NEW RIVER

Environmental, Social and Governance Report 2021

COMMITTED TO OUR COMMUNITIES

NewRiver is a leading Real Estate Investment Trust specialising in buying, managing and developing retail and leisure assets across the UK. Every day, our shopping centres, retail parks and pubs provide essential goods and services to communities.

Our ESG programme is core to our culture, business model and strategy. It underlines our commitment to enhancing the communities we serve and minimising our impact on the environment.

Contents

Find out more about our responsible approach to business at www.nrr.co.uk/esg

2021 Highlights

-33% Total carbon emissions[1]

-26% Total electricity consumption[2]

-19% Energy intensity[2]

Made our 3 step Net **ZERO** Commitment

£176k Donations to the Trussell Trust

4 tonnes of food donated to the Trussell Trust

£247k Invested in our staff

99% Waste diverted from landfill

Supported **155** charity occupiers[1]

85% of our retail properties have Environmental and Social Plans

1 vaccination centre

1. Across our Retail Portfolio and from our baseline year of 2018
2. Like for like across our total (retail and pub) portfolio

OUR COMMITMENT TO OUR COMMUNITIES

ALLAN LOCKHART
CEO

The past 12 months during the ongoing COVID-19 pandemic have had a radical impact on global economies in a very short space of time and many are now drawing parallels between the unforeseen risks of the pandemic and the potential impact of climate change. This wake-up call has accelerated the need for a different approach to business; we are implementing this across NewRiver's operations, placing greater emphasis on ESG than ever before.

SUSTAINABLE DEVELOPMENT GOALS

As custodian of the business, I am proud to align my role to the UN SDG Partnerships for the Goals.

17 PARTNERSHIPS FOR THE GOALS

Our well-established ESG programme has allowed us to successfully navigate the challenges of the past 12 months, ensuring we build on our 5-year-strong track record and seize the opportunities to further minimise our environmental impact and support our local communities.

We recognise the importance of promoting a robust ESG programme which is firmly embedded in our business model and were delighted to receive our first EPRA Sustainability Best Practice Recommendations award (Bronze) in September 2020.

Another milestone in our ESG journey was reached in the year by the adoption of a net zero carbon target in line with the UK's aim of achieving net zero carbon emissions by 2050. This year we reduced our greenhouse gas emissions by 33% compared to our baseline year of 2018.

Strong ESG credentials help form the basis of a sustainable business model and will make us a more attractive long-term partner for our occupiers, local authorities, capital partners and lenders. This in turn provides us with the firepower to be the best investors in the local communities we serve.

Our commitment to communities and the environment, alongside our wider strategy and long-term asset management approach, provides depth to our portfolio's resilience. We have reported for the third consecutive year against the key aspects of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Throughout the year we have continued to develop our capabilities, processes and systems, enabling the business to respond to emerging climate-related risks across our business model.

The year 2020 also marked our first submission to CDP (formerly the Carbon Disclosure Project), underlining our commitment to developing climate risk reporting and governance disclosure processes. Our score was in line with the European and Global peer average and we plan to improve this as we make further progress with our ESG programme.

We are proud that our assets and operations could offer support to local communities during a year of extreme uncertainty and hardship for many. The initiatives we undertook at site level to support the vulnerable were greatly appreciated and highlighted the critical role our assets and people play in the local community.

I want to thank our staff across our portfolio, head offices and advisers for their resilience over the last 12 months. The dedication and commitment they have shown gives me immense pride in our teams and the communities we serve.

ALLAN LOCKHART
CEO

PROMOTING A SUSTAINABLE AND RESILIENT FUTURE

EMMA MACKENZIE
Head of Asset Management & ESG

SUSTAINABLE DEVELOPMENT GOALS

As Head of Asset Management & ESG, I champion the UN SDG of Zero Hunger through our corporate charity partnership.

2 ZERO HUNGER

Our unique position as a long-term investor in local communities across the United Kingdom creates invaluable opportunities to leverage change. We take this responsibility very seriously and use the opportunities to shape our ESG programme to promote a sustainable and resilient future for our communities and our business.

A core element of our business model and ESG programme has always been our positive contribution to the social fabric of the communities of which we are part and social awareness, empathy and support have never been so visible as during 2020 and 2021.

Across the UK over the last 12 months, families and individuals faced constant uncertainty and our work with our corporate charity partner, the Trussell Trust, held even greater significance. The Trussell Trust, an NGO and charity working towards a hunger-free future, gave out 1.9 million three-day emergency food supplies during the crisis; shockingly, a third of these went to children. We have donated £176,000 this year and over four tonnes of food, achieving this through corporate donations, local site-led events, as well as salary sacrifices from our Board and executive teams. We look forward to continuing to work with the Trussell Trust and using our voice to promote a hunger-free future for all.

Community spirit lies at the heart of our ESG programme and, as Head of Asset Management and ESG, it is a pleasure to collaborate with our teams on ESG initiatives. Highlights this year have been sending out care packages to elderly people in Middlesbrough over Christmas, facilitating Mental Health First Aid Training in Skegness and our head office staff and pub partners walked over 25 million steps in 21 days to raise vital funds.

The success of our ESG programme reflects its local, community focus and its clear alignment with our business model and strategies. My dual role along with a seat on our Executive Committee ensures we factor ESG into every aspect of our operations, objectives and decisions.

Despite the challenging circumstances, we were delighted to be able to provide our annual ESG training for centre managers, head office staff and wider stakeholders, ensuring that we continue to learn and adapt as a business. Supporting this training were our operational manuals which helped centres to continue to provide key operational metrics throughout the year. This meant that even during a period of such uncertainty we could monitor performance, adapt our policies accordingly and ultimately ensure that our ESG objectives remained on track.

As ESG workstreams continue to expand we increased our internal resource, appointing Fabienne Davies as Sustainability Manager to support the delivery of our ESG Programme.

A key feature from our ESG Programme this year has been our announcement of our commitment to net zero carbon through a three-step target set against an ambitious yet achievable timeline. This is an appropriate time to make this public commitment to address the challenges and opportunities presented to us by climate change and we plan to become a signatory of the Better Buildings Partnership (BBP) Climate Change Commitment in 2021/22.

We aim to publish our pathway timeline in the coming months to provide more detail on our targets. We believe that to achieve these targets we will rely on a combination of initiatives to significantly reduce our emissions. These include:

- further improvements to the energy efficiency of our assets
- expanding the use of green energy across our assets
- embedding our ESG principles in our developments, refurbishments and operation of assets
- carefully offsetting those emissions which we cannot eliminate

Other environmental milestones in the year include our development team attaining a BREEAM Very Good for our design stages in the construction of Premier Inn, Romford, which notably achieved 100% in the categories of Land Use & Ecology and Transport.

We continue to make progress against our short-term targets set in 2020 and are optimistic that we can minimise our environmental impact in the coming decade. Despite the obvious challenges for our occupiers a focus this year has been collecting their data to advance our ESG Programme. Our existing strong occupier relationships have been hugely beneficial in starting this process but to enhance the programme's success, we issued our Retailer Sustainability Handbook. This user-friendly document is designed to support our occupiers in improving the sustainability of their operations and to complement our own efforts to realise NewRiver's ESG targets. Alongside this, we rolled out bespoke shopping centre-led Environmental & Social Implementation Plans across 85% of our retail portfolio to guide on-the-ground efforts to achieve our ESG objectives. Our asset managers, property managers and centre managers all play a role in ensuring the ESG needs of the local community are recognised and met.

It is essential that our ESG performance is tracked and accredited across industry-recognised indices. We were pleased to outperform our peers in Social and Governance scores in our GRESB submission (17/19 and 18/20 respectively) with an overall score of 60/100. We recognise that our environmental score has scope for improvement, which involves prioritising energy, water and waste consumption along with collating greater occupier data.

Our journey so far

2015

Formalised our ESG journey

2016

Established our Responsible Investment Policy and targets set against our ESG priorities

2017

EPC Assessment roll out for high risk assets and MEES legislation review

Established data management programme and initiated AMR and LED lighting rollout

2018

Energy and GHG emission targets set aligned with science-based targets, installed 18 InstaVolt electric charging points, launched sustainable occupier fitout guide and lease clauses, established our wellbeing programme

2019

Embedded ESG risks into our corporate risk management and governance practices, integrated pubs into our ESG programme, established our first charity partnership with the Trussell Trust, fitted solar PVs to five assets

We continue to support 11 of the 17 UNSDGs, for which we have specific targets, and annually track our progress against these. This year we were pleased all our staff, including our CEO and CFO, aligned one UNSDG to their role to further embed this ongoing commitment within the business.

In this, our third consecutive year reporting against the TCFDs, we continued to develop our capabilities and refine our internal processes and systems to equip the business to report on and respond to emerging climate-related risks. Furthermore, it was encouraging that in the FTSE Russell ESG rating from December 2020 we received an overall 2.9/5 which was above the "Retail REIT" and "Financial" average.

Looking ahead, we will be focusing on disclosing our net zero pathway in conjunction with prioritising net zero asset plans which will provide us with a blueprint of what it will entail to achieve our targets. Stakeholder engagement will remain a key focus as we continue to seek ways to share data and learnings with our occupiers and wider stakeholders. We embrace the greater emphasis on all aspects of environmental, social and governance performance and I look to the future with optimism and confidence as we seek to manage the risks and maximise the opportunities.

The considerable contribution and commitment from my colleagues, our property managers, Workman and Lambert Smith Hampton, centre management teams and our sustainability consultants Cushman & Wakefield, were fundamental to our achievements. I thank them most sincerely for their enthusiasm and support throughout an extraordinary year and I look forward to continuing to work together to ensure a sustainable future.

EMMA MACKENZIE
Head of Asset Management and ESG

100% renewable electricity across managed retail assets, increased our community funding in response to the COVID-19 outbreak, first CDP submission, 12% reduction in GHG emissions

2020

2021

Setting our pathway to net zero, salary waivers to the Trussell Trust, Romford Premier Inn achieved a BREEAM Very Good certification for design stage, achieved EPRA Sustainability Best Practice award for the first time (bronze)

SUSTAINABILITY ACCREDITATIONS AND COMMITMENTS

We use industry-recognised indices to track our sustainability performance:

Accreditation or commitment	Score or equivalent	Observations
GRESB 2019	Overall score 60/100	We outperformed our peers in our scores in Social (17/19) and Governance (18/20). Our area to focus and improve upon is our environmental score, which involves prioritising energy, water and waste consumption along with collating greater occupier data
BREEAM Very Good	3 stars	Romford Premier Inn achieved a BREEAM Very Good rating
CDP	C	2020 was our first submission and this score was in line with the European and global peer average, reflecting our ongoing commitment to develop climate risk reporting and governance disclosure processes
SUSTAINABLE DEVELOPMENT GOALS	We are committed to 11 of the 17 UNSDGs	We have specific targets and annually track our progress against them
TCFD	3rd consecutive year reporting	We continued to develop our capabilities and refine our internal processes and systems to equip the business to respond to emerging climate-related risks across our business model
HR Commitments	£247,000	Reflects total amount invested in staff training, subscriptions, staff surveys and online platforms across NewRiver and Hawthorn
Investing in people	2,093 hours	Total hours of training completed by head office staff
the trussell trust	£176,000 donated 4 tonnes of food	Reflects money raised and the weight of food collected to support our corporate charity
FTSE Russell	2.9/5	We have participated in the ESG Ratings since 2017. In our most recent assessment (December 2020), we received an overall ESG Rating of 2.9 out of 5, above the 'Retail REIT' average of 2.7 and 'Financials' industry average of 2.5

ABOUT OUR ESG REPORT

Our ESG reporting continues to evolve in line with the maturation of our ESG programme, and on-going activities to realise our corporate ESG objectives and targets in an impactful manner. We stay abreast of emerging market and ESG disclosure trends together with proactive management of our data processes to ensure our stakeholders are provided with valuable insight into our ESG performance. Our reporting process considers global sustainability best practice reporting and relevant industry developments, as well as engaging with a broad range of key stakeholders on material ESG issues.

Scope & boundaries

This report relates to our ESG performance and activities undertaken during our 2021 fiscal period, 1st April 2020 – 31st March 2021. The scope of our annual ESG performance in this report reflects our retail & pub portfolio assets, where we have operational control over the management of the environmental & social performance of these assets. The leased and tenanted pubs operated by independent publicans on-behalf of the Hawthorn Community Pub Co (formerly Hawthorn Leisure) fall outside of the scope of our ESG reporting and NewRiver's chosen data collection approach. Responsibility for the operation of these pubs and the associated ESG performance rests with the pub tenants.

