



CAPITAL &  
REGIONAL



# ESG Report 2023

# ESG Report

- 1 Introduction
- 2 Strategy
- 7 Governing ESG
- 9 Environment
- 17 People
- 23 Community
- 33 EPRA Sustainability Performance Measures
- 37 Streamlined Energy & Carbon Reporting (SECR)



# ESG Report

## Introduction

Focus and momentum were key themes for 2023, driving our environmental, social and governance (ESG) agenda forward to ensure Capital & Regional (C&R) continue to inspire our stakeholders.

In the face of another year with a challenging economic backdrop, we stand proud of our achievements. We continued to encourage our staff to champion efficiency throughout our shopping centres and Snozone locations to drive down operational costs, significantly reducing consumption across the majority of our utilities. Recognising the strain of the cost-of-living crisis on our employees, their wellbeing continues to be a key priority by offering support and valuable resources to help them navigate these challenges.

Embracing our pivotal role as a central connection point, we have shown our unwavering dedication to the communities we serve by maintaining comfortable and inclusive environments at our assets as we expand our portfolio and hope to intensify these efforts with the acquisition of Gyle in Edinburgh.

Within this report, we highlight our ESG achievements and reaffirm our commitment to building a sustainable future for our staff, partners, and the communities we care about.

### Gyle acquisition

In a challenging economic environment, we demonstrated resilience and took our first steps towards rescaling our business. Gyle is a well-established community shopping centre in Edinburgh, anchored by recognised brands including Marks & Spencer and Morrisons.

Many factors went into the acquisition of this centre, and our ESG strategy and due diligence process contributed heavily to our final decision. For example, the centre's approximately 40-acres of surface car parking provides significant potential for electric vehicle charging and onsite solar generation, and the onsite bus station already promotes public transport access.

In 2024, we will undertake capital investments in line with our portfolio standards at Gyle and listen to the needs of the local people and businesses to embed the asset in the community infrastructure.

### Our reporting boundaries

The information within this ESG Report reflects the year ending 30 December 2023. Our business consists of six shopping centres and three Snozone centres. As part of our commitment to transparent reporting, we disclose data based on asset type, differentiating between shopping centres and Snozone locations. While C&R predominantly operates within the UK, we have one Snozone centre in Madrid, Spain.

C&R maintains operational control over the energy, water, and waste disposal in common areas and shared services within the shopping centres. Our shopping centre tenants have autonomy over their respective areas as we do not sub-meter energy or water consumption. As a tenant within a larger leisure scheme, Snozone has operational control over energy and water consumption, whilst waste management is the responsibility of the landlord and is outside our direct control.

### C&R scores 81% on CSRHub

The CSRHub utilises data from 10 socially responsible investment analysis firms and over 600 diverse sources, including NGOs, government agencies, news feeds, and social networking groups, to generate an ESG performance score for companies. We received a year end score of 81%, which tracks moderately ahead of our peer group.



