TCFD report

Embedding the recommendations of the TCFD

NewRiver is committed to embedding the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) within our approach to climate-related risk management. This disclosure aims to present a transparent account of our processes designed to support our journey towards a low-carbon business model, structured around the TCFD's four recommendation pillars: Governance, Strategy, Risk Management, and Metrics and Targets.

TCFD report *continued*

Our journey to climate resilience

Dr Karen Miller
Independent Non-Executive Director

As part of our membership of the Better Buildings Partnership (BBP) Climate Commitment, we adopt the BBP's definition of a climate resilient business in formulating our strategy. This definition considers that a climate resilient business: has a plan to mitigate the worst impacts of climate change by reducing its carbon emissions impact to net-zero; can adapt to operating in a world in which climate-driven disruption is more frequent and severe; and provides climate-related information to investors, regulators, and other stakeholders in a useful and timely way.

Our FY25 disclosures represent our seventh consecutive TCFD report. We consider that the following report is consistent with the TCFD's Recommendations and supporting disclosures; these being the four pillars referenced above, and the eleven disclosures within, which are signposted throughout this report. The TCFD's Guidance for All Sectors has been considered in order to achieve consistency with the recommendations.

Governance

TCFD governance recommendation 'a': describe the board's oversight of climate-related risks and opportunities

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

The Board's oversight is supported by the ESG Committee, led by our Head of Asset Management and ESG, Emma Mackenzie. The Committee meets quarterly to oversee NewRiver's approach, which is guided by our Pathway to Net-Zero, whilst reviewing and ensuring that appropriate resources are mobilised to enable proactivity; for example, each asset receives an annual ESG budget to implement selected items from the Environmental & Social Plans. The Committee provides quarterly briefings to the Board, updating its members on key milestones achieved by the ESG programme.

The Board and the Audit Committee adopts an integrated risk management approach, in which ESG and climate issues are embedded. 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. Climate-related risk represents one of the principal risk categories. The Committee regularly evaluates changes to identified risks and ensures that appropriate controls are applied in alignment with the Board's risk appetite.

NewRiver's Board benefits from the climate-related expertise of Dr Karen Miller, appointed in Q1 FY23. Karen supports the Board's consideration of all climate-related issues escalated by the ESG Committee. The Board's training requirements in respect of climate-related issues are reviewed annually. The most recent session delivered to the Board was on the findings of the net-zero audits we undertook across a sample of our assets, and how these findings relate to our broader strategy (FY24). Following the re-baselining of our net-zero targets, as discussed earlier in our ESG report, the Board will receive training on the SBTi's Building Sector Guidance and will be key to formulating our updated delivery plan.

TCFD governance recommendation 'b': describe management's role in assessing and managing climate-related risks and opportunities

Senior management is closely involved in our day-to-day approach to climate issues. Through her dual role 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 all management activities and the operation of our Snozones. In addition, asset and property management teams interact with centre management to ensure that policies are implemented across the portfolio and that performance is tracked through our ESG programme.

Our internal teams and centre managers have all received ESG training during the year, delivered by our external consultants. We invest in these sessions to ensure that management personnel are kept abreast of the latest developments in sustainability best practice and evolving climate-related issues.

The Remuneration Committee includes ESG objectives as part of the bonus objectives for both the Board and Executive Management. This is a pre-defined percentage of bonus with a high degree of measurability, and forms part of the overall performance assessment.

TCFD report *continued*

Strategy

TCFD strategy recommendations 'a' and 'c': describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term; and describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Risk identification

NewRiver considers climate-related risks, as well as opportunities, that may arise from both the physical impacts of climate change and the transition of our managed assets to a low-carbon operating model.* We identify climate-related issues across short (to 2030), medium (to 2040), and long-term (to 2050 and beyond) horizons, appropriately defined to inform our ESG and corporate strategies.

The **Relevance Assessment** that follows outlines the principal risks and opportunities we have identified and the ways in which they have the potential to impact our business, alongside definitions of low, medium, and high impacts in the context of each of the risks.