Structure & materiality

Our 2021 ESG Report is structured to present stakeholders with an overview of our ESG programme, our approach to realising our four ESG objectives, and details of our activities within – and performance against – these objectives:

Minimising our environmental impact

Engaging our staff and occupiers

Supporting our communities

Leading governance and disclosure

The structure of our 2021 report is aligned with these ESG objectives. Throughout the report, case studies are presented to highlight key activities we undertook in 2021 and achievements we realised through our ESG programme. This is complemented by disclosures on our performance against the ESG metrics that we monitor on an on-going basis. Consistent with previous years, our performance against the EPRA reporting metrics is also presented.

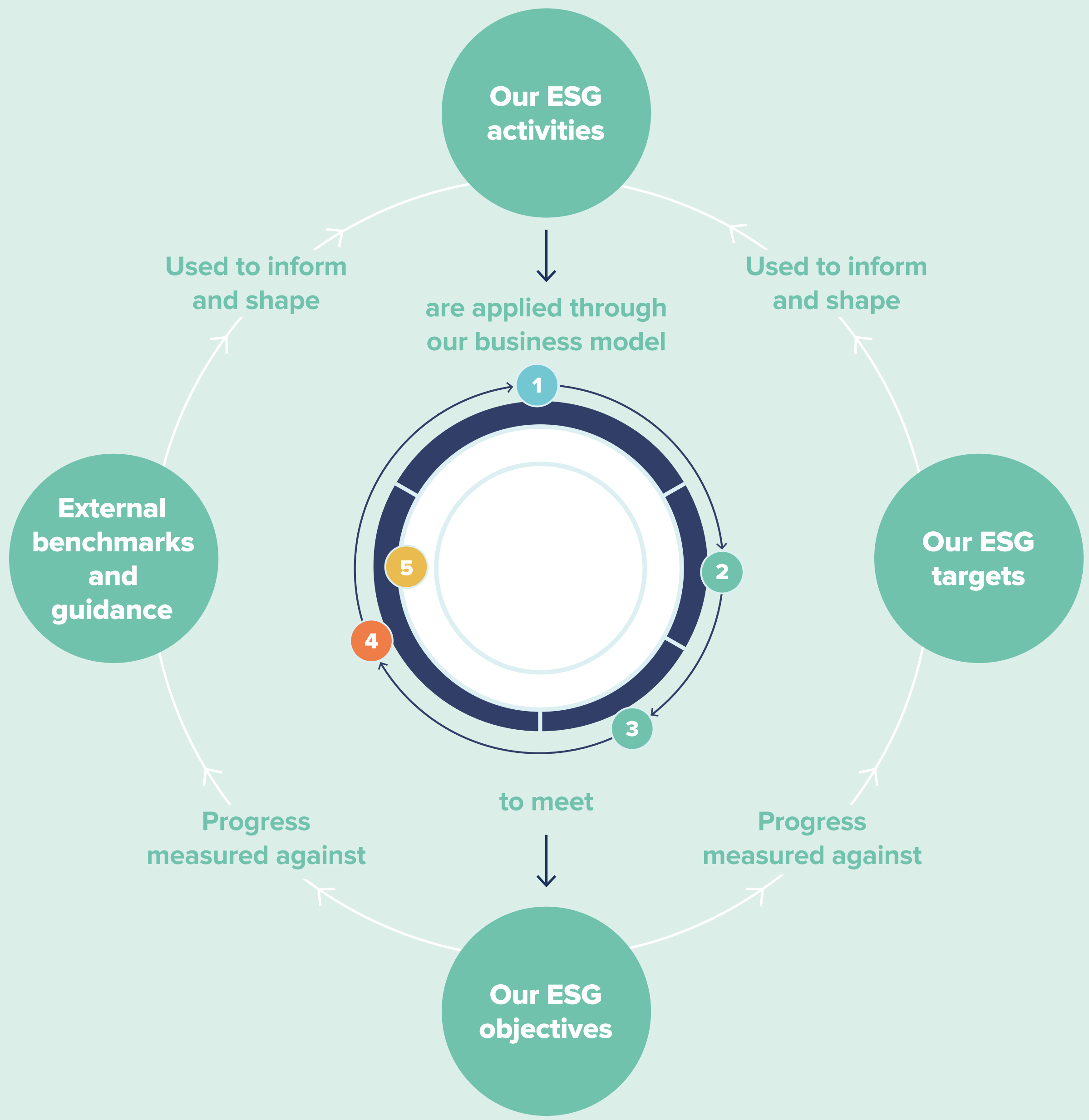
This year, our ExCo cemented NewRiver's commitment to net zero by establishing our long-term net zero target that will guide our portfolio's journey to achieve climate resilience. This commitment will support us to enhance the value we create for our most important stakeholders – our communities, occupiers, employees and investors.

Reporting frameworks

Our ESG reporting is guided by two relevant global reporting frameworks – the EPRA Sustainability Reporting Best Practices Recommendations (sBPR), and the Recommendations of the Taskforce for Climate-related Financial Disclosures (TCFD). These frameworks inform the preparation of our annual ESG disclosures on the prioritised set of ESG metrics that we actively track to monitor progress against our ESG objectives. We report on EPRA's sBPR performance measures and adopt their overarching recommendations. These include environmental metrics for our energy & emissions profile, use of environmental resources, and sustainability certifications, as well as social metrics like health & safety, diversity and community engagement. The full suite of measures is presented on page 37, together with a guide to how we adopt EPRA's reporting recommendations, on page 41.

OUR APPROACH TO ESG

An overview



1 Disciplined stock selection

2 Active asset management

3 Risk-controlled development

4 Profitable capital recycling

5 Leveraging our operating platform with a conservative balance sheet

Our ESG objectives

Our ESG activities are applied through our business model to meet our ESG objectives. Aligned with our corporate strategy, our ESG objectives are built around four focus areas which reflect the ESG issues that are important to our stakeholders and our business.

Our ESG initiatives are informed and shaped by both external benchmarks and guidance, and our own ESG targets. These initiatives are applied to every area of our business model in order to meet our ESG objectives. Our progress against these objectives is then measured against our ESG targets and external benchmarks on an annual basis, and the outcomes are used to determine our ESG activities for the following year. This approach generates a feedback loop whereby our ESG programme can adapt as our business changes and as best practice evolves.

In FY21 we made the decision to move to quarterly ESG reporting which will allow us to collect, analyse and monitor data on environmental performance across our assets in a timely manner and to adapt on-site operational procedures and approaches, where required.

As an owner of assets located in communities across the UK, we are committed to enhancing the lives of the people we serve and to minimising our impact on the environment. At the same time, we want to ensure we are good neighbours in our communities, supporting and championing local causes and innovating to address the needs of local people. At a corporate level, we are passionate about engaging with our staff and our occupiers and maintaining our high standards of governance, in order to ensure we are an excellent employer and the best company to do business with.

Minimising our environmental impact

Measures to reduce our greenhouse gas emissions and energy use include procuring renewable energy, reducing consumption, adopting efficient technology, improving building efficiencies and broadening stakeholder engagement to better understand our occupiers' and stakeholders' needs and priorities.

Engaging our staff and occupiers

We enthusiastically encourage and support a holistic approach to managing our business. As owners we cannot achieve our targets without the support of our occupiers or of our staff. Clear and consistent communication with these key groups, involving two-way education, is vital for our success.

Supporting our communities

With a portfolio of assets in communities across the UK we can drive real, positive change within towns and cities by supporting and championing local causes. By creating jobs and supporting communities we are better placed to identify and respond to local needs, helping communities to thrive.

Leading governance and disclosure

High standards of corporate governance and disclosure are essential to ensuring we operate effectively, and to instil confidence amongst stakeholders. We aim to ensure our governance and disclosure is in line with best practice.

Applying ESG through our business model

Our ESG programme is aligned to our business model and strategies, and we factor ESG considerations into every aspect of our operations to meet our four key ESG objectives. Progress against the objectives is measured against a comprehensive set of short, medium, and long-term internal targets. Our progress is also measured against a set of international benchmarks and frameworks, including the UN Sustainable Development Goals.

	1 Disciplined stock selection	2 Active asset management
MINIMISING OUR ENVIRONMENTAL IMPACT	We undertake environmental due diligence as part of our stock selection process, including assessments of energy efficiency and flood risks.	We seek appropriate adaptations to our assets to improve monitoring and reduce energy consumption, such as solar panels, EV chargers and LED lighting. We also procure renewable electricity across 100% of our managed retail portfolio.
ENGAGING OUR STAFF AND OCCUPIERS	Acquisition of new assets involves a thorough engagement with occupiers and other stakeholders to assess whether the asset will meet their needs.	We have expanded the sustainability clauses within our leases to encourage our occupiers to provide sustainable fitouts, and we ensure that staff at our assets receive thorough training and development opportunities.
SUPPORTING OUR COMMUNITIES	We invest in assets that are already part of the fabric of their communities. We aim to revitalise assets by providing the right mix of occupiers and uses for communities.	We ensure our assets provide the right mix of convenience, value and services for customers' everyday needs. We also use space in our assets to support and raise awareness of local charities.
LEADING GOVERNANCE AND DISCLOSURE	All acquisition decisions are subject to a rigorous review process, including Executive Committee or Board sign-off where appropriate, drawing on expertise from around the business.	Our Head of Asset Management and ESG co-ordinates asset management initiatives through a sustainability lens and sits on our Executive Committee.

3 Risk controlled development pipeline	4 Profitable capital recycling	5 Leverage our platform/ conservative balance sheet
Our developments aim for the appropriate market-guided sustainability standards, to reduce energy consumption and ensure they are fit for the future. Where possible we retrofit as opposed to more energy-intensive demolition and rebuilding.	It is our intention that developments we have owned or developed should already include key environmental features that allow their new owners to operate sustainably.	By opening up our asset management platform to third parties we can advise other asset owners on environmental best practice in asset management and development.
Most of our developments are pre-let, so our development team works with occupiers throughout the development process to ensure it meets their needs and specifications.	When we dispose of an asset we engage with the staff and occupiers at the asset to ensure an orderly transition to new ownership.	We ensure that all head office staff have access to the training and development opportunities required to support their careers and their physical and mental wellbeing.
We work closely with councils and local groups to ensure developments address community needs and provide the right balance of residential, retail, workplaces and other civic amenities.	We leave behind well-invested assets that are fit for the future and reinvest the proceeds into assets serving other communities elsewhere.	Our platform provides advisory and asset management services that enables Local Authorities to revitalise their town centres. Our staff are encouraged to support charities through our fundraising and volunteer programme.
We ensure that our development work adheres to the most stringent health and safety standards, and that all suppliers sign up to our Supplier Code of Conduct.	All disposal decisions are subject to a rigorous review process, including Executive Committee and Board sign-off where appropriate, which includes assessing their impact on all stakeholders.	Our Board and its committees ensure that we work on behalf of shareholders and other stakeholders to drive the culture and discipline necessary for the Company to meet its goals.

Our ESG targets

While we are finalising our pathway to net zero and setting new medium and long-term targets in line with the latest climate science, we will continue to work towards meeting the current medium (by 2030) and long-term (by 2050) targets set in 2018 with the addition of a net zero end point by 2050.

Our short-term targets (2025)

Environmental

Minimising our environmental impact

- 100% of waste generated at our managed properties is diverted from landfill by 2022
- 85% recycling rate at our managed properties by 2025
- 100% of landlord electricity procured from renewable sources by 2022
- 10% of landlord electricity use from on-site generation by 2025
- Electric vehicle charging points installed across 100% of retail properties with a surface-level car park by 2025
- Building certifications targeted at 100% of new construction and major renovation projects by 2025
- Achieve net zero carbon for all corporate-related carbon emissions (Scope 1, 2 and 3 emissions) by 2025
- Conduct life-cycle and embodied carbon emission assessments for 100% of all new development projects by 2025

7 AFFORDABLE AND CLEAN ENERGY
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

Social

Engaging our staff and occupiers

- Provide a minimum of one work experience placement per year at 50% of our managed retail assets by 2022
- Achieve a 90% response rate to our annual staff wellbeing survey by 2022

Supporting our communities

- Achieve a 75% response rate to our occupier satisfaction survey by 2025

2 ZERO HUNGER
3 GOOD HEALTH AND WELL-BEING
8 DECENT WORK AND ECONOMIC GROWTH

Social continued

Supporting our communities

All managed retail assets to participate in our Quiet Hour Initiative by 2022

All managed properties have a community engagement programme in place updated on an annual basis by 2022

Biodiversity plans to be in place for 15% of our managed properties by 2025

50% of NewRiver staff to participate in our volunteer work programme annually by 2022

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

17 PARTNERSHIPS FOR THE GOALS

Medium-term targets (2030)

100% energy (electricity and gas) procured from renewable sources

20% reduction in NewRiver-procured utilities against the 2017 baseline year

50% reduction in carbon emission intensity across operational real estate by 2030

Long-term targets (2050)

Over 25% of energy generated from renewable sources at assets

100% energy (electricity and gas) procured from renewable sources

40% reduction in NewRiver-procured utilities against the 2017 baseline year

Achieve net zero carbon on all operational Scope 1 and 2 emissions from the directly managed areas across our portfolio by 2040

By 2050, achieve net zero carbon in terms of operational and embodied emissions (scope 1, 2 and 3 emissions) at a corporate level and across our portfolio, whether assets are directly managed or managed by third parties

OUR NET ZERO COMMITMENT

Our net zero commitment

The scale of the climate emergency and its impact has been transformational in the last 5 years. From the Paris Climate Agreement signed in 2015, to the announcement of the Task Force on Climate-related Financial Disclosures (TCFDs), set to be mandatory in the UK by 2025, there is growing momentum behind the adoption of low-carbon strategies to achieve long-term climate resilience. The UK Government has furthermore committed to bringing all greenhouse gas (GHG) emissions to net zero by 2050.