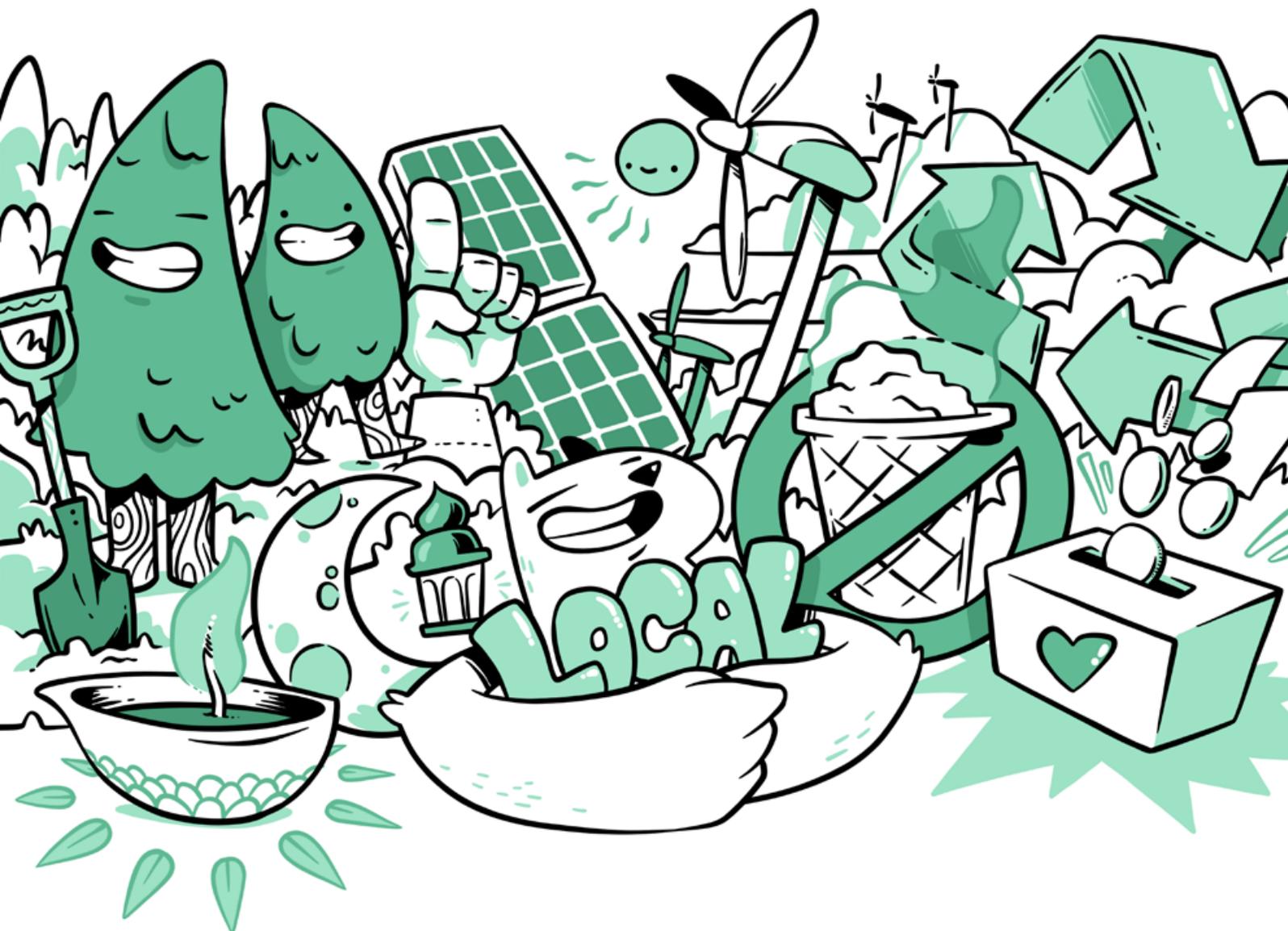
## Our ESG strategy

Our purpose is to invest in, manage and enhance retail property by creating dynamic environments tailored to the local communities. To do this successfully, sustainability is embedded within our core business strategy and guided by five objectives (outlined below) through our integrated ESG strategy.

The strategy has three pillars, each with its own goals and measurable annual targets: Environment, People, and Communities. These seek to minimise the negative impact of our assets on the environment; provide a superior experience to our people; and respond to the unique needs of our local communities. This is all

while upholding our commitment to shareholders and operating as a successful business.

The strategy is designed to address the unique needs of our business and stakeholders, underpinned by clear policies and procedures to distil sustainable thinking throughout all business activities.



# Strategy & 2023 highlights

## Leading in Sustainability within our communities

To take an active lead in developing and delivering sustainability within our communities

To continue to identify sustainable practices to manage our buildings responsibly

To develop cultural ways of working that are obsessive about waste, recycling and reducing our carbon footprint

To play our part in an effective response to the urgent threat of climate change, aligning with the 2015 Paris Agreement commitments

To reach net zero by 2040

## Environment



We had another successful year regarding our environmental performance, surpassing almost all of our annual utility reduction targets, further embedding operational excellence within our procedures, and achieving substantial emissions reductions compared to 2022 as well as our 2019 baseline.

**35%** 

reduction in scope 1 & 2 emissions since 2019 (location-based)

**8%** 

reduction in energy consumption since 2022

**EPC B** 

achieved for The Mall Maidstone, The Mall Wood Green and Snozone Yorkshire

**12,500+** 

trees planted by Snozone

## Our ESG Strategy

### People



Our people are at the core of our business, and our focus has been on engaging them through a renewed purpose, inclusive culture, commitment to wellness, and training and development opportunities.

**2,000+** 

hours of training and development completed across our business

**74%** 

team retention at Snozone

**91%** 

of respondents to our diversity and inclusion survey say we have cultivated an inclusive and welcoming environment

**0%** 

gender managerial gap across C&R

## Community



We pride ourselves on connecting with our communities, reinforcing our support to local charities, contributing to important causes, providing inclusive experiences, and bringing people together.

**£331,000** 

raised in total for charities and community groups

**293** 

community groups and charities supported

**102%** 

participation growth in disability snow sports lessons

**22%** 

increase in Snozone's school programme



## External Initiatives and Benchmarks

We are a member of the Better Buildings Partnership (BBP), which facilitates collaboration between property owners and real estate investors to drive the industry's sustainability transition. Our shopping centre business is a signatory to the BBP Climate Commitment, and in 2024, we will publish our Climate Adaptation Plan.

We report in line with the Task Force on Climate-related Financial Disclosures (TCFD) to effectively manage our material climate-related risks and opportunities and support informed investment decision-making (see our 2023 disclosure on pages 45-56).



Since 2018, C&R has been participating in GRESB, the world's leading ESG benchmark for real estate and infrastructure, helping investors make informed decisions. In 2023, we received two stars, scoring 73 out of 100, a three point increase compared to 2022 and we are focused on implementing measures to further increase our score in 2024.

The United Nations (UN) Sustainable Development Goals (SDGs) is a comprehensive international framework that aims to tackle pressing global challenges and promote sustainable development. C&R's ESG strategy takes a direct and proactive approach in contributing to the achievement of seven specific SDGs.

The European Public Real Estate Association (EPRA) is a non-profit organisation which promotes transparency, best practices, and standardisation between the European listed real estate sector and investors. As EPRA members, we report in line with EPRA's Sustainability Best Practices Recommendations (sBPR) reporting guidelines.

# Realising the Ambitions of the UN SDGs

SDG	Summary
	<p><b>We will help to eliminate poverty in all its forms, everywhere</b>                      by ensuring our staff are supported through the current cost-of-living crisis, implementing our national minimum wage (NMW) policy and working with third-party suppliers to do the same, promoting positive financial management and offering tools like Wagestream, a financial management platform, to our Snozone employees, providing upskilling and job opportunities to local communities, and fundraising for charities that support ending poverty and homelessness.</p>
	<p><b>We will promote wellbeing for everyone</b>                      through a suite of policies and procedures encompassing health and safety, wellbeing and mental health and human rights, nurturing a wellness culture for employees, and providing space for accessible public health services by partnering with the NHS.</p>
	<p><b>We will support lifelong learning opportunities</b>                      by providing education to the local community through the Community Wheel of Support initiative in our shopping centres, Snozone's status as a three-time winner of the School Travel awards for 'Best Sporting Venue' for children learning outside the classroom, and our comprehensive employee training programme.</p>
	<p><b>We will promote gender equality and empower all women and girls</b>                      through Snozone's female-first marketing approach, tailored recruitment and support for Sports England's This Girl Can campaign, upholding diversity policies and zero-tolerance towards all forms of violence, and monitoring gender balance performance data.</p>
	<p><b>We will promote sustainable economic growth and decent work for all</b>                      through our Modern Slavery Champion Programme, which spreads awareness across our business about modern slavery and hidden labour exploitation, supporting local start-ups and small businesses to thrive in our centres, helping local charities who work with disadvantaged members of society, offering apprenticeships, and developing career mentoring initiatives for youth in our communities.</p>
	<p><b>We will provide inclusive, safe and resilient spaces for all</b>                      by managing our buildings responsibly and embedding them in the community fabric, operating inclusively such as through Snozone's long-term partnership with Sense and their Disability Confident Employer status, and maintaining access to public spaces to promote wellbeing and community cohesion.</p>
	<p><b>We will take urgent action to combat our contribution to the climate crisis</b>                      by transitioning to net zero carbon, executing best practices in energy, water and waste management, continually reviewing the capital investment plan for each venue and centre, working with tenants to achieve mutual environmental performance gains, and spearheading green community initiatives.</p>