Our assessment considers transitional risks and opportunities associated with the international goal of keeping warming to within 1.5-degrees above pre-industrial levels - as our strategy is based on this objective – and therefore assumes that the end date for achieving net-zero is 2050. Our analysis of physical risk exposure, undertaken by an external consultant, was updated in March 2025 to incorporate our new assets following our acquisition of Capital & Regional, including the Snozone operations. The assessment modelled three climate scenarios: SSP1-2.6, SSP2-4.5, and SSP5-8.5.

SSP1-2.6 is a low carbon scenario in which global CO_2e emissions are cut severely and societies prioritise more sustainable practices, with focus shifting from economic growth to overall wellbeing. As a result, warming stabilises at approximately 1.8°C by the end of the century. This scenario has been used as the "best case" scenario because climate modellers are no longer optimistic that limiting warming to 1.5-degrees above pre-industrial levels is feasible, and so we consider that SSP1-2.6 reasonably represents a scenario in which meaningful efforts are made to pursue this goal, despite temperatures eventually stabilising at a slightly higher level. SSP2-4.5 is a 'middle of the road' scenario in which global emissions remain at current levels before starting to fall mid-century, but do not reach net-zero by 2100. Socioeconomic factors follow their historic trends and progress towards sustainability is slow. In this scenario, temperatures rise by 2.7°C by the end of the century. SSP5-8.5 is a high carbon scenario in which current CO_2e emissions double by 2050 due to the growth of the global economy being fuelled by fossil fuels and energy-intensive practices.

This scenario corresponds to approximately 4.4°C of warming by the end of the century.

The assessment considered eight key climate hazards including temperature-related, wind-related and water-related hazards. Through the analysis, three key hazards have been identified as relevant to our portfolio (see Relevance Assessment).

The **Impact Assessment** that follows provides our analysis of the relevant level of potential impact of each risk, their probability, and time horizon over which these impacts could manifest. Consistent with our transitional risk analysis, we have presented the baseline potential impacts using a low carbon scenario.

Resilience of our strategy

Our strategy is designed to enable us to build resilience considerations into the acquisition and operation of our assets as an integral part of our overall approach to asset management. As our portfolio consists of assets located in the UK only, there is little variation in exposure levels to both transitional and physical risks and opportunities across our assets. Our net-zero pathway and the interim targets we have set ourselves guide our approach to remaining resilient to principal transition risks. The findings of our physical risk assessment and sensitivity analysis using low and high carbon scenarios show that there is minimal change to the exposure of our portfolio to physical climate risks in the best- and worst-case scenarios.

We have mapped relevant risks and opportunities within our Impact Assessment based on a low carbon scenario, with the direction of the arrows indicating the potential change in our exposure to each risk and opportunity under a high carbon scenario.

In a high carbon scenario, exposure to regulatory and associated asset transition risks has the potential to reduce, as the scenario assumes that society will continue to rely heavily on fossil fuels and energy intensive activities to drive economic growth, and so regulatory and technological tools may not advance in the way they are assumed to in the low-carbon scenario. Despite economic acceptance of fossil fuel reliance in this scenario, we have assumed that reputational and market risk would increase, as demand for carbon offsets could increase further in an attempt to compensate for fossil fuel usage, while customer demand for action may also become further heightened as the effects of climate change become increasingly apparent. Exposure to certain physical risks may also increase, as the higher degree of warming contributes to more extreme weather events and patterns. Across the NewRiver portfolio specifically, this degree of change is modelled to be immaterial, however we recognise that there would be much more significant changes across the globe, including irreversible impacts on fragile ecosystems, that we should collectively strive to avoid.

As our strategy is aligned to the best available scientific recommendations from the SBTi (please see page 72 for details of our targets) and our approach to the sustainable management of our assets strives for continuous environmental performance improvements, whilst physical risk analysis showed no material movements in risk exposure under higher carbon scenarios, we do not envisage that we need to amend our risk management strategy based on different warming scenarios.