Our responsible approach requires transitioning to a more sustainable business for our essential retail and leisure for local communities. Minimising our impact on the environment is leading us to focus on reducing our energy consumption, improving efficiencies and harnessing stakeholder engagement.

Transitioning to a low-carbon model also helps to manage our portfolio's exposure to climate risks and to ensure the long-term resilience of our business.

We recognise that the part we can play goes beyond our own real estate portfolio and business – it is a commitment to making a positive impact on the planet and something we are proud to uphold. We acknowledge that now is the time to demonstrate our commitment to carbon reduction and to address the challenges and opportunities that our pathway to net zero will present.

Progress to date

Since the inception of our Environmental, Social and Governance (ESG) programme in 2015, we have made significant progress in improving the environmental efficiency of our portfolio. In 2018, we developed GHG emission reduction targets using the science-based target methodology, which set our long-term reduction pathway for our Scope 1 and 2 emissions in line with the 2°C temperature limit scenario of the Paris Agreement. Since then, we have taken action to reduce our energy consumption and increased the level of renewable energy we procure and generate on site.

In 2019, following the Committee on Climate Change's review of the latest IPCC Special Report on Global Warming, it became clear that to limit warming to 1.5°C globally we need to achieve net zero GHG emissions by 2050. In June 2019 the UK Government announced a target of net zero for UK GHG emissions by 2050 and we began reviewing what this means for the real estate sector and our operations.

Pathway to net zero

2021

Become a signatory of Better Buildings Partnership Climate Change Commitment, receive approval from the Science-Based Target Initiative (SBTi) for aligning net zero pathway with 1.5°C global warming trajectory

2025

Achieve net zero carbon for all corporate related carbon emissions (Scope 1, 2 and 3 emissions)

Create inventory of all real estate operational carbon emissions and NewRiver corporate activities (Scope 1 and 2)

2030

50% reduction in carbon emission intensity across operational real estate, as required by the SBTi

Our approach

As the UK Green Building Council outlines there are a variety of ways to achieve net zero in the real estate sector. Our approach focuses primarily on reducing the energy demand across our properties, leading to a corresponding reduction in associated emissions, and increasing procurement of renewable energy. Furthermore, we will develop a net zero approach to our major refurbishment and development projects. Whilst we believe that the combination of these initiatives should significantly reduce our emissions, we recognise that some measures will not be technically or commercially feasible to implement. As such, we will aim to develop a carbon offsetting solution to ensure that we meet our reduction criteria.

We have set the following carbon reduction targets, aligned with a 1.5°C warming scenario, using the Science-Based Targets initiative (SBTi) methodology:

- By 2025, achieve net zero carbon for all corporate head office related carbon emissions (Scope 1, 2 and 3 emissions)
- By 2040, achieve net zero carbon on all operational Scope 1 and 2 emissions from the directly managed areas across our portfolio
- By 2050, achieve net zero carbon in terms of operational and embodied emissions (scope 1, 2 and 3 emissions) at a corporate level and across our portfolio, whether assets are directly managed or managed by third parties

Alongside our targets, we will sign the Better Buildings Partnership (BBP) Climate Change Commitment which requires signatories to publish net zero carbon pathways and delivery plans, disclose the energy performance of their assets and develop comprehensive climate resilience strategies.

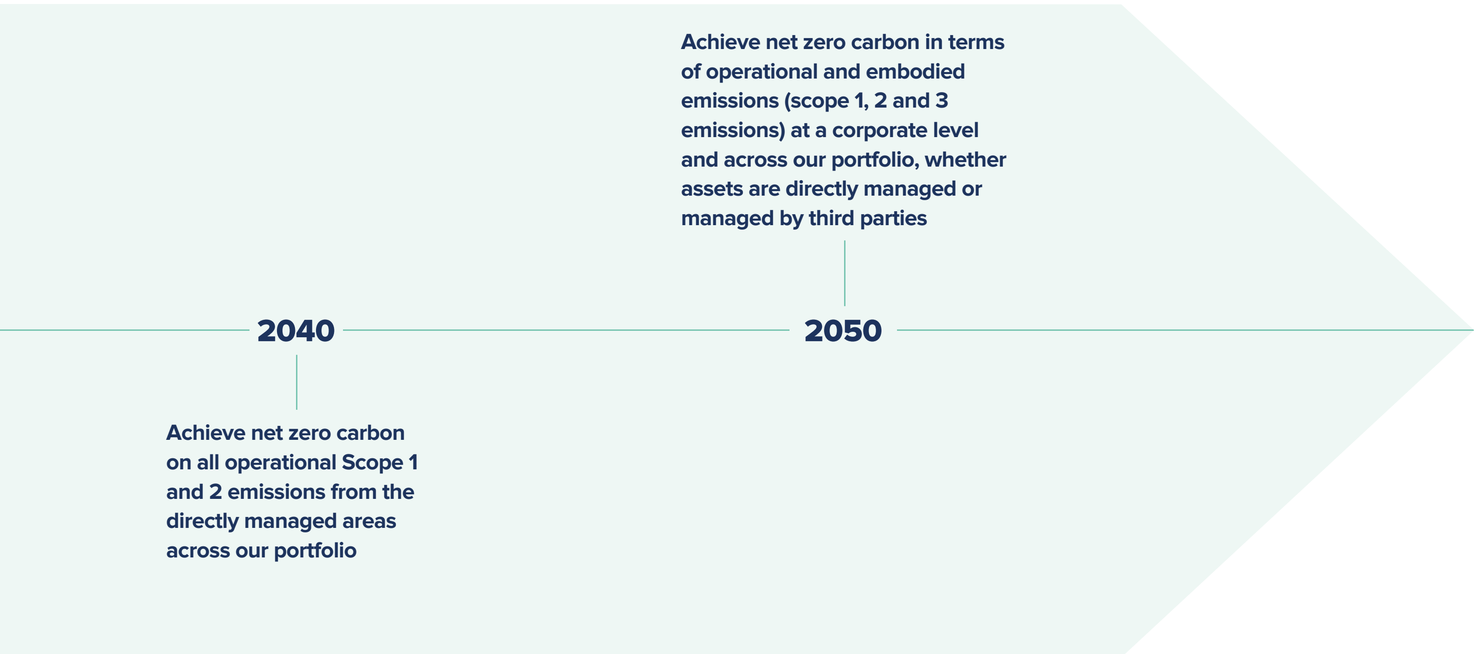
We commit to disclosing our progress against our targets annually and identifying ways to accelerate our pathway to net zero whenever possible.

Our strategy in 2021

We aim to publish our pathway timeline in the coming months to provide more detail on our targets. We believe that to achieve these targets we will need to rely on a combination of initiatives to significantly reduce our emissions. These include:

- further improvements to the energy efficiency of our assets
- expanding the use of green energy across all of our assets
- embedding our ESG principles across our developments, refurbishments and operation of assets
- carefully offsetting those emissions which we cannot eliminate

Our plan will recognise that, while some measures will not be technically or commercially feasible to implement, bold action is required to meaningfully achieve these targets.



MINIMISING OUR ENVIRONMENTAL IMPACT

Minimising our environmental impact means taking action at the corporate, portfolio, and asset level. We have appropriate policies in place to guide corporate level activity, that engage our staff on collective issues of environmental responsibility which can be applied across our business and our assets. We apply our strategic ESG priorities at the portfolio and asset level, managing and mitigating regulatory and climate-related risk, engaging our occupiers, and taking a targeted approach to implementing improvement measures. All of this ensures that we continuously progress against our objectives and targets.

Measures we take to reduce our greenhouse gas emissions and energy use include:

Procuring renewable energy

Reducing consumption

Adopting efficient technology

Improving building efficiencies

Energy & GHG emissions performance summary

FY21 Performance highlights:

- 26% reduction in like-for-like electricity consumption across our portfolio
- Renewable energy generated across six Retail properties with installed generation capacity, providing for 3.7% of total landlord electricity consumption in FY21
- Setting of NewRiver's medium and long-term commitments to realise our net zero ambition

In line with the Companies Act 2006 (Strategic & Directors' Reports) Regulations 2013, we disclose the annual global GHG emissions, for which we are responsible, in terms of our total energy use, intensity ratio, and a narrative on the energy efficiency measures we have implemented over the course of the year.

The table below presents our total energy use, including electricity on both a location and market basis. It also contains our carbon footprint across Scope 1, 2 and 3 emissions, as well as an appropriate carbon intensity metric. The performance data presented below relates to the 2021 financial year, 1st April 2020 – 31st March 2021.

Relevant SDGs:

SDGs

Our reporting boundary

Our reporting boundary, adopted to consolidate our energy & GHG emissions, is defined according to the operational control approach.

This year, we have expanded the boundary of our Scope 3 reporting to now include purchased goods and services, fuel and energy-related activities, waste, business travel, employee commuting and downstream leased assets. Occupiers' energy usage and emissions are not included in our Scope 1 and 2 reporting boundary, as this is not deemed to be within our operational control, but are reported in Scope 3 as downstream leased assets.

Further detail on our reporting boundary and processes, including how we adopt the overarching recommendations of EPRA's sBPRs, can be found on page 41.

Our approach

Our methodology to prepare these disclosures is aligned with the Environmental Reporting Guidelines: including mandatory greenhouse gas emissions reporting guidance (March 2020) issued by the Department for Business, Energy & Industrial Strategy (BEIS), as well as the guidance outlined in the WBCSD/WRI Greenhouse Gas Protocol Corporate Accounting & Reporting Standard (Revised edition). Calculation of our annual GHG emissions is based on the BEIS 2020 emission conversion factors for the UK. Full details of our methodology are available upon request.

Our FY21 SECR disclosures	FY21	FY20	% change
Combustion of fuel and operation of our assets	2,279	1,472	55%
Electricity purchased for own use (location-based)	3,445	3,356	2.7%
Electricity purchased for own use (market-based)	967		
Emissions from purchased goods and services, fuel and energy-related activities, waste, business travel, employee commuting and downstream leased assets	28,699	86,837	-67%
Total Scope 1, 2 and 3 CO_2e emissions (location-based)	**34,423**	**91,665**	**-62%**
Intensity Scope 1 & 2 (location-based) ($tCO_2e/m2$)	**0.024**	**0.024**	
Total energy use (kWh)	**27,481,131**	**22,043,230**	**25%**

Data Notes

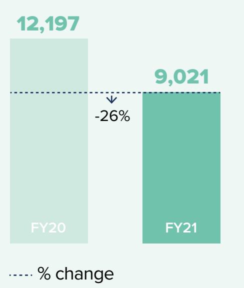
Reporting Period	Aligned with our financial reporting, our GHG emissions relate to the financial year ended 31 March 2021. Emission data from the financial year ended 31 March 2020 has also been included.
Boundary	We have used the operational control method to outline our carbon footprint boundary. This year, we have expanded the boundary of our Scope 3 reporting to now include purchased goods and services, fuel and energy-related activities, waste, business travel, employee commuting and downstream leased assets. Occupiers' energy usage and emissions are not included in our Scope 1 and 2 reporting boundary as this is not deemed to be within our operational control boundary but are reported in Scope 3 as downstream leased assets.
Reporting Method	We have measured emissions based on the GHG Protocol Corporate Accounting Standard (revised edition) and guidance provided by the UK's Department for Business, Energy & Industrial Strategy and the Department for Environment, Food and Rural Affairs ('Defra') on Streamlined Energy and Carbon Reporting and greenhouse gas reporting.
Emissions Factor	The emission factors and conversions used for FY21 reporting are from the Defra greenhouse gas reporting tool 2020 and the factors and conversions used for FY20 reporting are from Defra's 2019 reporting tool. For Scope 1 emissions, we used the Gross calorific value (CV) this year instead of the net CV as we identified that most energy billing has been provided on a gross CV basis. For reporting consistency, the FY20 data has been updated using the Gross CV factor.
Scope 2 emissions	This year for the first time, we are reporting both a location-based and market-based Scope 2 figure, in-line with the GHG Protocol Scope 2 Guidance. This demonstrates the purchasing decisions we have made over our retail portfolio, which is supplied by green tariffs.
Scope 3 emissions	We used the GHG Protocol Scope 3 Standard to collate and report on our Scope 3 emissions in the form of emissions from purchased goods and services, fuel and energy-related activities, waste, business travel, employee commuting and downstream leased assets.
Intensity Level	For intensity level reporting, we have used the operationally controlled area of each property as the denominator. For the retail portfolio, we estimated the floor area to be 28% of the total area of each property. Emissions from vacant units have been excluded in the intensity measure due to the variability of emissions and floor area year-on-year. In any event, vacant units represent a de minimis percentage of our total GHG emissions. We calculated the carbon intensity at a property level to determine the average ratio of the portfolio.
Data Restatement	In our FY20 Annual report, we quoted the value 1,322 ($tCO2$) for scope 1 emissions. In FY21, this has been restated as 1,472 ($tCO2$). This restatement is due to re-invoicing following year end FY20. This change has also impacted our total emissions figure, which has been revised from 4,894 ($tCO2$) to 5,044 ($tCO2$), and total energy use from 21,225,230 (kWh) to 22,043,230 (kWh). In addition, due to the expanded scope 3 reporting boundary this year, we have restated the Scope 3 figure reported in FY20 of 216 ($tCO2$) to make this more comparable. This has been restated as 86,837 ($tCO2$) and covers the additional Scope 3 emissions sources reported this year (purchased goods and services, fuel and energy-related activities, waste, employee commuting and downstream leased assets.