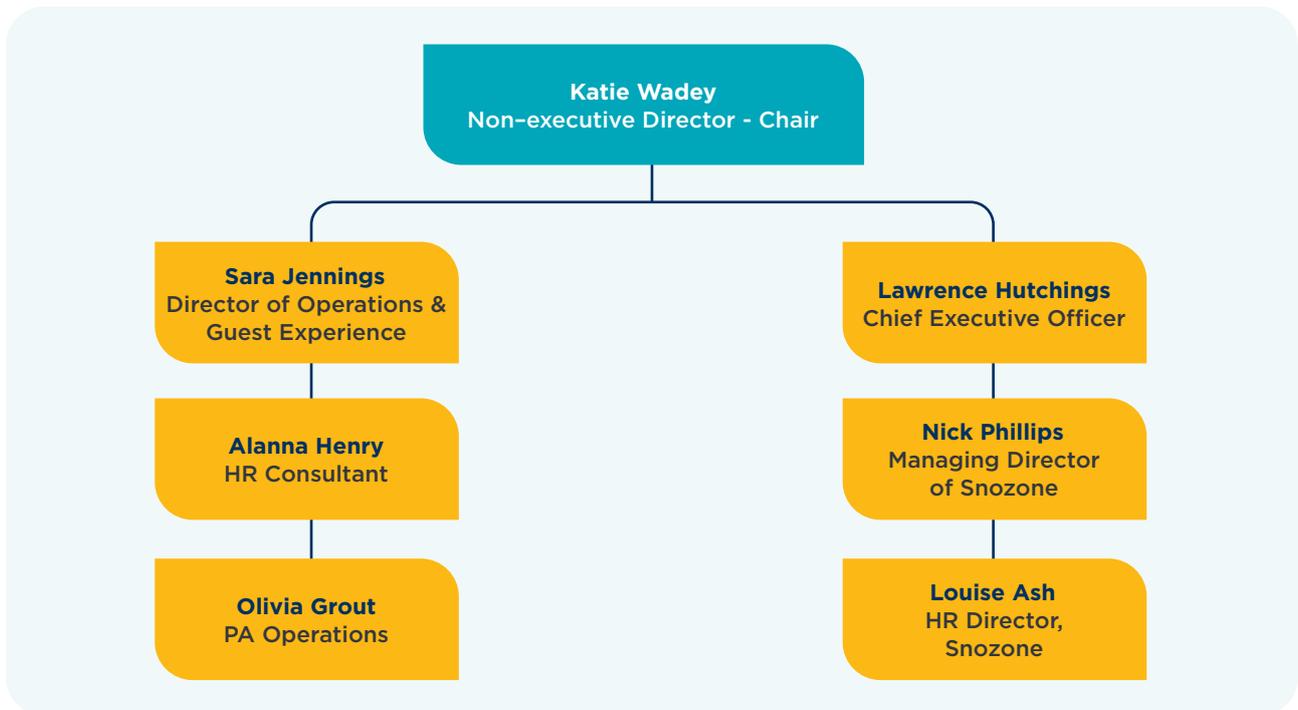
## Governing ESG

C&R's ESG strategy is governed by our ESG Committee, who is responsible for ensuring accountability, its implementation across the business, and identifying opportunities where ESG can be further integrated into operations. The Committee meets quarterly to receive updates on activities and progress against targets and is supported by three subcommittees, each responsible for monitoring progress against the targets of the strategic pillars.

Sara Jennings, Director of Operations & Guest Experience, and Nick Phillips, Managing Director of Snozone, lead our ESG activities at the asset level through close collaboration with onsite managers and teams. In recent years, C&R has

put in motion a widespread culture shift that has fostered a sense of responsibility, particularly amongst operations teams, of the role every individual can play in realising our sustainability goals to provide a superior offering.

To ensure accountability and engagement with our ESG strategy, ESG is on the agenda in all Senior Leadership Team (SLT) meetings and every employee has defined ESG objectives, specific to their team and seniority level. ESG is also part of our communications strategy, internally and externally, including dedicated website pages, signage in shopping centres, and frequent updates in investor presentations.



## Creating value for our stakeholders

Our stakeholders	How we engage them	Issues that are important
<b>Our shareholders</b>	Results presentations, roadshow meetings, AGM, Group ESG meetings, ad hoc meetings, requests and email correspondence, Capital Markets Days and asset tours, attendance at investor conferences	Financial and operational results, awards, retail and property market perspectives, potential growth opportunities and/or corporate activity, environmental performance, social contribution, governance compliance
<b>Our employees</b>	Staff Pulse Engagement Surveys, ESG staff training, ESG Officers, business-wide town halls with internal updates and guest speakers, monthly Employee Voice meetings and 24/7 anonymous feedback platform, coaching and mentoring programme	ESG, health and wellbeing, community support, leadership and line management training
<b>Our suppliers</b>	Tendering, appointment and monitoring against defined capital and revenue project scopes, regular performance review meetings	Values and vision, community relevance, local employment, sustainability credentials, cost-effectiveness, performance
<b>Our retail customers and occupiers</b>	Marketing boards, website, engagement with agents, onsite meetings, social media, business exposure onsite, local authorities and investment	Identifying the right location, demographic, leasing, term and budget, branding and fit-out of their unit, footfall
<b>Our communities and guests</b>	Websites, social media, marketing events, loyalty card, emails	Consumer marketing campaigns, ESG, charity and community support, new retailer openings
<b>Local authorities</b>	Ad hoc interactions between varying levels, charitable support, headlease engagement where local authorities are our freehold partners	Planning applications, headlease administration, town centre master planning, Business Improvement Districts, business rates, town centre marketing/event support, key stakeholder interactions



## Environment

2023 reflects an extremely successful year for C&R's environmental performance, particularly regarding our energy consumption.