* Transitional risks are those that emerge from the transition to a low-carbon economy. These risks are driven by changes in policies, technology, market sentiment, and consumer behaviors.
Physical risks are those that emerge as a consequence of changing climate variables, including both acute event-driven hazards such as flooding, and chronic stressors such as sustained higher temperatures.

TCFD report *continued*

Relevance assessment

Climate change strategy (Risk 4a1): a failure to implement appropriate climate risk management measures, comply with evolving regulations and meet our ESG targets could impact the operation and value of our assets, leading to a risk of asset obsolescence, reputational damage, and erosion of investor value

Category & Indicator	Risk Type	Risk Description	Relevance to NewRiver	Low Impact Definition	Medium Impact Definition	High Impact Definition
Policy & Legal PL1	Energy efficiency and carbon regulations relating to managed assets	Evolving policy designed to support the UK's 2050 net-zero commitment requires capital expenditure to achieve compliance but also highlights opportunities to reduce operational costs, support occupier demand, improve resilience, and implement measures that ultimately support our own net-zero ambitions.	We have mitigated the short-term MEES risk associated with our portfolio, however there are proposals to increase the minimum thresholds in future. 72% of our EPCs are currently compliant with the previously proposed 2027 requirements (C+), and 41% already compliant with 2030 proposals (B+). Whilst there remains uncertainty around these proposals, we have assessed the probability of an increase to the MEES threshold to be high. We have undertaken a cost assessment of achieving compliance with the previously proposed 2030 minimum threshold, assuming that current feasibility tests will remain relevant.	Costs of <£2million to improve asset performance in accordance with regulations	Costs of £2-10million to improve asset performance in accordance with regulations	Costs of >£10million to improve asset performance in accordance with regulations
Technology T1	Costs to transition managed assets to low-carbon model	Opportunities exist to implement a range of technologies and system improvements designed to reduce environmental impact and transition our assets to a decarbonised operational model. These systems will come at a cost, and require lifecycle carbon considerations to be factored in. We will engage our occupiers to ensure our ambitions are aligned and make sensible system replacements at the time that current systems reach a point in their useful lives that the lifecycle carbon and operational cost implications are beneficial to our occupiers as well as our net-zero journey, which will support usual service charge processes.	We are in the assessment phase of most solutions at this stage on our net-zero pathway, with implementation being focused on opportunities to reduce the energy demand of our assets ahead of decarbonisation. We are in the process of assessing the opportunity to remove gas supplies from The Avenue, Newton Mearns, ensuring that any electrification solution achieves our decarbonisation goal whilst delivering value to our retailers. We will continue to take this approach as and when key systems require replacement - an opportunity that has already been realised at two of the Capital & Regional centres. We also commissioned a portfolio-wide desktop review of solar PV opportunities, including the Capital & Regional sites. From this initial review, we instructed four detailed assessments and will be progressing with a minimum of one installation project during FY26.	Costs of <£2million to improve asset performance in accordance with regulations	Costs of £2-10million to improve asset performance in accordance with regulations	Costs of >£10million to improve asset performance in accordance with regulations
Reputation R1	Reputational damage based on ineffective response to climate change	Societal environmental consciousness is continually on the rise and there is a widespread consensus that we must strive to keep warming to within 1.5 degrees. Businesses that fail to keep pace with this moral shift risk reputational damage. We must continuously work towards, and monitor our progress against, our SBTi-approved emissions reduction targets. We must ensure that our initial targets are reviewed as and when new scientific recommendations or sector-specific methodologies emerge.	We have committed to becoming a net-zero business and developed our pathway to achieving this commitment. We have committed to the SBTi's recommendations of reducing absolute emissions by 42% by 2030 and achieving net-zero by 2050 in pursuit of a 1.5-degree future. We are currently reviewing the SBTI's new Buildings Sector guidance and considering relevant revisions to our targets to align with this latest sector-specific best practice guidance, including re-baselining.	Limited reputational impact if response to climate change is ineffective	Temporary reputational impact if response to climate change is ineffective, with sufficient time to remedy	Significant reputational impact if response to climate change is ineffective or not operational by required date
Market M1	Increased costs to offset unabated emissions as part of our net-zero strategy	There has been a significant, recent, increase in corporate net-zero commitments which may drive demand for credible carbon offsets, resulting in cost increases. Potential future regulation may also contribute to this risk.	We have committed to ensuring that any offsets purchased as part of our net-zero strategy are additional, not overestimated, lead to permanent removals, do not support double counting, and do not cause wider social or environmental harm. We have purchased offsets, validated by the Woodland Carbon Code, in connection with our corporate target. The scope of this purchasing requirement will increase in 2040 when we bring the landlord-controlled areas of our portfolio to net-zero, and then increase again in 2050 when we become fully net-zero.	Minimal cost increase of no more than 25%	Considerable cost increase of 50-100%	Significant cost increase of over 100%