A REVIEW OF OUR PERFORMANCE

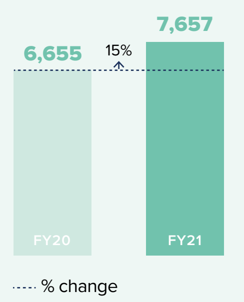
In FY21, we saw an increase in our total absolute energy use across our portfolio, which was driven by the following key factors; firstly, we appointed a new energy broker who has significantly improved our data collection processes and enabled greater visibility on our portfolio's usage. As a result, we have collected gas usage data for 72 additional pub sites compared with last year. Secondly, the offices at our Piazza Centre have been occupied 7 days a week by the NHS, with increased operating hours of 7am – 10pm. To facilitate the use of this building by the NHS, we also refurbished the AHUs and now have 11 working AHUs, compared with three last year. Throughout the COVID-19 disruptions, our Templar Square Shopping Centre remained fully open and operational for the local community. To make this possible and safe, we were required to keep the main centre doors open (for air flow), meaning the AHUs were working harder to maintain a comfortable temperature.

We achieved a 26% reduction in like-for-like electricity consumption across our portfolio, which was largely driven by the impact of lockdown measures, with activity being scaled back in line with social distancing restrictions implemented across the UK. This reduction can also, in part, be attributed to replacements of inefficient lighting with new LEDs. Our scope 3 emissions reduced by two-thirds to 28,699tCO2e in 2021 (2020: 86,837tCO2e), partly due to the transition of our staff to working remotely from home, contributing to our total scope 1, 2 and 3 location-based emissions reduction of 62%.

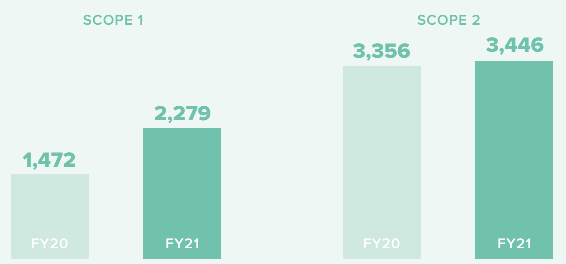
Year-on-year GROUP electricity graph



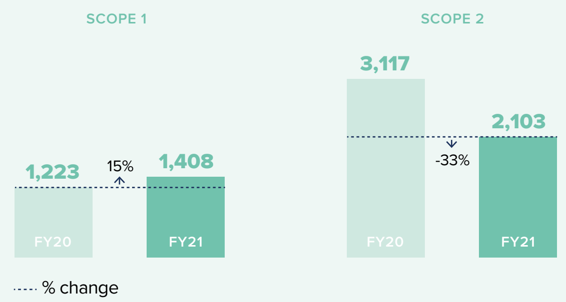
Year-on-year GROUP gas usage graph



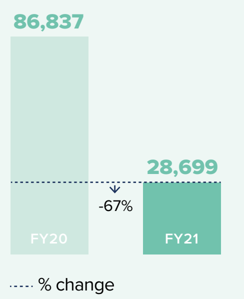
Year-on-year Total Scope 1 & 2 GHG emissions performance (absolute)



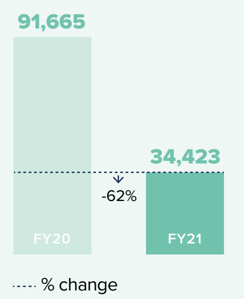
Year-on-year Total Scope 1 & 2 GHG emissions performance (LfL)



Year-on-year Total Scope 3 GHG emissions performance (absolute)



Year-on-year Total Scope 1, 2 & 3 GHG emissions performance (absolute)



Energy efficiency measures implemented this year:

Despite the impact of lockdown measures on our retail & pub portfolios, we continued to prioritise the rollout of our programme of initiatives designed to improve environmental performance, reduce energy use & improve the energy efficiency of our managed assets. We continued to roll out the installation of LED lighting across the portfolio, and now have LEDs installed across the communal areas in our retail portfolio. We have also increased the proportion of common area AMRs within our retail portfolio by 12% over the course of the year. In addition to the optimised cooler efficiency technology installed within the cellars of managed assets in our pub portfolio, our property managers implemented six different types of efficiency measures this year, including superior insulation and boiler upgrades, amounting to a total of 55 individual improvements across the managed pub portfolio.

Certifications & Energy Performance Certificates

Since October 2008, an Energy Performance Certificate (EPC) has been legally required when a building is sold, rented or constructed. A certificate is valid for a period of 10 years; on expiry there is no legal requirement to replace an EPC unless the property is to be sold or let. Under the EPC regulations, a lease renewal is not required to have an EPC in place.

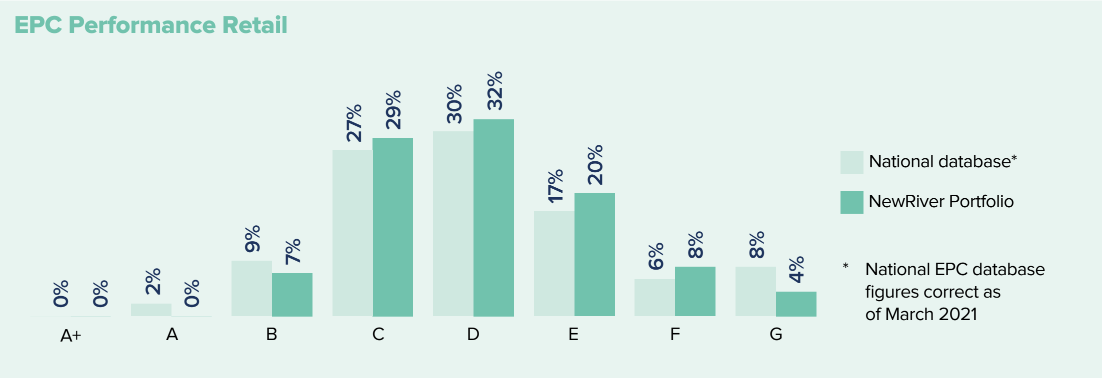
In England & Wales, it has been a legal requirement since April 2018 that any Domestic or Non-Domestic property, where a valid EPC exists, must have an asset rating of "E" or above to be let to a new or renewed tenancy. For Domestic properties, these regulations were extended from April 2020, to cover all existing tenancies. For Non-Domestic properties, the date at which the regulations will be extended is April 2023.

Number of EPC certificated by region and asset rating – NewRiver retail portfolio

In the below table, the number of certificates is presented within each legislative region (England & Wales, Ireland and Scotland) by asset rating A+ through to G, for the NewRiver retail portfolio.

Region	A+	A	B	C	D	E	F	G	No EPC/Expired EPC
England & Wales	0	1	57	238	275	144	28	17	658
Northern Ireland	0	0	0	12	9	1	1	1	49
Scotland	0	0	0	7	14	35	36	19	66
Total	0	1	57	257	298	180	65	37	773

The below chart shows the NewRiver EPCs for the England & Wales retail portfolio in comparison to the national EPC register, comparing against other retail and restaurant classification certificates. Our data shows that the NewRiver portfolio has a lower percentage of properties within the "F" and "G" asset rating bands.

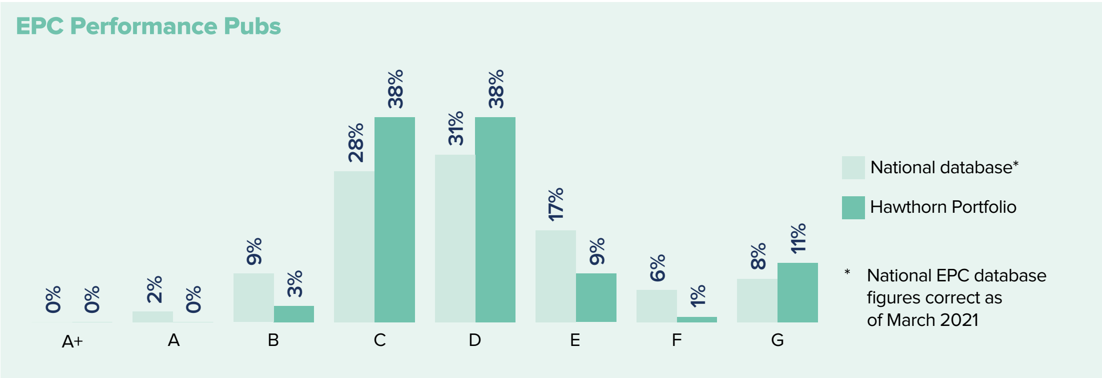


Number of EPC certificated by region and asset rating – Hawthorn pub portfolio

In the below table, the number of certificates is presented within each legislative region (England & Wales and Scotland) by asset rating A+ through to G for the Hawthorn pub portfolio.

Region	A+	A	B	C	D	E	F	G	No EPC/Expired EPC
England & Wales	0	0	20	240	240	48	2	1	22
Scotland	0	0	0	1	4	7	6	69	4
Total	0	0	20	241	244	55	8	70	26

The below chart shows the pub portfolio EPCs for the England & Wales portfolio in comparison to the national EPC register, comparing against other assessments of public house classification certificates. Our data shows that the Hawthorn pub portfolio has a lower percentage of properties within the "F" and "G" asset rating bands.



Our programme of EPC and MEES risk reduction policies and systems has helped to ensure we can continue to lease properties lawfully. Through continued management of non-compliant and expiring EPCs in line with lease events, the NewRiver portfolio is well defended against potential compliance-related risks to value.

Water performance summary

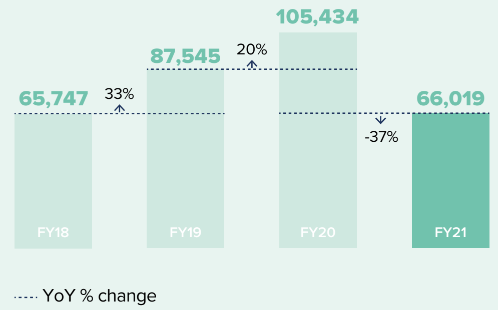
FY21 performance highlights:

- 66% reduction in water consumption compared to previous year for the like-for-like pub portfolio and 38% reduction in water consumption compared to previous year for the like-for-like retail portfolio
- 46% overall reduction in water consumption compared to previous year for the like for total portfolio
- Improved granularity of data with monthly water consumption available for the pub portfolio

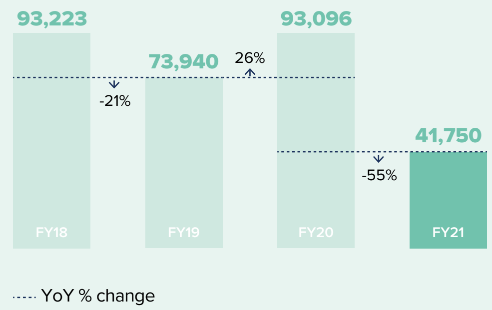
Narrative on FY21 performance:

In FY21 we saw a significant decrease in water consumption across both our retail and pub portfolio. The decrease is largely attributable to the change of occupancy during the lockdown period. Indeed, pubs have been closed for a significant period, with no or low water consumption. On the retail side, most of the water consumption is typically linked to the use of public toilets by the visitors; however, these have been closed for health reasons for most of the FY21 period, and therefore consumption has dropped significantly compared to previous years. Overall, across the portfolio, we saw a 46% decrease in water consumption compared to FY20.