We surpassed all our annual utility reduction targets, with the exception of water for shopping centres (explained in more detail on page 15), improving our efficiency levels compared to 2022 as well as our baseline year of 2019. This was amidst a challenging economic climate that is placing a higher scrutiny on spending as well as significant development and refurbishment activity within our shopping centre portfolio.

These achievements are a result of our ongoing efforts to bring environmental considerations front and centre throughout the property lifecycle, from acquisition and fit-outs to planned maintenance and property management. As an owner and operator of retail and leisure assets, we have a duty to be a responsible landlord for our retailers, visitors and local communities, ensuring that we manage

the resources we use and produce in a sustainable way. This elevated way of thinking can be seen in our recent acquisition of Gyle, where we evaluated the acquisition through the lens of environmental risks and opportunities, identifying the asset's potential to create value and at what cost to the business considering the asset's unique characteristics.

As we look ahead, and in the context of an ageing portfolio, the focus will remain on delivering our net zero carbon pathways, implementing environmental improvements through design, retrofit, maintenance and monitoring activities, whilst driving productive partnerships and conversations with occupiers to mutually reach our ambitions.

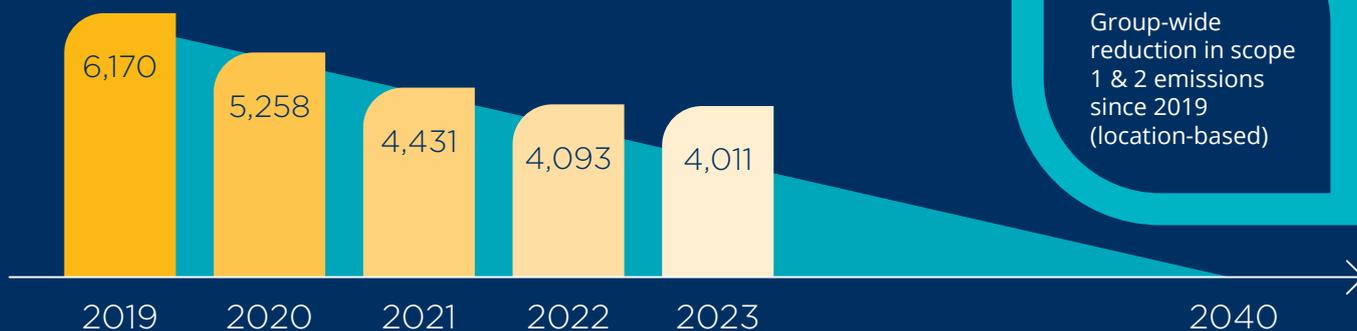
### We are contributing to the following SDGs:



- **35%** reduction in scope 1 and 2 emissions across the Group compared to the 2019 baseline
- **EPC B** achieved for The Mall Maidstone and The Mall Wood Green
- **BREEM Very Good** awarded to The Mall Wood Green
- **£250,000** invested in three new blast cooler units at Snozone's Milton Keynes venue, saving approximately 200,000 kwh a year
- **18%** reduction in Snozone's water use compared to the 2019 baseline year
- **Zero** waste to landfill achieved in shopping centres since 2018.
- **23,681 trees** planted by Snozone through our partnership with Tree-Nation since 2021

# Net zero by 2040 roadmap

**35%**  
Group-wide reduction in scope 1 & 2 emissions since 2019 (location-based)



## Embodied carbon

- Define and introduce sustainable refurbishment guidelines for major and minor refurbishments
- Conduct whole-life carbon and climate risk assessments for all refurbishment and fit outs



## Operational Carbon

- Implement occupier engagement strategy and scale up the use of green lease clauses
- Improve data accuracy and coverage
- Embed net zero criteria into the pre-acquisition process
- Integrate findings of asset level audits into existing multi-year carbon reduction plans for each asset, and extend plans to incorporate asset-level climate risk information
- Complete LED lighting upgrades in Gyle
- Continued investment in new plant and equipment
- Achieve 80% reduction in operational carbon (scope 1 & 2) by 2036

## 2023 PROGRESS

- Reduced scope 1 & 2 emissions by 35% since 2019 (location-based)
- 100% of assets equipped with LED lighting, excluding Gyle
- Developed green lease clauses for inclusion within renewals and new lease contracts
- Embedded ESG into acquisition due diligence check list and occupier engagement processes
- 100% of occupier data sourced
- £250,000 invested in three new blast cooler units



## Onsite generation

- Onsite renewable energy strategy in development
- Solar PV installation

## 2023 PROGRESS

- PV feasibility study conducted on select shopping centres



## Renewable energy procurement

- Work with occupiers to increase high-quality renewable energy procurement

## 2023 PROGRESS

- 100% electricity consumption from renewable sources



## Offsetting

- Develop a carbon offsetting strategy
- Plant a further 9,000 trees in partnership with Tree-Nation by the end of 2023

## 2023 PROGRESS

- 23,681 trees planted by Snozone since 2021, reforesting 24 hectares
- 2,282 tCO<sub>2</sub> offset to date



\*Emissions figures are location-based and reflect our like-for-like portfolio, which excludes the acquisition of Gyle in 2023

## Environment

### Shopping centres will be net zero carbon by 2040

The scope of our shopping centres' net zero pathway is aligned with the BBP Climate Commitment and the UK Green Building Council's (UKGBC) definition of net zero. It covers our scope 1 and 2 emissions as well as scope 3 emissions relating to embodied carbon from refurbishments and fit-outs, occupiers' energy consumption and other measured emission sources. The pathway prioritises the necessary emission reductions up to 2040 and beyond, in line with best practices such as the Carbon Risk Real Estate Monitor (CRREM) and the forthcoming UK Net Zero Carbon Buildings Standard, supported by a clear and actionable implementation plan, designed with all stages of the property lifecycle in mind. In 2024, we will recalculate our CRREM pathways to align with the most recent changes to our portfolio. Asset interventions recommended by the framework will provide insight as we continue to develop our future plans. Read our pathway to net zero carbon for more information.