TCFD report *continued*

Relevance assessment continued

Climate change impacts on our assets (Risk 4b): changes in the way consumers live, work, shop and use technology could have an adverse impact on demand for our assets, whilst the physical impacts of a changing climate could cause damage or disruption to the operation of our assets

Category & Indicator	Risk Type	Risk Description	Relevance to NewRiver	Low Impact Definition	Medium Impact Definition	High Impact Definition
Market M2	Changing customer behaviour	The nature of this risk is two-fold in that it has potential impacts from both an occupier and consumer perspective. Changes in consumer shopping preferences present an opportunity to leverage our ESG strategy to demonstrate the ways in which we actively cater to the evolving needs of our occupiers' customers, but also present a potential risk if the perception is that our ESG strategy does not fulfil their expectations.	We must be able to demonstrate that our centres are environmentally and socially conscious places for retailers and end customers. Failure to do so could have a negative impact on demand for our assets. We are working on ways to better communicate directly with customers on the environmental action we take, for example, by introducing routine communication of recycling rates at our centres, and how we can improve them by working together.	Changes in customer behaviour are well accounted for by our existing strategy & offering, with impact being only resource requirements to achieve this	There is room for our strategy to improve its alignment with changing customer behaviour, leading to some reduction in demand	Our strategy falls short of customer expectations and demand for our assets is hampered
Physical PH1 PH2 PH3	Acute Physical Hazards and Chronic Stressors caused by a Changing Climate	As average global temperatures rise, so too does the exposure of real assets to acute climate hazards and chronic stressors. This risk category has been assessed under a high (SSP-8.5 representing ~4.4 degrees of warming) and low (SSP1-2.6 representing ~1.8 degrees of warming) carbon scenario up to the year 2100, considering eight key climate risks including temperature-related, wind-related and water-related hazards. Through this assessment, some risks were discounted as relevant to our portfolio, such as hail and wild fire. Our risk disclosure includes only those hazards identified as highly relevant.	Three hazards have been identified to have the potential to pose a high risk to our portfolio: drought (PH1), flooding (PH_2) and heat (PH3). Whilst NewRiver is not a water-intensive business, drought poses the highest risk to our portfolio as there are widespread areas of water stress across England. The data shows this to be the case under current climate conditions, and so the risk has been categorised as "short-term". Flood risk is relevant to four of our assets, whilst heat risk is relevant to our Snozone in Madrid, which is projected to experience ~44 days per year of temperatures exceeding 35-degrees by 2050 in a low emissions scenario. Impacts have been quantified in financial terms by costing measures to adapt our assets to the relevant risks, applying average costs by measure provided by Cushman & Wakefield. Measures include items such as flood pumps, rainwater harvesting, water saving devices (aerators and pressure-reducing valves), leak detection systems, and upgrading air conditioning systems to accommodate future heat patterns. Through our assessment of these risks under both a high and low emissions scenario, we were able to establish that there is no material variation in exposure levels under each scenario.	Costs of <£2million to improve asset performance in accordance with regulations	Costs of £2-10million to improve asset performance in accordance with regulations	Costs of >£10million to improve asset performance in accordance with regulations

