive culture has enabled us to continue to attract, retain and develop exceptional talent of all ages, from all backgrounds, and we are always on the look-out for more.

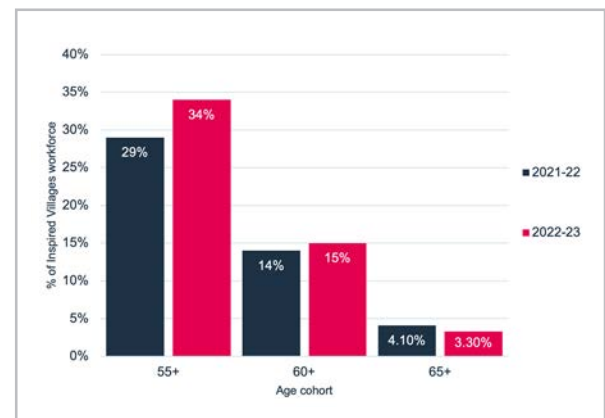
We asked some of our more experienced colleagues to describe their work and our culture. The following quotation is written by Wendy, our Head Housekeeper:

“I’ve learnt so much since I’ve been here. Done things that I thought I’d never do in my life, like going to Leicester University and doing a management excellence course, which was amazing. I always laugh about it when I say, at my age (because I’m coming up for 67), that I actually went to university! But here, they encourage you to do that. They encourage you and this is how they want you to be yourself and learn.”

Our ‘people and culture’ team are working hard to recruit more people over 55 to the team - we

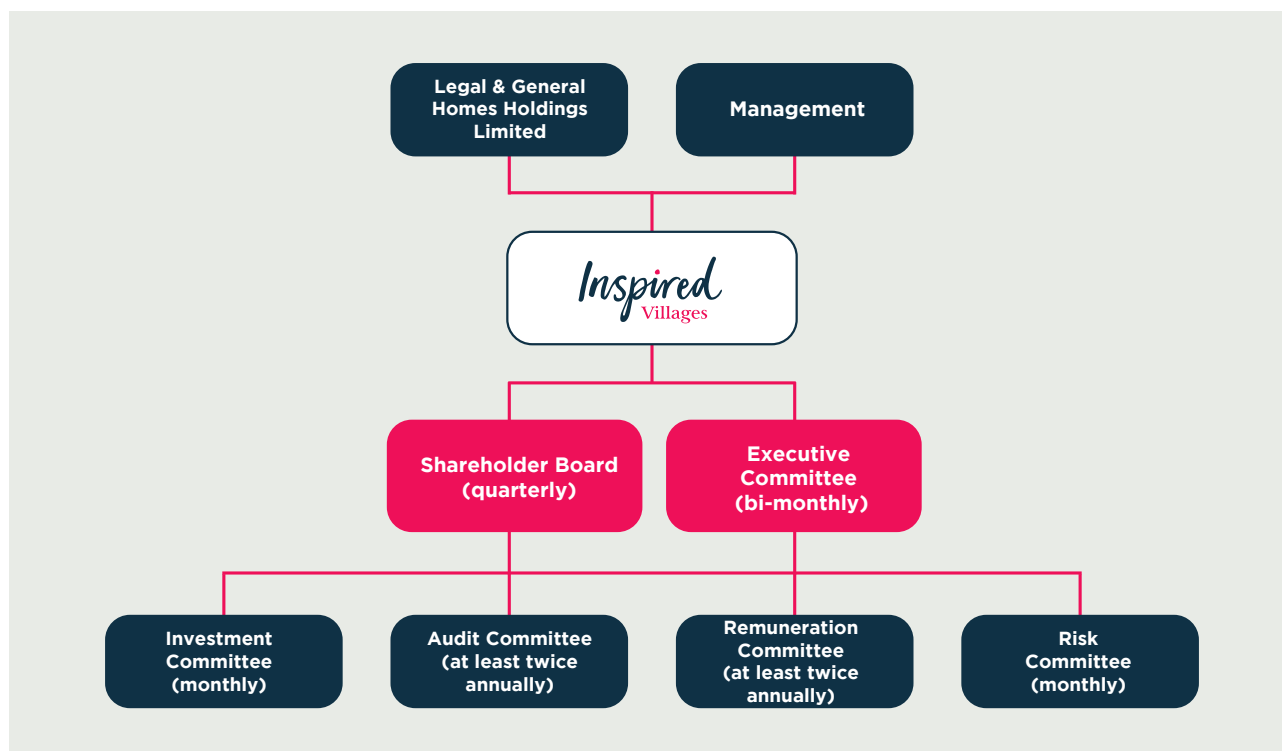
are deliberately targeting the over 55s through our collaboration with Rest Less, the UK’s fastest growing digital community for the over 50s, with over 1.1 million members.