Our development strategy favours refurbishing existing assets and fit-outs rather than building on greenfield sites, and so we actively scope opportunities to minimise the embodied carbon associated with these activities. As the emissions associated with operating buildings decrease, embodied carbon – meaning the emissions associated with materials and construction processes throughout the whole lifecycle of a building – will account for a larger part of a building's carbon footprint in the future.

Our Net Zero Carbon Committees across each of our centres govern the progress of our pathway through the management of interventions, monitoring performance and opportunities, increasing occupier engagement, and planning EPC performance improvements. Their focus is centred on the Net Zero Carbon Committee Wheel of Delivery's 12 target areas such as ESG training, green leases, refurbishments, and water and waste management. Each centre's Committee updates are presented quarterly to the Board by our ESG Committee to monitor and discuss progress.

We report our emissions in line with the Greenhouse Gas (GHG) Protocol and in 2023, shopping centres achieved a 72% reduction in scope 1 emissions and a 31% reduction in scope 2 emissions (market-based) compared to the 2019 baseline. This is equivalent to 1,253 tCO<sub>2</sub>e. We have also achieved a decrease in our scope 1 and 2 GHG emissions intensity of 38%, reflecting a 0.4 kgCO<sub>2</sub>e/ft<sup>2</sup> decrease since 2019 (location-based). Additionally, 100% of our landlord electricity consumption is sourced from renewables.

#### Energy efficiency

Our net zero carbon pathway prioritises reductions in energy consumption to reduce our scope 1 and 2 emissions. In 2023, our focus

has been on quick wins that collectively have a big impact. Efficiency improvements result from the hard work of onsite staff who understand the benefits of environmental improvements, effectively implementing our policies, and proactively seeking opportunities to reduce our consumption through operational efficiencies.

As such, we surpassed our annual target for electricity in 2023, reducing our consumption by 3% compared to 2022 and 15% compared to the 2019 baseline. Measures to achieve this included the continued roll-out of our LED lighting replacement programme, which is now complete across the portfolio with the exception of Gyle, our recently acquired centre.

Regarding gas, we substantially outperformed our annual targets realising a 15% reduction compared to our consumption in 2022 and a 72% reduction compared to 2019. This is largely due to the removal of gas from The Mall Wood Green as part of our lease with the NHS, where we capitalised on the opportunity to replace the boiler with a new air handling unit (AHU), incorporating a split DX system, heat pumps and a thermal recovery wheel to further increase efficiency.

In 2024, we will work towards gaining complete visibility of our energy usage to avoid wastage and improve efficiencies through the implementation of circuit-level monitoring on all landlord-controlled energy meters. As a first step, we will install the sensors at two pilot sites. The sensors will monitor the flow of energy, and then transmit data every 10 seconds to our cloud-based monitoring platform.



### Occupier engagement

Across our shopping centres, we have 462 diverse occupiers, whose energy consumption accounted for approximately 70% of our total emissions in 2023. This relates to the energy occupiers use for activities such as lighting or heating their stores. As this energy use is outside of C&R's direct control, reducing it relies on regular and constructive engagement through our occupier engagement strategy. The strategy includes net zero carbon audits, sustainability training and upskilling for both our team and occupiers, as well as the implementation of engagement initiatives.

In 2023, we continued to progress in embedding ESG within occupier engagement processes. For example, ESG is on the agenda in every commercial team meeting, and mandatory ESG-focused questions have been implanted into the leasing process before the deal can proceed. This ensures that ESG information for each lease and unit is available on our reporting system for employees to access when needed.

Owing to more stringent UK regulations, EPC ratings are a top priority for C&R and are included as a key target area in our Net Zero Carbon Pathway Wheel of Delivery. EPC ratings are available to Leasing Executives via our EPC Management dashboard to ensure they have sight of the unit's performance during lease expiration, renewals, and lettings. The EPC ratings are also included within internal KPIs and in the deals submitted to our SLT for approval, as well as the heads of terms when the commercials are agreed. Once agreed, the team ensures the certificate is adhered to during the lease through regular checks and has implemented the same checks for existing leases. If units are found to not be in line with the required EPC standards, we engage with retailers to help improve their performance, capitalising on key touch points such as if they choose to expand along with lease renewals. Additionally, when units become vacant, we improve their energy performance as needed through measures such as the installation of LED lighting. This not only brings the unit in line with our standards and UK regulations but helps to attract occupiers through the provision of efficient spaces.

During renewals and new leases, we have begun adding green lease clauses where feasible to encourage collaboration and more sustainable practices. For example, our intention is for all new leases to allow the landlord to

obtain an EPC, share tenants' energy use on an annual basis, comply with C&R's ESG policies, support energy efficiency improvements of landlord plant and machinery under the service charge, and implement enhanced regulation on waste management.

With diverse occupiers, the support required from C&R to realise improvements can vary quite substantially. With 32% characterised as independent, more extensive engagement is often required from C&R in the form of education and upskilling on topics such as environmental regulation and cost-saving benefits as well as capital investments, where feasible. To support them, we provide fit-out guidelines that must be complied with and commercial and operations teams consult extensively with occupiers to ensure they understand the requirements included within the guidelines and how to implement them. These shop fit design criteria cover topics such as mechanical and electrical specifications, sprinkler systems, interior design, construction, and ongoing maintenance requirements. We are also in the process of updating these guidelines to include a series of sustainability initiatives, covering best practice retail fit-out and operation. New measures cover key ESG aspects, including efficient water, waste and energy management, the health and wellbeing of guests and employees, as well as accessible and inclusive design.