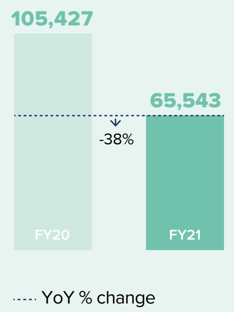
Total Water Consumption Retail[1]



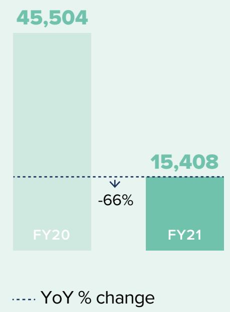
Total Water Consumption Pubs[1]



LfL Water Consumption Retail[1]



LfL Water Consumption Pubs[1]



1. Water Consumption is measured in cubic metres (m^3)

Relevant SDGs:

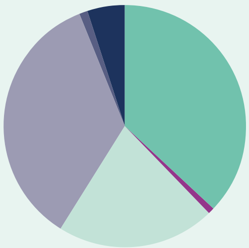
SDGs 

Waste performance summary

FY21 performance highlights:

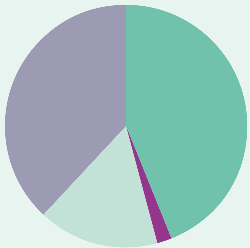
- 99% waste diverted from landfill in FY21
- High levels of recycling across retail and pub portfolios
- On-track to meet short-term environmental waste management targets

Total Waste Disposal Routes



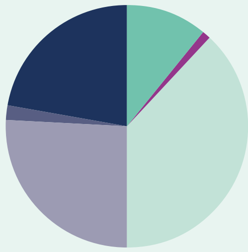
Recycling	37%
Incineration with or without energy recovery	35%
Materials Recovery Facility (MRF)	21%
Other	5%
Composting	1%
Landfill (with or without energy recovery)	1%
Reuse	0%

Waste Disposal Routes Retail



Recycling	44%
Incineration with or without energy recovery	38%
Materials Recovery Facility (MRF)	16%
Composting	2%
Landfill (with or without energy recovery)	0%
Reuse	0%

Waste Disposal Routes Pubs



Materials Recovery Facility (MRF)	38%
Incineration with or without energy recovery	26%
Other	22%
Recycling	11%
Landfill (with or without energy recovery)	2%
Composting	1%
Reuse	0%

Narrative on FY21 performance:

During FY21, we continued to refine and improve our internal monitoring and data capturing processes across the retail and pub portfolios to appropriately track the segregation of our asset-level waste streams, prioritising waste recycling and recovery. During the year, we also engaged ACM Waste, a leading waste management company, to oversee the collection & disposal of waste streams across our pub portfolio.

In FY21, our waste generated across our like-for-like portfolio dropped by 33%, largely attributable to the closure and reduced operation of our assets, as a result of the successive national lockdowns across the UK. In FY21, we continued to make good progress against our short-term waste management targets:

- At a group-level, we moved closer towards the achievement of our zero-waste-to-landfill target, with over 99% of waste diverted from landfill this year (FY20: 98%). This was achieved through a combination of close cooperation with our waste management partners, and asset managers, to prioritise the responsible disposal of waste across our assets.
- Over 37% of our waste generated was disposed of through dedicated recycling channels, and 35% disposed of through waste-to-energy disposal mechanisms.

OUR ESG INITIATIVES IN ACTION

Minimising our environmental impact:

Our environmental initiatives in action

"Our retailers were impressed with the 'Small Acts Make Big Impacts' booklet. It clearly demonstrated NewRiver's and the Ridings' commitment to ESG and it was a great tool enabling the management team to discuss completed, current and future initiatives to enhance our local community and reduce the centre's impact on the environment, and importantly how our retailers can continue to get involved with us."

LEE APPLETON
Centre Director of The Ridings Centre in Wakefield

BREEAM very good certification for Romford Premier Inn

We are committed to embedding ESG considerations across all aspects of our operations, which include our development activities. Following last year's BREEAM certification of our Canvey Island Retail Park, this year, our forward-funded Romford Premier Inn development received a BREEAM 'Very Good' Design Stage certification. This exciting development is scheduled for completion at the end of June 2021.

In line with our ESG-focused development ethos, we ensured the project embodied BREEAM principles, and measures taken as part of the development strategy included exceeding regulatory energy performance requirements, adopting passive design measures to reduce the total heating, cooling, mechanical ventilation and lighting loads, and reducing energy consumption.

A feasibility study was undertaken by an energy specialist to establish the most appropriate recognised local (on-site or near-site) low or zero carbon energy sources for the development. This resulted in a meaningful reduction in the total energy demand of the building.

Relevant objectives

ESG objectives

SDGs

Environmental and social implementation plans

Our ESG programme places continued focus on providing our assets with the tools and mechanisms to implement on-the-ground initiatives to improve asset resilience and performance against our ESG objectives.

This year, we introduced Environmental and Social Implementation plans to assist centre managers in identifying and assessing the feasibility of various asset-level initiatives that would contribute to the achievement of our short, medium and long-term ESG targets. We suggested initiatives for consideration, such as the introduction of new habitats and the inclusion of sustainability agenda items in occupier meetings, and developed the method by which the environmental and social initiatives will be tracked for each centre.

These plans were implemented at 85% of our retail properties over the course of the year. Our ESG advisers also undertook an independent review of all plans to provide their recommendations as to where further ESG best practice adjustments can be made.

On-site renewable energy generation

Since 2018, when we set our long-term GHG emission reduction pathway for Scope 1 and 2 emissions within the 2°C temperature limit scenario in line with the Paris Agreement, we have taken continuous action to reduce our energy consumption and increase the proportion of renewable energy we procure and generate on site. In FY20, the electricity supplied to our managed retail assets was 100% renewable, and in FY21, 3.7% was generated on site.

Sustainability handbook for retailers

In March we issued all of our retailers with our 'Small Acts Make Big Impacts' booklet to advise our occupiers as to how changing what we do every day can enhance our communities and reduce our impact on the environment. The message is focused on the power of partnerships; communicating to our retailers how we demonstrate our commitment to ESG, and the ways in which we welcome our occupiers to work with us in ensuring we are on the right side of climate change history. The booklet also provides helpful hints and tips on small behavioural changes all occupiers can adopt independently, as well as offering support via our centre managers.

Improving the environmental performance of our pub portfolio

Building on the energy savings we achieved in 2019 through the installation of our cellar environment monitors, this year we made the best of the closure periods in connection with COVID-19 and continued the rollout of efficiency improvements across our managed pub portfolio. Key improvements include:

Installation of double glazing
5 sites

Switch to interior LED lighting
13 sites

Switch to exterior LED lighting
23 sites

Increase of insulation depth
4 sites

Boiler upgrades
8 sites

Water heater upgrades
2 sites

Co-ordinated approach to pub waste management

In 2020, Hawthorn ran a comprehensive tender for waste management services for our pub portfolio. We appointed ACM Environmental to support the portfolio's waste management, inspired by their leading sustainability credentials and capabilities in the management, monitoring and reporting of waste. With ACM, we can ensure our waste management makes a positive contribution towards realising our objective of minimising our environmental impact.

Supporting our communities:

Social value – supporting our communities and engaging our staff & occupiers

Our approach to creating social value

Our social value strategy and approach is centred on our commitment to making an impact in our communities, ensuring we respond to the key issues they face at a local level. Notable issues that our communities face include loneliness, mental health challenges and food poverty. Our informed focus on these issues ensures that the value we create for our communities is meaningful, thereby contributing to the prioritised UN Sustainable Development Goals that NewRiver is committed to supporting through our ESG programme.

Our social value approach is interlinked with our active management approach to ensure we work closely with key stakeholders (property managers, Local Authorities and community stakeholders) so that our activities at a local level respond to key issues experienced by our communities. We also continue to monitor our suite of relevant EPRA Social Performance Measures, which can be found on page 39.

This year, we further built upon the successes of our legacy social impact programme. The impact of COVID-19 this year meant that, while we could not bring our communities together in-person for events, our retail & pub teams mobilised to support our communities with key issues they faced during lockdown. Our retail and pub teams carefully applied additional measures to ensure these activities and initiatives could be delivered safely, respecting social distancing protocols. The case studies below highlight some of the socially distanced initiatives that our retail & pub teams supported for our communities across the UK.

FY21 performance highlights:

- £176,000 donated to Trussell Trust
- Over £3.5 million rent support provided for pub partners in FY21
- £213,000 rates mitigation and indirect donations for over 155 charity occupiers across our retail portfolio
- Over £56,000 raised from fundraising initiatives across our retail assets during lockdown
- 4 tonnes of food collected and donated to local community food banks

Relevant objectives

ESG objectives

Relevant SDGs

SDGs

Supporting our communities:
Partnership with the Trussell Trust

"We are seeing the very best of society and a desire to help one another. Your donation means we can remain agile to respond to the changing situation and ensure food banks continue to provide the lifeline of emergency food and support for people in crisis, whilst moving forwards to tackle root causes and campaign for long term change.

Your donation will make a significant difference to our ability to respond to the current crisis."

SOPHIE CARRE
Head of Corporate Partnerships, Trussell Trust

"NewRiver are well integrated at many different levels of our partnership, beyond donations"

LISA ROMANOVA
Corporate Partnerships Manager

We marked our second year supporting the Trussell Trust, as our corporate charity partner, whose work supports over 1,200 food banks across the UK providing for those most in need in the community. In 2020, as the pandemic unfolded, the Trussell Trust network gave out 1.9 million three-day emergency food supplies to people in crisis and a third of these went to children, often providing more than 2,600 food parcels for children each day alone.

This year we have donated up to £176,000. These vital funds help to provide direct support to the network of food banks; sourcing food, liaising with local authorities, providing emotional and well-being support and training to food bank project managers and volunteers.

As the Trussell Trust adapted during the pandemic so have we – we have been able to create storage across our shopping centre portfolio and use our social channels to magnify the Trussell Trust's first ever people powered campaign: Hunger Free Future. Our centres continue to support local food collections and across the shopping centre portfolio we have collected over four tonnes of food donations.

Whilst many physical events were unable to take place, our salary sacrifice by our Board and Executive team members allowed us to keep up momentum in donations during critical times for those most vulnerable in our communities. Additionally, whilst our staff worked from home we embarked on virtual fundraising events, with a UK coastal walk, raffles and bingo.

£176k
RAISED

> 4 tonnes
OF FOOD COLLECTED

Relevant objectives

ESG objectives

SDGs

Supporting our communities: The Real Junk Food Project in Wakefield

Adam Smith, founder of The Real Junk Food Project, said

"Thank you to everyone involved at The Ridings for your amazing support.

It makes a huge difference in allowing us to carry out our vital work of feeding bellies not bins."

2,531 parcels

> **£25k** in value

> **5** tonnes of food saved

The Ridings Shopping Centre, Wakefield, partnered with The Real Junk Food Project (TRJFP) in April 2020 to provide free retail space to support the local community. TRJFP provided valuable food packs to the local community from two of the centre's units via the app 'Too Good to Go'. The food parcels contain quality excess food that has been donated from a range of suppliers, caterers and retailers and which would otherwise have ended up in bins as food waste. TRJFP intercepts perfectly edible food destined for landfill and by offering the 'Too Good To Go' boxes at a significantly reduced cost, TRJFP are able to supply good quality, fresh food to those who might otherwise be unable to afford it.

Relevant objectives

ESG objectives

SDGs

Supporting our communities:
Burgess Hill – proving eco-friendly trading spaces for the community

"This year we are thrilled to have championed six local independent retailers and charities, each of which features a diverse mix of sustainability, health and wellbeing at the heart of their business models. These fantastic retailers have in turn supported their local community within a vibrant town centre whilst we develop our regeneration project. Championing local physical retail via these new retailers has also allowed us to make an annual rates saving of circa £108,000."

NATASHA SOUTHWICK
Asset Manager

Mama Fit is a women's fitness space and café, a place for everyone to enjoy offering an open gym, health and wellbeing classes, personal training and kids dance classes. Co-owners, Chris and Elliot, are two young entrepreneurs who have a passion for people and communities. With the help of close friends and family they turned a walkway into a beautiful green café, with a gym above, for the local community to enjoy.

Scrapless is Burgess Hill's first refill food, produce and cleaning liquid store offering their customers a brand new shopping experience and convenient access to a zero-waste lifestyle in Burgess Hill, Mid Sussex. This plastic-free retailer also offers shoppers the opportunity to offset their carbon emissions by planting a tree in their Scrapless Forest at the check-out.

LoCa, another imaginative start-up, sells handmade children's clothing made by a local mum for children up to 8 years, workwear and personalised clothes and bags.

Relevant objectives

ESG objectives

SDGs

Supporting our communities:
Social resilience

"The Centres are capable of delivering thousands of vaccines in the coming weeks and provide a major boost to our plans to offer protection to those who would benefit as quickly as possible."