Adding more experience to our workforce



Governance

We are a young and growing organisation ready to scale-up from eight villages to 34 in total. This section of the report sets out the key parts of our governance inside and outside the organisation.



The governance structure inside the business

Inspired Villages Group Limited is regulated by the Companies Act 2006 and its Articles of Association. It operates under the terms of an Investment Agreement with its principal investor. Policies and procedures have been established and are accessible to all colleagues through the information platform, Inspired World, with the key policies covering Conflict of Interest, Data Privacy & Security, Dignity at Work, Equality & Diversity and its Public Policy Principles.

It operates good governance by ensuring its Board and Committees operate to clear, agreed Terms of Reference (ToR) which are reviewed annually. In line with the ToR, the Board delegates to Committees certain functions associated

with operations, risk management (including data protection, privacy and cyber security) and executive remuneration. Committees currently constituted under this power are the Executive, Investment, Risk, Audit and Remuneration Committees.

A Board effectiveness review is carried out annually. The review examines both the formal, visible structures through which the Board operates, as well as the more informal and less tangible aspects about how it operates, including the nature and tone of working relationships between the Board and Chair and the Executive. The Board comprises a non-executive Chair, the Inspired CEO and CFO, together with two Investor Directors. Currently 20% of the Board is female [and of ethnic origin]. The Executive Committee has 30% female membership.

The structure of our Joint Venture

Inspired Villages Group provides consultancy services to the Management Company but does not have operational control over it.



Joint Venture (JV)

The JV is responsible for providing capital for construction and operation of each site. Legal & General Capital and NatWest Group Pension Fund each have 50% operational control over the JV.

Prior to the sites being handed over to NatWest Group Pension Fund, the JV has 100% operational control over the Development Company and the Management Company.

Operational Control

Before reaching stabilisation and being transferred to NatWest Group Pension Fund.

Legal & General Capital retains operational control over Inspired Villages despite its minority ownership. Legal & General Capital consolidates emissions through an operational control approach for all businesses owned by the parent company. Therefore, all emissions associated with Inspired Villages are reported by Legal & General Capital.

Upon sale of the final unit for each site, the Development Company and the asset (site) are transferred (with payment to all JV shareholders) to NatWest Group Pension Fund.

Working with the great team at ARCO

Inspired Villages is a member of ARCO (Associated Retirement Community Operators), the UK sector body which represents Integrated Retirement Communities. We have achieved 'Approved Operator' status and we aim to comply with the ARCO Consumer Code at all times.

ARCO is the main body representing the Integrated Retirement Community sector in the UK and is setting standards for retirement communities. The Consumer Code aims to protect customer and residents and to encourage operators to establish and maintain high standards. The Code is enforced in practice through ARCO assessments. Inspired Villages' communities continue to be assessed by ARCO with the ongoing aim not only of maintaining high standards but also securing continuous improvement.

Inspired Villages acts as the Operating Company for the retirement villages and provides consultancy services for sales, marketing, project management, energy procurement, and general administration for the Inspired Villages' sites.



We have achieved 'Approved Operator' status and we aim to comply with the ARCO Consumer Code at all times

Glossary

JV Joint Venture

RLW The Real Living Wage

NWPTL NatWest Pension Trustee Limited

IRC Integrated Retirement Community, explained in the chapter called
'The importance of Integrated Retirement Communities'

WIRL Women in Retirement Living

Inspired Villages

The *best* years of your life?

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