Managing these scope 3 emissions effectively also relies on collecting occupiers' energy data so we can measure and track progress, have meaningful conversations and identify areas where interventions should be made. In 2022, we successfully collected 69% of occupiers' energy use data across the portfolio, leveraging our onsite relationships. However, this was extremely challenging considering the extensive engagement required and is an issue being faced across the industry. In 2023, we sought to improve this process, partnering with Arbnco to source the data directly from occupiers' energy meters. As a result, we were able to source 100% of occupier energy data in 2023. Currently, this data is not available at the individual occupier level but is collated into groups of four due to data protection regulations. Nevertheless, this is invaluable information for C&R, helping us to analyse these emissions on a quarterly basis and undertake credible scope 3 reporting.



**Sara Jennings**  
Director of Operations &  
Guest Experience



2023 was another successful year for Capital & Regional on our pathway to net zero carbon.

With sustainability, energy efficiency and community support at the heart of our business, our teams have been working hard to continue to find ways to integrate ESG into all aspects of our everyday, to transform our operations.

Across the business, we recognise that the positive steps we take, the plans we implement now, will make huge impacts on the communities that we serve for generations to come.

## Environment



### Delivering invaluable spaces with the NHS

Since 2021, C&R has been collaborating with the NHS to bring exceptional spaces to our local communities. For example, the Community Diagnostic Centre (CDC) in The Mall Wood Green, the first in the country to be located in a shopping centre, provides critical diagnostic services to the local neighbourhood. In 2023, the project won the Asset Management Initiative category at the REVO Awards, with a vision to shape retail to create meaningful places. This was due to the project assisting in addressing national diagnostic care shortages.

A second NHS project at The Exchange, Ilford is nearing completion and will open in late Spring 2024.

### Snozone will be net zero carbon by 2040

Snozone's net zero pathway, informed by the GHG Protocol, consists of a comprehensive annual capital investment programme to decarbonise our portfolio with the aim of achieving net zero by 2040. We recognise the impact of our operations on the environment and are committed to minimising our carbon footprint.

We report our emissions in line with the GHG Protocol, and in 2023 reduced our scope 1 emissions by 25% and scope 2 emissions (location-based) by 32% compared to the 2019 baseline. This is equivalent to a combined reduction of 894 tCO<sub>2</sub>e. We have also achieved a decrease in our scope 1 and 2 GHG emissions intensity of 31%, reflecting an 8.1 kgCO<sub>2</sub>e/ft<sup>2</sup> decrease since 2019 (location-based). Additionally, 100% of Snozone's electricity consumption is REGO certified, sourced from renewable sources and contains no biomass.

### Energy efficiency

Snozone continued to make substantial decarbonisation investments in 2023, helping us to considerably surpass our energy reduction targets for the year. We reduced our electricity consumption by 11% versus the prior year and by 16% against 2019. Gas consumption reduced by 15% compared to 2022 and by 25% against 2019. In 2024, we have targets to achieve a further 5% reduction in both electricity and gas use compared to 2023.

The nature of Snozone's business activities, which includes making snow and maintaining it at minus 3°C, requires a notable amount of energy consumption so we have a laser focus to operate as efficiently as possible. Our rolling capital investment programme over the past five years has been wholly geared towards decarbonisation, and we are currently in the second year of a four-year plan to improve the efficiency of our key plant output. In 2023, this included investing £250,000 in three new blast cooler units at our Milton Keynes venue, which will save approximately 200,000 kWh of electricity a year. Not only are the blast coolers more energy efficient, but they also regulate temperature outflows to a superior standard than previously. This means that we generate less power now to maintain the required temperatures.

We also acquired bespoke Voltage Optimisers at our Yorkshire and Madrid venues, which regularise power flow, contributing to a material consumption reduction. These optimisers ensure that the plant and machinery are only supplied with the power they need, thus eliminating over-usage drawn from the grid. In 2024, the optimisers will be installed at our Milton Keynes venue.

We further improved the insulation of our ski slopes throughout 2023 across all venues. With the buildings where Snozone venues are located now over 20 years old, insulation needs to be replaced on a rolling basis to maintain optimal efficiency. Using 3D scanners, we pinpoint areas where energy could be escaping and then renew or replace insulating materials to retain more cold air temperatures, ultimately reducing demand for the chiller motors and, therefore, energy consumption. All Snozone venues are now fully fitted with LED lighting and the Group undertook a de-lamping project in 2023 to remove unnecessary lighting, thus also aiding the overall reductions in consumption.

### Scope 3 emissions

Snozone operates two fully licensed restaurants in the UK - The Alpine Kitchen. Our coffee provider delivers their supplies in electric vehicles and their product comes in biodegradable packets, and our soft drinks supplier delivers all soft beverages in 100% recyclable glass bottles.

Through improved automation of our ordering and a robust planned preventative maintenance schedule, supply chain visitation to the venues has reduced by about 30% compared with 2022, thus aiding a reduction in scope 3 emissions.

Regarding employee travel, we offer team members the option to join our Cycle to Work programme, a salary sacrifice scheme that promotes commuting via bike.

### Building certifications

Snozone venues have EPC ratings of B in Madrid, B in Yorkshire, and C in Milton Keynes and these ratings reflect how much more efficient we are than comparable businesses in our sector – often ranging from a C to an F. In 2024, our focus will be on achieving an EPC B for our Milton Keynes venue.

From 1 April 2023, EPC rating regulations tightened, requiring all existing leases to achieve a minimum EPC rating of E. At the end of 2023, 96.8% of EPCs for our shopping centre units are rated E or above, with 70.6% rated as C or above. The remaining 3.2% accounts for retail shell units that are not currently in scope for a rating. In 2023, we established an EPC Management dashboard using Power BI, which allows us to monitor EPC regulations and capex requirements to establish required actions, improve ratings through fit-out design, and implement an active management plan per centre. Our focus in 2024 will be to monitor the EPC Management Plan per centre and compare the portfolio results with sector and national averages for comparable buildings.