DR DAVID VICKERS
Medical Director, Cambridge Community Services NHS Trust

"We are very pleased that the NHS has chosen this easily accessible location in the heart of Wisbech and we will continue to offer our support to them whilst they are here."

KEVIN SMITH
Horsefair Centre Manager

During the pandemic, our team successfully facilitated the transformation of a unit from a community-based repurposing furniture and home décor occupier to a COVID-19 vaccination centre, in just a few weeks. The centre provided additional support to the vaccination hubs already operating in other larger vaccination centres, local hospitals and GP surgeries across the county. The centre's location in the heart of the community, with a 400-space car park and bus stations nearby, meant those in most need could easily access the NHS service.

Care Packages in Middlesbrough

The team at Hillstreet Shopping Centre chose to support their local community by funding care packages containing essentials and a few festive treats. A total of 45 packages were put together and distributed in partnership with Ageing Better Middlesbrough. Operations Manager, Colin, said 'they've been really well received by older people in our area grateful that we're still thinking of them, especially during Christmas.'

Relevant objectives

ESG objectives

SDGs

Supporting our communities:

Engaging our staff and occupiers

We enthusiastically encourage and support a holistic approach to managing our business. As owners we cannot achieve our targets without the support of our occupiers and our staff. Clear and consistent communication with these key groups, involving two-way education, is vital for our success.

Engaging our staff

This year, we undertook a staff sustainability survey to broaden and deepen our understanding of the issues that are most important to our people. We were extremely encouraged by the combined 83% response rate and responses that demonstrated the unity between our values as a business, and those of the individuals that drive it.

We asked 10 key questions which we designed to understand views on both individual and corporate environmental responsibility, the synergies that our staff recognise between the two as well as informing our FY22 programme.

Key combined findings (NewRiver & Hawthorn) of our survey included:

- 100% of staff agree that ESG is important
- 100% of staff are willing to change their lifestyle to reduce damage to the environment
- 92.5% agree that global warming, as an issue, is as important or more important than the economy
- 82% agree that their role contributes toward sustainable actions
- 93% were interested in hearing more about what the company does to reduce its impact on the environment
- 78% want to learn more about how they can reduce their personal impact on the environment

The most popular sustainability topics chosen by staff were: Social Impact, Energy and Waste

"We will follow up on this survey annually and use the findings to educate and inform our ESG programme, engaging our staff and creating an appetite of shared responsibility for ESG across all departments."

Engaging our occupiers

Over the course of the year, we commissioned independent surveys to give our occupiers an objective platform to provide their views on issues including the quality of the support we have offered them, as their landlord, throughout the pandemic, as well as the accessibility and responsiveness of our teams. KAM Media conducted the surveys via a series of interviews with a random sample of our occupiers across both our retail and pub portfolios.

We were delighted that our pub occupiers felt confident that, should their business be materially negatively affected by the Coronavirus pandemic in the future, Hawthorn would support them, with 83% of participants reporting this confidence compared to a 69% average across The Licensee Index (TLI). This contributed to the very strong overall rating received for the COVID-19 support we have provided to our tenants to date. Our rating of 9.2 out of 10 is higher than any of the 'Big 6', and considerably higher than the TLI average.

We also improved our overall pub company rating compared to last year, which is up 1.7 points to a score of 8.5 out of 10, meaning we now rank 1st when compared against the traditional 'Big 6'.

Our retailer survey focussed on relations and our collective handling of rent and operational matters during the pandemic. We are pleased to report that our retailers awarded us a 4 out of 5 rating for:

Team Accessibility

Team Responsiveness

Overall Rating of NewRiver as a property owner

The survey also allowed us to identify key areas for reflection and improvement, which we will utilise to further develop our stakeholder engagement approach. Fostering an ethos of collaboration is part of the fabric of NewRiver, and we intend to focus efforts on ensuring that this is effectively communicated to our retailers.

"The team act as one, giving uniform service. They are rational and have a good understanding of the market and the issues their tenants have had to deal with."

"NewRiver have sought solutions to the current issues rather than resorting to the typical "computer says no" attitude of the majority of landlords."

"Keep communicating the way you have been."

Responsible investment – leading on governance & disclosure

Maintaining high standards of Corporate Governance

Purpose, values and strategy

Our purpose is to buy, manage and develop retail and leisure assets across the UK which provide essential goods and services supporting the development of thriving communities. NewRiver's collaborative and supportive culture underpins this purpose and drives business practices.

Board leadership

The Board's role is to lead the Group and ensure that it delivers sustainable and growing returns for our shareholders over the longer term.

The Board oversees the Group's active approach to asset management and the strategy of developing and recycling convenience-led, community-focused retail and leisure assets throughout the UK and this, in turn, contributes to the community and wider society.

The Board has overall authority for the management and conduct of the Group's business strategy and development, and is responsible for ensuring that this aligns with the Group's culture. The Board, supported by the company secretary, ensures the maintenance of a system of internal controls and risk management (including financial, operational and compliance controls) and reviews the overall effectiveness of the systems in place. The Board delegates the day-to-day management of the business to the Executive Committee however there is a schedule of matters reserved for the Board's decision which forms part of a delegated authority framework to ensure that unusual or material transactions are brought to the Board for approval. The schedule is reviewed regularly to ensure that it is kept up to date with any regulatory changes and is fit for purpose.

Compliance with the UK Corporate Governance Code

As a Company with a premium listing on the London Stock Exchange, NewRiver is required under the Financial Reporting Council (FRC) Listing Rules to comply with the Code Provisions of the Corporate Governance Code 2018 issued in July 2018 (the 2018 Code), which is available on the FRC website (www.frc.org.uk). Full details of our compliance with the principles and provisions of the 2018 Code are disclosed within our Annual Report.

Stakeholder engagement

Under Section 172(1) of the Company Act 2006, a director of a company must act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to –

- the likely consequence of any decision in the long-term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the company.

In addition to considering our stakeholders, the Board also considers the following in decision making:

The Long Term:

As a Board of a REIT owning assets which also include a risk- controlled development pipeline, the Board is always conscious of the long term. Looking to the future the Board and Executive Committee regularly assess the overall corporate strategy, and acquisition, asset management and disposal decisions in the context of current and future long-term trends and markets. We closely assess the latest trends reported by CACI, our research provider, to ensure we are aligned with evolving trends. These insights and the Board's own extensive experience steer the long-term strategic direction.

High Standards of business conduct:

Our values mirror our culture and as a team our values are to be trusted and respected and this is entrenched into Board decisions. During the year we have reviewed and updated our modern slavery policy and our anti-corruption and anti-bribery policy and provided extensive training to staff on these matters to ensure they are also entrenched in all staff decisions.

The Directors consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in section 172(1)(a-f) of the Companies Act 2006) in the decisions taken during the year ended 31 March 2021.

Workforce engagement

Alastair Miller, our senior independent director, was given responsibility in 2019 for ensuring that the Board successfully engages with our workforce. During the year, we considered and amended the leadership of the Board committees so that Alastair could also take the role of Remuneration Committee chair. As Chair of the Remuneration Committee, Alastair has direct engagement with shareholders on remuneration policy and is therefore is best placed to answer questions from the workforce on Director remuneration and its alignment to group wide remuneration and strategy.

As a result of being a small team, there is naturally proximity between the Board and the workforce which makes it easier for the Board to engage with staff directly, especially as the directors, in normal circumstances, visit the London office regularly and also other sites. This year has however been very different with staff working from home, so a more formal arrangement was set up, with Alastair joining the staff forums online to speak directly with all staff and answer questions.

Anti-corruption and anti-bribery

We are committed to the highest legal and ethical standards in every aspect of our business. It is our policy to conduct business in a fair, honest and open way, without the use of bribery or corrupt practices to obtain an unfair advantage. We provide clear guidance for suppliers and employees, including policies on anti-bribery and corruption, anti-fraud and code of conduct. All employees have received updated training on these issues during the year.

Human rights

The Company has a Modern Slavery policy to ensure that all of its suppliers are acting responsibly and are aware of the risks of slavery and human trafficking within their own organisation and supply chain. The Modern Slavery statement was updated and published during the year.

Board effectiveness review

In order to evaluate its own effectiveness, the Board undertakes annual effectiveness reviews using a combination of externally facilitated and internally run evaluations over a three year cycle. Full details of the cycle, conclusion and recommendations of the Board evaluation process are disclosed in our Annual Report.

Approach to risk management

Risk is inherent in all business and effective risk management is a key element in the delivery of our strategy and operation of our business model. The COVID-19 pandemic brought economic and social disruption over FY21; however, our culture and strong governance systems have supported the business during this challenge. Our small workforce encourages flexibility and collaboration across the business in all areas including risks. The accessibility and flexibility of the Board and senior staff is particularly pertinent when adapting to emerging and external risks such as a global pandemic. This flexibility has enabled the business to adjust and respond to this fast-changing situation and prove its resilience and adaptability. Full details of our risk monitoring and assessment processes and outcomes are disclosed on pages 66-74 of our Annual Report.

Relevant SDGs

SDGs

TCFD: OUR JOURNEY TO CLIMATE RESILIENCE

NewRiver's Board recognises the importance of adopting a sound framework that supports the business to enhance the resilience of our assets against the impacts of climate change. Achievement of our ESG objectives, in particular our objective to minimise our environmental impact, is crucial to the success of our response.

NewRiver is committed to embedding the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) within the Company. Our annual ESG disclosures present a transparent account of our processes and systems designed to support NewRiver's journey towards a low-carbon business model.

Our 2021 ESG report marks our third consecutive year reporting against the key aspects of the TCFD recommendations. We continued to develop our capabilities and refine our internal processes and systems to equip the business to respond to emerging climate-related risks across our business model.

This work supports NewRiver to appropriately respond to relevant climate risks across our portfolios, whilst remaining agile and realising the climate-related opportunities that exist across our business model. The disclosures below outline NewRiver's approach to climate matters in support of our journey to climate resilience and a net zero carbon future.

Governance

Our Board takes ultimate responsibility for our business resilience against climate issues and the transition of our portfolio to a low carbon business model. Material climate issues are considered by the Board when reviewing NewRiver's strategic approach to manage associated impacts on the day-to-day operation of our assets and ensure our ability to create value for our investors and communities is preserved. Allan Lockhart, our Chief Executive and senior Board Director, retains overall accountability for our ESG programme and approach on climate matters.

Board oversight in this regard is supported by the ESG Committee, led by our Head of Asset Management and ESG. The Committee meets quarterly to oversee NewRiver's approach to managing climate issues, which is achieved through:

- day-to-day delivery of our energy efficiency and carbon management initiatives through our ESG programme; and
- ensuring appropriate resources are mobilised to support our holistic response to material climate issues.

The Committee provides quarterly briefings to the Board, updating Board members on key milestones achieved by the ESG programme across key climate matters.

The NewRiver Audit Committee supports the Board's oversight and adoption of an integrated risk management approach on ESG and climate issues. The Committee regularly evaluates NewRiver's risk appetite, together with emerging and principal risks which are captured in the risk register maintained by the Company. The Committee considers a range of risks across six risk categories, linked to our business model, strategic priorities and external environment. Environmental and climate-related risk represents one of the principal risk categories monitored by the business.

The Committee regularly evaluates changes to identified risks and ensures that appropriate controls are applied, ensuring alignment with the Board's risk appetite.

NewRiver management involvement in the assessment and management of climate matters

Senior management are closely involved in our day-to-day management and response to climate issues. Through her dual roles as Head of Asset Management and ESG, Executive Committee member Emma Mackenzie regularly engages with asset and property management teams to ensure appropriate energy and carbon management processes and policies are integrated within day-to-day property management activities.

NEWRIVER BOARD	Oversees strategic approach to respond to climate issues across the business and to achieve NewRiver's ESG objectives
AUDIT COMMITTEE	Supports Board oversight of the management programme to respond to climate-related matters and monitors emerging and principal climate-related risks across the business value chain
EXECUTIVE COMMITTEE ASSET MANAGEMENT ESG COMMITTEE	Manages business response to climate-related matters through the implementation of the ESG programme and on-the-ground initiatives that help manage and mitigate any climate-related risks across managed assets
PROPERTY AND CENTRE MANAGEMENT	Support implementation of initiatives to mitigate climate risks and monitor asset performance

In addition, asset and property management teams interact with centre management to ensure that asset-specific energy and carbon management policies are implemented across our portfolio and that performance is tracked through our ESG programme. Quarterly performance updates are provided by Emma Mackenzie to the Board through the ESG Committee.

Strategy

There are multiple climate-related issues that could manifest across broad time horizons, which may impact our ability to realise our ESG objectives and deliver our corporate strategy. NewRiver considers climate-related risks as well as opportunities that may arise from the physical impacts of climate change, as well as from the transition of the managed assets across the UK to a low-carbon operating model.