TCFD report *continued*

Impact assessment

Short-term risks to 2030

PL1 - Energy & Carbon Regulations

R1 - Reputational Damage

PH1 - Drought

Medium-term risks to 2040

M1 - Increased costs to offset emissions

M2 - Changing customer behaviour

T1 - Cost to transition assets

Long-term risks to 2050

PH2 - Flooding

PH3 - Heat

Shifts in a high-carbon scenario

- Impact of risk may increase but probability remains relatively stable
- Probability of risk may increase but impact remains relatively stable
- Probability and impact of risk both have the potential to increase
- Probability and impact of risk both have the potential to decrease

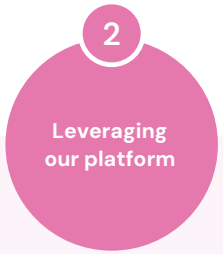
TCFD report *continued*

TCFD strategy recommendation 'b': describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning

The Board has a low risk tolerance for principal risks affecting our business, including climate-related issues. Consistent with this appetite, our robust ESG programme guides our actions on our pathway to net-zero and supports our response to climate-related issues through the implementation of asset-level initiatives designed to improve efficiency, reduce environmental impact, and enhance resilience. We have embedded ESG and climate considerations throughout our business processes, departments, and functions. Environmental considerations are embedded into capital allocations and are considered for all future acquisitions. The following diagram depicts the actions and processes we have identified as part of our strategy to deliver on our climate ambitions in the context of our business model and financial planning.

Embed ESG considerations in due diligence and analysis of stock selection

Leverage the flexibility of our balance sheet to ensure investment in energy efficiency and decarbonisation over the next 15 years is well accounted for in financial planning. This will ensure that the value of our investments is protected from current and future market & legislative risks, whilst enabling our ESG performance to support our potential to access preferential lending rates in future



- Actively monitor the climate-related commitments of our top occupiers and engage where required to align our level of commitment
- Apply green lease commitments across all occupier transactions, including seeking agreement to the procurement of renewable electricity
- Engage our top tier suppliers to align our commitments and mitigate supply chain emissions
- Prepare costed action plans to net-zero and measure the embodied carbon emissions of all re-developments & major refurbishments by undertaking 'Life Cycle Assessments' (LCA)
- Adopt our Sustainability Brief & Framework for Developments across all relevant projects
- Embed minimum fit-out requirements for occupier licenced fit-outs
- Design out fossil fuels from all major refurbishment and re-development projects
- Leverage our strong relationships with UK high street retail brands, local councils, and our joint venture partners, to ensure efforts are collaborative and long-term
- When managing assets owned by third parties, leverage our scale, expertise, and learnings on our journey to net-zero, to promote environmental best practice beyond our own portfolio

TCFD report *continued*

Risk management

TCFD risk management recommendation 'a': describe the organisation's processes for identifying and assessing climate-related risks

Climate-related risks are identified through NewRiver's integrated risk management 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 risks. The risk register assesses the impact and likelihood of each identified risk, which is translated into a risk heat map. Where the residual risk does not align with the Board's risk appetite, management actions are recommended with a view to mitigating the relevant risk.

TCFD risk management recommendation 'b': describe the organisation's processes for managing climate-related risks

Accountability for mitigating actions is assigned to an Asset Management Director and property manager. This approach allows NewRiver to ensure there is a top-down understanding of principal risks across the business, backed by bottom-up mechanisms to support monitoring by management and their ability to address principal risks in a timely manner. With the support of our centre managers, we implement a host of initiatives designed to manage environmental impact and promote the efficient and resilient operation of our assets. This also includes, for example, building safety assessments which review the risk of loose roof/ facade features, which support mitigation of physical risks such as wind and storm damage.