At the centre level, as a result of our energy efficiency efforts in 2023, we improved our EPC ratings for The Mall Maidstone and The Mall Wood Green. Together with 17&Central, Walthamstow, these three centres have EPC B ratings. Only two centres – The Exchange, Ilford and The Marlowes, Hemel – have EPC D ratings. Beyond EPCs, we are also looking to industry-leading sustainability certifications such as BREEAM, recognising their value in providing assurance to stakeholders of the centres' environmental credentials whilst identifying recommendations to inform our net zero carbon pathway. In 2023, we began assessing our assets against BREEAM, prioritising our largest shopping centre, The Mall Wood Green, and achieving BREEAM Very Good. Assessments of our remaining five owned shopping centres are underway and will be completed in 2024, along with the development of a long-term roadmap to implement resulting recommendations.



**Pilar Cruceta**  
Head of Reception at  
Snozone Madrid

### Our People

I started as a receptionist at our venue in 2003 and shortly became head of reception, a post I've held ever since, and I love working here. Solar panels have had a tremendous impact on electricity costs, which have been significantly reduced by around 40% since the installation was completed, enabling us to re-invest in other utility-saving initiatives.

What I like the most about Snozone is the commitment of the company and colleagues. There is always a positive atmosphere and a desire to make the company better. Adapting to changes that C&R introduced when they acquired us has been easy because of the way we were communicated with, and this has continued, making us feel super valued.

## Environment

### Renewable procurement and onsite generation

Shopping centres' landlord electricity is 100% renewable and REGO certified. However, the transition to renewable gas has proved slower and more challenging, particularly considering our Food & Beverage (F&B) occupiers and their higher reliance on gas sources.

Snozone's electricity is 100% renewable and 100% traceable, sourced from the Hornsea North Sea wind farm for our UK venues, about 90 miles from our Yorkshire venue. In Madrid, 68% of power is sourced from a mixture of solar, wind and nuclear energy, with the remaining 32% supplied by 1,600 of our own solar panels.

For both asset types, we continue to investigate opportunities to increase onsite renewable energy. For our shopping centres, we are working through a feasibility study on implementing solar PV at select assets.

### Nature and offsetting

C&R wants to contribute to a nature-positive future by helping to restore ecosystems and supporting biodiversity to flourish. At the same time, even when undertaking the maximum efforts to reduce emissions, we expect there will be a proportion of unavoidable emissions for which carbon offsets may need to be used.

One of the ways we do this is by helping to mitigate the alarming rates of global deforestation. In 2021, Snozone partnered with Tree-Nation, a credible worldwide tree-planting scheme, which creates biodiversity in areas of the world where it's needed. Since the partnership began, we have planted 23,681 trees in Africa, reforesting 24 hectares. This also helps Snozone offset its carbon emissions, with 2,282 tCO<sub>2</sub> offset to date. In 2023, we outperformed our target to plant 9,000 trees, planting over 12,500, and by the end of 2024, we have a goal to reach 32,000 since the partnership began.

In practice, one tree is planted for every 38,000 visits to our website, thus rendering our website 100% carbon neutral. We also plant two trees for every guest who joins our Snozone membership scheme and for every second lesson that is booked on our learning to ski or snowboard lesson pathway, which is a key part of our offering.

#### Ilford InGreen action day

The team from The Exchange, Ilford joined community partners at the Ilford InGreen action day to help clear up key areas of the town centre. This included litter picking around the High Road and giving the garden at VHP Hindu Centre of Ilford and Vine Court Church a makeover with some new plant beds. The group collected over 15 bags of rubbish, pulled dozens of weeds, planted over 20 new plants and had a combined step count of over 125,000 steps.

One of the ways our shopping centres foster biodiversity is through the introduction of beehives. We previously introduced these at The Mall Luton on the rooftop and in 2023, we installed two bee hotels in the garden next to the bus lane at The Mall Maidstone, which are also present at

The Mall Wood Green and Gyle. These will help structure the nests of solitary bees, mimicking the natural cavities that bees would use, such as holes in wood or hollow planet steps.

## Water

For shopping centres, water consumption increased by 14% in 2023 compared to 2022 and 3% against the 2019 baseline. The increase is due to the major works that took place, including the introduction of the Crate Food Hall and residential works in 17& Central, Walthamstow, the NHS CDC in The Mall Wood Green, and the NHS Health Centre in The Exchange, Ilford. We also experienced significant water loss in The Exchange, Ilford due to a contractor incident onsite. In the latter part of 2023, we installed smart water meters to receive more accurate and real-time data that can focus our interventions, and we have set a target to reduce water consumption by 10% compared to 2023.

Snozone's water-consuming activities largely consist of creating snow as well as our kitchens and bathrooms. Through an improvement to ways of working, Snozone reduced its water consumption by 13% versus 2022 and by 18% compared to the 2019 baseline year. This is due to effective snow management, which reduces the need for more water to be used. Building on this, we have set a target in 2024 to achieve a further 10% reduction in water use compared to 2023.

## Waste

Across the shopping centre portfolio, zero waste goes to landfill with 33% of waste recycled and 67% recovered in 2023. Nevertheless, together with our partner Don't Waste we continue to integrate ways to scale up and enhance our circular economy practices at the shopping centre level. In 2023, this included introducing two new recycling streams for wood and scrap metal. We also conducted two retailer engagement sessions aimed at enhancing waste management practices within the centre. These sessions were designed to educate retailers on the importance of waste segregation and recycling, with a specific focus on coffee bean waste recycling.

Other centre initiatives included a Love Not Landfill campaign ran by 17&Central Walthamstow with ReLondon, installing a clothes recycling bank in the shopping centre. This was to encourage our guests to give their pre-loved clothes and textiles a second chance and reduce the amount of clothing taken to landfill. At The Exchange, Ilford, we ran a summer campaign consisting of fun activities, events, crafts, entertainment and competitions, all based around the theme of helping to save our planet. Activities included a life-size inflatable whale theatre performance focused on plastic pollution in the ocean, a Bjorn the Bear performance focused on climate change, a recycling demonstration workshop, a smoothie bike challenge, and a vintage fashion pop-up market.