The Board has a low risk tolerance for principal risks affecting our business, including climate-related issues. In line with this appetite, NewRiver's ESG programme supports the business to respond to key climate-related issues, through the implementation of on-the-ground initiatives designed to improve the efficiency of our managed assets, reduce their environmental impact and enhance their resilience against climate issues.

Climate risks and opportunities can manifest across a range of timeframes in our retail and pub portfolios. Through our integrated risk management process, we identify climate-related issues across three clear time horizons, which may influence our ESG and corporate strategies.

SHORT-TERM	MEDIUM-TERM	LONG-TERM
Less than 5 years	5-15 years	Longer than 15 years

Climate-related risks and opportunities				Time horizons: Short-term	Medium-term	Long-term
Physical risks and opportunities	Acute	Floods	Exposure to flood risk from extreme weather events across certain properties, where a heightened exposure risk exists due to a combination of factors.	●	●	●
	Chronic	Heat stress	Increased heat waves may manifest, affecting the operation of managed assets and installed plant equipment and leading to breakdowns from increased demand/running time.		●	●
		Sea-level rise	Long-term sea-level rise may affect the viability of certain managed assets in our portfolio which are located in geographies at a higher risk of sea-level rise.			●
Transition risks and opportunities	Policy and legal	Efficiency and low-carbon regulations related to managed assets	Evolving policy designed to support the UK's 2050 net zero commitment presents opportunities to improve the resilience of our managed assets by deploying initiatives to improve energy efficiency, reduce costs and transition to a low-carbon model.	●	●	●
	Technology	Costs to transition managed assets to low-carbon model	Opportunities exist to implement a range of efficient technologies across our portfolios, designed to improve environmental impact and efficiency across our assets.	●	●	●
	Market	Changing customer behaviour	Changes in consumer shopping patterns present an opportunity for our managed assets to implement key initiatives that cater to the evolving needs of our customers.		●	●
	Reputation	Avoid stigmatisation of the real estate sector based on ineffective response to climate change	Implement our net zero targets to seize opportunities to improve the resilience of our portfolio to climate-related risks, including adoption of efficient technologies which contribute to achieving the UK's 2050 net zero ambition.		●	●

Evaluation of the resilience of our strategic response

Together with developing a strategic response to realise our net zero commitments, we continue to develop our scenario analysis capabilities to evaluate the resilience of our business strategy to the physical and transition risks that exist across our portfolio. Detailed climate-related scenario analysis has not been undertaken as yet to understand the potential impacts of different pathways on our business. We will continue to review our approach to this as part of our resilience strategy over the next two years.

TCFD risk management disclosures

NewRiver's approach to climate risk identification and management

We regularly monitor risks that are linked to the business model and strategic priorities of our portfolio. Climate-related issues are identified through NewRiver's integrated risk management framework. Refer to page 97 in the Annual Report for further details of our framework.

Our risk management framework considers both emerging and principal risks with the potential to impact our business. We maintain a risk register that considers a range of categories, including environmental and climate change risk.

The risk register assesses the impact and likelihood of each identified risk. This is translated into a risk heat map used to determine the potential impact and probability of each significant risk prior to mitigation. Where the residual risk does not align with Board's risk appetite, management actions are recommended to further mitigate the risk.

Accountability for mitigating actions is assigned to a senior asset and property manager, who is responsible for the day-to-day management and mitigation of the risks across our portfolios. This approach allows NewRiver to ensure there is a top-down understanding of our principal risks across the business, backed by bottom-up mechanisms to support management's monitoring and management of principal risks.

We also adopt a bottom-up approach to manage climate risks. With the support of our property managers, we implement a host of initiatives designed to manage the environmental impact and promote the efficient operation of our managed assets.

Our TCFD metrics and targets

Annually, we disclose a suite of climate-related metrics which track performance across our managed assets towards realising our ESG objective of minimising our environmental impact. These metrics are aligned with the EPRA ESG performance metrics as described above. The EPRA performance tables on page 63 of the Annual Report outline our 2021 performance across these metrics and are presented alongside historical performance.

We track our performance across these metrics using a set of short, medium and long-term targets, detailed on page 52 and 53 of the Annual Report. These targets are aligned with our environmental ESG objective and guide our efforts to reduce our environmental impact and positively contribute towards the UN Sustainable Development Goals, including SDG 13, Climate Action.

Our annual Scope 1, 2 and 3 carbon emissions

In line with our reporting obligations under the UK's Streamlined Energy and Carbon Reporting regulations, we disclose our annual carbon emissions performance. Please refer to page 63 of the Annual Report, where we provide further information on our 2021 emissions performance and comparison against our historical performance, as well as the methodologies used to prepare these disclosures, which are in line with the WBCSD/WRI Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard.

APPENDICES

EPRA sustainability best practices recommendations (sbpr)

The ESG performance disclosures below have been prepared in accordance with the European Real Estate Association's Sustainability Best Practices Recommendations Guidelines and represent key ESG metrics monitored by the business on an on-going basis. These metrics aim to bring consistency and clarity to real estate companies' disclosures around their environmental, social and corporate governance performance.

Our Portfolio Environmental Performance Measures:

			Total Portfolio[1], Asset Type		Absolute Performance (Abs)		Like-for-like Performance (LfL)		
EPRA Code	**Performance Measure**	**Unit(s) of Measure**	**Total Portfolio, Retail, Pubs**	**% of data estimation**	**FY21**	**FY20**	**FY21**	**FY20**	**% Change**
Elec-Abs, Elec-LfL	Electricity consumption	annual MWh	Total Portfolio	6%	14,778	13,130	9,021	12,197	-26%
			Retail	3%	10,631	10,005	7,315	9,716	-25%
			Pubs	11%	4,147	3,125	1,706	2,481	-31%
DH&C-Abs & LfL	District heating & cooling[2]	annual MWh							
Fuels-Abs, Fuels-LfL	Fuel consumption	annual MWh	Total Portfolio	11%	12,396	8,007	7,657	6,655	15%
			Retail	4%	4,233	3,347	3,772	3,307	14%
			Pubs	14%	8,163	4,660	3,885	3,348	16%
Energy-Int	Energy intensity	kWhelec-eq/ m^2/yr	Total Portfolio		82	89	79	97	-19%
			Retail		71	79	72	90	-20%
			Pubs		118	127	109	128	-15%
GHG-Dir-Abs	Scope 1 emissions	tonnes CO_2e	Total Portfolio		2,279	1,472	1,408	1,223	15%
			Retail		778	615	694	608	14%
			Pubs		1,501	857	714	615	16%
GHG-Indir-Abs	Scope 2 emissions – location-based	tonnes CO_2e	Total Portfolio		3,446	3,356	2,103	3,117	-33%
			Retail		2,479	2,557	1,705	2,483	-31%
			Pubs		967	799	398	634	-37%
	Scope 2 emissions – market-based	tonnes CO_2e	Total Portfolio		967		967		
			Retail		0		0		
			Pubs		967		967		
	Scope 3 emissions	tonnes CO_2e	Total Portfolio		28,699	86,837			-67%
GHG-Int	Scope 1 and 2 emissions	tonnes CO_2e/ m^2/year	Total Portfolio		0.024	0.024	0.023	0.027	-14%
			Retail		0.019	0.021	0.020	0.020	0%
			Pubs		0.039	0.039	0.037	0.040	-7%
Water-Abs, Water-LfL	Water consumption	annual cubic metres (m^3)	Total Portfolio	9%	107,769	198,530	80,951	150,931	-46%
			Retail	4%	66,019	105,434	65,543	105,427	-38%
			Pubs	12%	41,750	93,096	15,408	45,504	-66%
Water-Int	Water intensity	m^3 consumption /m^2	Total Portfolio		0.716	1.516	0.648	1.271	-49%
			Retail		0.576	1.002	0.623	1.002	-38%
			Pubs		1.159	3.620	1.200	3.544	-66%
Waste-Abs Waste-LfL	Tonnes total waste	Tonnes	Total Portfolio	0%	2,613	4,283	2,613	3,895	-33%
			Retail	0%	2,031	3,958	2,031	3,741	-46%
			Pubs	0%	582	325	582	154	278%
	Tonnes diverted from landfill		Total Portfolio	0%	2,596	4,198	2,596	[3]	
			Retail	0%	2,022	3,908	2,022		
			Pubs	0%	574	290	574		
	Tonnes waste to energy		Total Portfolio	0%	764	2,298	764		
			Retail	0%	764	2,157	764		
			Pubs	0%	0	141	0		
	Tonnes recycling		Total Portfolio	0%	1,366	1,455	1,366		
			Retail	0%	921	1,305	921		
			Pubs	0%	445	150	445		
Cert-ToT	Type and number of sustainably certified assets[4]	Total number by certification/ rating/labelling scheme							

1. Data coverage: the figures reported against each performance measure represent 100% of the assets within our Operational Control reporting boundary.
2. None of our properties were connected to or benefitted from district heating and cooling.
3. Improvements have been made to our waste stream categorisation. Like-for-like comparison measures will be provided in FY22, when we have two consecutive years of comparable data.
4. Please refer to page 20 of this report for a detailed breakdown of this performance measure.

"Total Portfolio" covers managed assets only. Corporate office impacts are reported separately on the following page.

Our Corporate offices Environmental Performance Measures:

EPRA Code	Performance Measure	Unit(s) of Measure	Corporate portfolio	Absolute Performance (Abs) FY21
Elec-Abs	Electricity consumption	annual kWh	Total corporate	120,434
			Corporate – NR	32,992
			Corporate – HL	87,442
DH&C-Abs	District heating and cooling[1]	annual kWh		0
Fuels-Abs	Fuel consumption	annual kWh	Total corporate	26,706
			Corporate – NR	26,706
			Corporate – HL	0
Energy-Int	Energy intensity	kWhelec-eq/ m^2/year	Total corporate	50
			Corporate – NR	24
			Corporate – HL	106
GHG-Dir-Abs	Scope 1 emissions	kg CO_2e	Total corporate	4,910
			Corporate – NR	4,910
			Corporate – HL	0
GHG-Indir-Abs	Scope 2 emissions	kg CO_2e	Total corporate	28,078
			Corporate – NR	7,692
			Corporate – HL	20,386
	Scope 3 emissions	kg CO_2e	Total Portfolio	76,007
GHG-Int	Scope 1 and 2 emissions	kg CO_2e/m^2/ year	Total corporate	12.472
			Corporate – NR	6.924
			Corporate – HL	24.711
Water-Abs	Water consumption	annual cubic metres (m^3)	Total corporate	189
			Corporate – NR	65
			Corporate – HL	124
Water-Int	Water intensity	m^3 consumption /m^2	Total corporate	0.071
			Corporate – NR	0.036
			Corporate – HL	0.150

1. Our corporate offices are not connected to district heating and cooling.

Estimations:

As Carbonxgen only prepares apportionment of electricity charges for NewRiver head office, gas and water are estimated based on percentage of direct tenant usage of total electricity at site. It should also be noted that readings stopped recording usage on 15/10/2019 and electricity usage has been estimated on a pro-rata basis utilising Q3 2019 data, for the period of 2020 and 2021. Estimated tenant usage has been adjusted proportionally to the variation in main supply, to reflect decreased usage during the COVID-19 lockdown period.

Social performance measures:

EPRA Code	Performance Measure	Unit(s) of Measure	Boundary	FY21	FY20
Diversity-Emp	Employee gender diversity	Percentage of employees, Board diversity	NewRiver Board	29% Female/ 71% Male	29% Female/ 71% Male
		Percentage of employees, All employee gender diversity	NewRiver and Hawthorn head office employees	49% Female/ 51% Male	50% female/ 50% male
Diversity-Pay[1]	Gender pay ratio	Ratio of gender pay			
Emp-Training	Employee training and development	Average hours/employee	NewRiver and Hawthorn head office employees	18	28
Emp-Dev	Employee performance appraisals	Percentage of employees		100%	100%
Emp-Turnover	Total number of new hires	NewRiver and Hawthorn head office employees		26	33
	Total number of leavers			13	27
	Rate of new hires			18%	25%
	Rate of employee turnover			9%	20%
H&S-Emp	Injury rate	Per 100,000 hours worked	NewRiver and Hawthorn head office employees	0	0
	Lost day rate	Per 100,000 hours worked		0	0
	Absentee rate	Days per employee		0	2.97
	Fatalities	Total number		0	0
H&S-Asset	Asset health and safety assessments	Percentage of assets	Managed assets	100%	100%
H&S-Comp	Asset health and safety compliance	Number of incidents		0	0
Comty-Eng	Community engagement, impact assessments and development programmes	Percentage of assets		100%	100%

1. As we have fewer than 250 employees, we are not obliged by The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 to disclose our gender pay information.