TCFD risk management recommendation 'c': describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management

Climate-related risk represents one of the six principal risk categories evaluated by the Board and Audit Committee as part of the business' overall risk management process. This category encompasses the individual risks identified within this TCFD disclosure, grouping them into two categories based on the nature of their potential impact. Risk 4a: "failure to implement appropriate climate risk management measures, comply with evolving regulations and meet our ESG targets could impact the operation and value of our assets, leading to a risk of asset obsolescence, reputational damage, and erosion of investor value" and risk 4b: "changes in the way consumers live, work, shop and use technology could have an adverse impact on demand for our assets, whilst the physical impacts of a changing climate could cause damage or disruption to the operation of our assets".

Please see pages 98-110 for a detailed presentation of how the identification, assessment, and management of climate-related risks are integrated into NewRiver's overall risk management processes.

TCFD report *continued*

Metrics and targets

TCFD metrics and targets recommendation 'a': disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

Annually, we disclose a suite of climate-related metrics which track our performance towards realising our core objective of minimising our environmental impact. These metrics are aligned with EPRA's best practice recommendations for transparently disclosing sustainability performance. The EPRA performance tables on pages 210-212 present our FY25 performance across these metrics, alongside historical performance.

We also monitor the following metrics associated with each of the principal climate-related risks identified:

Risk Type	Risk Description	Metrics	Monitoring Frequency
Policy & Legal	Energy/ carbon regulations	Portfolio EPC profile page 212	Continuous
Technology	Costs to transition/ decarbonise assets	Energy usage intensity page 211	Monthly by centre teams via our energy broker's management platform
Reputation	Reputational damage based on ineffective response to climate change	Scope 1, 2 & 3 GHG emissions pages 76-77	Annual quantification with monthly monitoring through energy management
Market	Increasing costs of carbon offset credits	Cost projections from market sources	Annually
	Changing customer behaviour	Customer engagement via asset management and centre management teams, alongside wider consumer / market research	Continuous
Physical Risk Exposure	Drought, flooding and heat	Estimated cost of implementing adaptation measures across "at risk" properties	The assessment was updated in March 2025 and will be reviewed as necessitated by changes to our portfolio

TCFD metrics and targets recommendation 'b': disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks

In accordance with our reporting obligations under the UK's Streamlined Energy and Carbon Reporting regulations, we disclose our annual carbon emissions performance. Please refer to pages 76-77, where we provide further information on our FY25 emissions performance, together with a comparison against our historical performance and the methodologies used to prepare these disclosures.

TCFD metrics and targets recommendation 'c': describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

Following the release of the Science Based Targets initiative's (SBTi) Corporate Net-Zero Standard in October 2021 – the world's first framework for corporate net-zero targets consistent with a 1.5°C future – we published our Pathway to Net-Zero and received validation from the SBTi for our Scope 1 and 2 emissions reduction targets. Science-based targets (SBTs) provide companies with a clearly defined pathway to future-proof growth by specifying how much and how quickly they need to reduce their GHG emissions to achieve a net-zero world by no later than 2050. Pragmatic net-zero strategies place the corporate SBT methodology at their heart, prioritising decarbonisation before the use of carbon offsets. This is the approach that we will take in pursuing the following targets from an FY20 baseline:

Target	Performance
Our corporate emissions will be brought to net-zero by 2025	We have fully mitigated our market-based Scope 1 & 2 emissions (47% location-based) and offset our unabated Sc3 emissions (560 tonnes CO_2e)
We will achieve a 42% reduction in total absolute emissions by 2030	We have reduced absolute emissions (Scopes 1-3) by 39% as of FY25
Our landlord-controlled portfolio emissions will be brought to net-zero by 2040	We have reduced absolute landlord-controlled portfolio emissions (scopes 1-3) by 37% as of FY25
Our tenant-controlled portfolio emissions, and emissions associated with our development activities, will be brought to net-zero by 2050	We have committed to measuring the lifecycle carbon impact of major redevelopment projects, established a process for monitoring retailers' climate-related commitments, and improved our scope 3 collection