Governance performance measures:

<table>
<tr><th>EPRA Code</th><th>Performance Measure</th><th colspan="2">Unit(s) of Measure</th><th>FY21</th><th>FY20</th></tr>
<tr><td rowspan="4">Gov-Board</td><td rowspan="4">Composition of the highest governance body</td><td colspan="2">Number of executive board members</td><td>2</td><td>3</td></tr>
<tr><td colspan="2">Number of independent/non-executive board members</td><td>4</td><td>3</td></tr>
<tr><td colspan="2">Average tenure on the governance body</td><td>3.8</td><td>4.5</td></tr>
<tr><td colspan="2">Number of independent/non-executive board members with competencies relating to environmental and social topics</td><td>2</td><td>1</td></tr>
<tr><td>Gov-Selec</td><td>Process for nominating and selecting the highest governance body</td><td>Narrative on process</td><td colspan="3">As a Stock-Exchange-Listed business, NewRiver is required under the UK Corporate Governance code to have a Nomination Committee which is responsible for identifying and nominating candidates to the Board. Refer to page 92 of the 2021 Annual Report and Accounts for the latest report from the NewRiver Nomination Committee</td></tr>
<tr><td>Gov-Col</td><td>Process for managing conflicts of interest</td><td>Narrative on process</td><td colspan="3">As a Stock-Exchange-Listed business, NewRiver is required under the UK Corporate Governance Code to identify and manage conflicts of interest. Directors also have duties under the Companies Act 2006.

To manage this process, the Company Secretary keeps a register of all Directors’ interests. The register sets out details of situations where each Director’s interest may conflict with those of the Company (situational conflicts).

The register is reviewed at each Board meeting so that the Board may consider and authorise any new situational conflicts identified.

At the beginning of each Board meeting, the Chairman reminds the Directors of their duties under sections 175, 177 and 182 of the Companies Act 2006, which relate to the disclosure of any conflicts of interest prior to any matter that may be discussed by the Board.</td></tr>
</table>

EPRA sBPR Overarching Recommendations: How we adopt best practice in sustainability reporting

Organisational boundaries

NewRiver adopts the Operational Control boundary for its reporting, in recognition of this boundary being reflective of our ability to introduce or implement our operating policies. This is explained in the "About our ESG Report" section of this report.

Coverage

The data we have disclosed represents 100% coverage of the assets/contracts that fall within our Operational Control reporting boundary.

Estimation of landlord-obtained utility consumption

Please see the '% of data estimation' column of the Environmental Performance Measures table on page 37. In this disclosure, "estimation" refers to filling invoice gaps, not to whether invoices are based on "estimated" or "actual" readings. Although a vast majority of the data presented is based on actual consumption, in the rare instances where there were gaps in electricity and water consumption, the average of the months where we had data was applied to the missing months. Where data covered only part of a month, a pro-rata method using known consumption was applied. With regards to natural gas, due to the significant change of consumption throughout the year, the unknown consumption was estimated using the average trend for the supplies with actual data.

Third party assurance

Our environmental and social performance data has been collected by Cushman & Wakefield who undertake an internal verification of the data.

Boundaries – reporting on landlord and tenant consumption

- Absolute and like-for-like asset-level performance measures include only landlord-obtained energy/water. There are no instances in which we procure utilities for sub-metered tenant consumption.
- We do not include tenant-obtained consumption data within our intensity environmental performance measures, although we are currently working with our tenants to obtain such data as part of our net zero commitment.
- Waste reporting is undertaken in line with our operational control approach.

Normalisation

Intensity indicators for energy, water and waste are based on floor area.

Analysis – Segmental analysis (by property type, geography)

We undertake segmental analysis on a property type basis, reporting our Environmental Performance Measures separately for our retail and pub assets. All of our assets are located within the UK.

Disclosure on own offices

Please see the Environmental Performance Measures table relating to NewRiver's corporate offices on page 37.

Narrative on performance

Please see the "Our ESG Performance" section of this report.

Location of EPRA sustainability performance measures in companies' reports

We provide a dedicated ESG section in our Annual Report & Accounts where we disclose our performance in alignment with the EPRA sustainability performance measures, as per pages 37-40 of this report, to support the transition towards integrated reporting.

We publish this standalone ESG report alongside our Annual Report & Accounts to provide additional detail and depth of information on our performance and the figures we disclose.

Our External Sustainability Reporting Benchmarks

GRESB	GRESB is the leading sustainability benchmark for the global real estate sector. Assessments take place annually and are guided by factors that investors and the industry consider to be material issues in the sustainability performance of real asset investments. The 2020 benchmark assessment covered more than 1,200 real estate property companies, REITs, funds and developers. MORE INFORMATION ON MOST RECENT PERFORMANCE IS DISCLOSED ON PAGE 8
EPRA Sustainability Best Practice Recommendations ('EPRA sBPR')	EPRA sBPR is one of the leading sustainability reporting standards that supports listed European real estate companies to establish a consistent standard and benchmark of sustainability reporting across the sector. The EPRA sBPR support real estate companies to ensure they report on the most material topics that are relevant to their stakeholders and represent opportunities to positively contribute in an impactful manner. MORE INFORMATION ON OUR MOST RECENT PERFORMANCE DATA CAN BE FOUND ON PAGE 37
Task Force on Climate-related Financial Disclosures ('TCFD')	The Financial Stability Board ('FSB') Taskforce for Climate-related Disclosure (TCFD) recommendations provide a framework for companies to consistently prepare climate-related disclosures on the approaches adopted to manage the impacts of climate risk on their business value chains. The framework provides investors with a transparent view of how companies manage material climate risks, preserve value creation, and achieve climate resilience. NEWRIVER'S MOST RECENT TCFD DISCLOSURES CAN BE FOUND ON PAGE 34
CDP (formerly the Carbon Disclosure Project)	The CDP platform supports companies to disclosure their measurement and management framework in response to key climate-related risks and opportunities affecting their business value chain, such as carbon, water security and, where applicable, deforestation. MORE INFORMATION ON MOST RECENT PERFORMANCE IS DISCLOSED ON PAGE 8

UN SUSTAINABLE DEVELOPMENT GOALS

In 2015, UN countries adopted the 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals ('SDGs'). The SDGs call for worldwide action among governments, business and civil society to end poverty and create a life of dignity and opportunity for all, within the boundaries of the planet. As an owner and operator of community assets across the UK, we recognise that we have an important role in supporting the UK in its response to the UN SDGs through local action.

Our ambition is to demonstrate to our stakeholders how our ESG programme and contributions to minimise our environmental impact and strengthen our social impact link to and support critical global, regional, and national initiatives. This is the third year we are reporting against the UN SDGs. We have reviewed the 17 goals as well as the specific SDGs targets to determine the goals that have the most direct alignment with our ESG strategy and where we can have the greatest impact. To that end, we have linked the SDGs to our ESG KPIs.

Set out below are the goals and specific targets we focus our efforts on and believe we have the most contribution to make towards:

Goal 2: Zero Hunger – we support the Trussell Trust, operator of the UK's largest food bank network, to end UK hunger and poverty. Through our partnership, we provide financial support at a corporate level and from fundraising at our community shopping centres and community pubs. We also look to identify local opportunities to use our assets for storage, donation drop-off points, awareness campaigns and volunteer recruitment.

Specific target: 2.1. *By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.*

Progress: please see section "supporting our communities" in this report and page 13 of our Annual Report for more details on the projects we have been involved in and funds raised for the Trussell Trust, which support this specific target.

Goal 3 Good Health & Wellbeing – we are committed to creating a safe and healthy environment which improves the quality of our employees' lives. We participate in the "This is me" campaign, which is committed to ending the stigma around mental health in the workplace. We also offer an Employee Assistance Programme to support those dealing with personal problems.

Specific target: 3.8. *By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.*

Progress: please see page 10 of our Annual Report for how we support this target including details on our health and wellbeing programme and the activities we organise throughout the year including our response to the impact of COVID-19 to support the mental and physical wellbeing of our staff during the prolonged period of self-isolation.

Goal 5 Gender Equality – as a company, we are committed to a culture of diversity and inclusion in which everyone is given equal opportunities to progress regardless of gender, race, ethnic origin, nationality, age, religion, sexual orientation or disability. We continue to strive to provide the most flexible employment policies to enable all our employees to combine a fulfilling career supported by family friendly policies for our employees.

Specific target: 5.5. *Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life*

Progress: please see our "Nomination Committee Report" within our Annual Report for how we support this target. It provides more information on how we focus on diversity and equal opportunity, details on our Diversity Policy and monitoring of female representation of the Board and the Executive Committee.

Goal 7 Affordable and Clean Energy – through our energy management programme, we have over the past few years completed energy audits to identify energy efficiency opportunities across our retail and pub portfolio and implemented initiatives to improve energy efficiency. We have switched to renewable electricity contracts across our retail portfolio and intend to do the same for our pub portfolio this year.

Specific target: 7.3. *By 2030, double the global rate of improvement in energy efficiency*

Progress: please see the "Our ESG initiatives in action" of this report for how we support this target where we provide more details on the action we took this year to improve energy efficiency including receiving BREEAM certification, on-site energy generated, installing LED lighting systems and optimising cellar cooling power in our pub portfolio.

Goal 8 Decent Work and Economic Growth – As an owner of assets located in communities across the UK, we are committed to enhancing the lives of the people we serve and minimising our impact on the environment. We embed ESG into every part of what we do as a business and it helps us ensure we maintain and improve our high ESG standards as well as reduces our costs and unlocks new opportunities.

Specific target: 8.4. *Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.*

Progress: see "Our strategies to deliver growth" section of our Annual Report for more details on how we deliver beneficial outcomes for all our stakeholders through execution of our business model and focus on our ESG objectives.

Goal 10 Reduced Inequalities – as a company, we are committed to a culture of diversity and inclusion in which everyone is given equal opportunities to progress regardless of gender, race, ethnic origin, nationality, age, religion, sexual orientation or disability. We continue to strive to provide the most flexible employment policies to enable all our employees to combine a fulfilling career supported by family friendly policies for our employees.

Specific target: 10.2. *By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.*

Progress: please see our "Nomination Committee Report" within our Annual Report for more information on how we focus on diversity and equal opportunity including our Diversity Policy and Succession Planning.

Goal 11 Sustainable Cities and Communities – as an owner and operator of community assets throughout the UK, NewRiver recognises that our assets are integral to the communities we serve. Our shopping centres and community pubs are a key part of daily life for people where they gather socially and fulfil their needs through the provision of convenient and good-value goods and services.

Specific target: 11.7. *By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities.*

Progress: please see our ESG objectives and "Our ESG initiatives in action" in this report for more details on the action we took this year to support our communities; including supporting our first collaboration with The Real Junk Food Project with Too Good to Go at Wakefield, providing care packages at Middlesbrough for elderly and vulnerable members of the community, mental health first aid training in Skegness as well as our continued and ongoing participation in the National Autistic Society's Autism Hour and our partnership with Age UK to combat loneliness amongst the elderly.

Goal 12 Responsible Consumption and Production – as part of our ESG objective to minimise our environmental impact, we have a comprehensive programme reduce waste generation and improve recycling rates through engaging with our occupiers, customers providing educating material and recycling points. We have set a target to achieve an 85% recycling rate at our managed properties by 2022.

Specific target: 12.5. *By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse*

Progress: please see "our performance" section of this report where we report our improvements in reducing waste to landfill and our monitoring of waste disposal routes.

Goal 13 Climate Action – in setting our environmental impact reduction targets including energy and GHG emission reduction targets aligned with Science-based targets, we have committed to reducing our carbon emissions. Our move to renewable electricity across our assets and the increase of on-site renewable energy further ensures our portfolio is climate resilient.

Specific target: 13.1. *Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries*

Progress: please see the "Our net zero commitment" section of this report which outlines our carbon reduction targets and approach to develop our net zero pathway this year. Please also see "Our ESG targets" section of this report for an overview of the short, medium and long-term environmental targets.

Goal 16 Peace, Justice and Strong Institution – we are committed to supporting strong governance and we comply with the principles and provisions of the UK Corporate Governance Code 2018. Our Labour Management Policies include policies on labour management relationships, forced or compulsory labour, worker rights and bribery and corruption.

Specific target: 16.5. *Substantially reduce corruption and bribery in all their forms*

Performance: please see the Corporate Governance section of our Annual Report for more information on how our activities support strong governance. During the year we reviewed and updated our modern slavery policy and our anti-corruption and anti-bribery policy and provided extensive training to staff on these matters.

Goal 17 Partnerships for the goals – we are committed to our communities and to enhance the lives of the people we serve. We have established corporate charity partnerships such as the Trussell Trust and together with our shopping centres we now partner with over 200 charities such as Age UK, The Arts Council and Charities Commission and the National Autistic Society.

Specific Target: 17.17. *Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships*

Progress: please see "Our ESG initiatives in action" section of this report for more details on how we support our communities through partnerships.

www.nrr.co.uk

NewRiver REIT plc
16 New Burlington Place
London W1S 2HX
+44 (0) 20 3328 5800