According to Don't Waste, which meticulously tracks and records all site waste data per grade, category and treatment method, our waste practices in 2023 saved over 2.3 million m<sup>3</sup>CO<sub>2</sub>, almost 4.5 million kWh of energy, 8,639 trees, and over 13.2 million litres of water.

Snozone venues eliminated all single-use plastics from our restaurants in 2021 and this now extends to clothing and merchandise in our onsite gift and equipment shops, achieved through our long-standing relationships with suppliers. As a tenant, waste management falls under the responsibility of Snozone's landlords and is therefore outside of our direct control. Nevertheless, Snozone implements effective waste segregation practices, with defined bins for general, food, plastic, and paper. Snozone also has ESG Officers at each venue who help with waste reduction initiatives such as encouraging the use of recycling bins and reducing printer paper. The Food & Beverage managers in our Alpine Kitchen restaurants also pay close attention to ordering products through an integrated stock and order system, as well as portion control through adherence to menu specifications to reduce food waste.

## Climate risk

Human-induced climate change is causing shifts in weather patterns across the world and is projected to intensify in the coming years. We are already experiencing the impact of these events first-hand, leading to disruption in our shopping centres. As we play a crucial role in our local communities, climate-related centre disruptions can limit the public's access to vital products and services and can have adverse effects on the health and wellbeing of our guests and staff. We are working to ensure we have the policies and procedures in place to address climate-related risks and mitigate their negative consequences.

Partnering with experts, we have critically analysed our governance of climate-related considerations and assessed our climate-related risks and opportunities via a quantitative modelling assessment featuring multiple climate scenarios and time horizons. This enabled us to develop a comprehensive understanding of our exposure to climate-related physical and transition risks that could present material financial impacts on our business.

In 2023, we strengthened our Group's climate resilience and alignment with the BBP Climate Commitment by developing our Climate Adaptation Plan. This comprehensive plan serves as a toolkit and management framework for navigating a world increasingly affected by climate-related impacts. To ensure effective execution, senior members of our team have been assigned formal oversight responsibilities for the distinct elements of the plan.

Our evolving climate resilience strategy is actively shaping our management approach to climate-related risks. Furthermore, it is helping identify beneficial opportunities, such as reducing operational costs and capital expenditure whilst increasing revenues and asset values. For example, we implemented Voltage Optimiser equipment at our Snozone venues to weatherproof the assets and regulate their power supply. By embedding climate-related risks and an adaptive strategy into our overall strategic approach, we have positioned ourselves to make informed decisions regarding financial planning and investment choices throughout the lifecycles of our existing and targeted assets. This enables us to proactively manage and mitigate risks associated with climate change, ensuring the long-term resilience and sustainability of our portfolio. To learn more about our climate risk management, see pages 45-56 for our third response to the Task Force on Climate-related Financial Disclosures (TCFD).



**Catriona Baillie**  
Marketing Manager,  
The Mall Wood Green

## Our People

**Catriona joined Capital & Regional in 2021 as Marketing Manager at The Mall Wood Green. Previously, Catriona enjoyed a successful career with JLL and intu Properties, working on local and national shopping centre marketing campaigns as well as corporate responsibility initiatives, which is how she developed her strong interest in ESG.**

Catriona's role in Wood Green focuses on delivering the centre's Community Wheel of Support strategy: liaising with stakeholders to improve the local area, working with charities on events, and developing campaigns to support local arts, culture, diversity, accessibility, and sustainability. The centre's partnership with North London Samaritans has been a key success.

Catriona leads the group marketing meetings, supporting the centre marketing managers to work collaboratively and share best practice to deliver results. As a member of the ESG subcommittee, Catriona is passionate about communicating the centres' wide-ranging impact and achievements and has spearheaded several successful award bids including Revos, Sceptres and a prestigious Health Service Journal Award for the Wood Green Community Diagnostic Centre.

Catriona enjoys the broad nature of the role, with a typical week encompassing everything from supporting a retailer with a new store opening, creating content for the centre's digital channels, devising a new guest experience and volunteering with a local charity. The Mall Wood Green offers Catriona an opportunity to diversify her marketing skills as the centre is home to a range of F&B, leisure, and services alongside traditional retail.



## People

At the core of our business lies the strength of our team. We are promoting a culture of empowerment that enables our colleagues to thrive in their careers and reach their full potential.

The success of our business relies on the staff that carry out our day-to-day operations, so we make it our mission to offer a workplace that provides support, thrives on diversity and inclusivity, and has open communication between our SLT and the rest of the business. Through our various staff surveys, we encourage employee feedback so we can respond swiftly and effectively to their needs and concerns, whether it's regarding our physical workplace, benefits, or training and education programmes.

### A new purpose for 2023

This year, we partnered with venturethree, an independent brand consultant, to elevate C&R's culture and launch four new principles that encapsulate our ethos, set a clear direction for the company and act as a compass for decision-making and behaviour. Our employees' participation was integral, as their insight and feedback fed into our final outputs. The four principles seek to build on C&R's unique identity, further cementing our intentions through clear communication to ensure everyone is working towards the same goals. They also serve as a powerful tool for recruiting and retaining talent, as when employees understand and align with a company's culture this can reap dividends for their satisfaction, productivity, and C&R's success.

### We are contributing to the following SDGs:



- **Four** new cultural principles launched
- **7.7/10** average score achieved for shopping centres' employee engagement pulse survey
- **86%** satisfaction rate amongst Snozone employees
- **74%** retention rate of core Snozone staff vs. a 47% national leisure sector average
- **0%** gender managerial gap across C&R
- **91%** of respondents to our D&I survey strongly believe we cultivate a workplace environment that is inclusive and welcoming to individuals of all backgrounds
- **79%** of Snozone employees gained an accreditation or certification
- **10-point** increase achieved on the Work Health Index



'Bring the World In' by embracing different cultures and perspectives, which in turn, enables C&R to consider new, rich ideas.



'Make it Count' by placing a priority on impact, pushing ourselves to higher standards and taking ownership of our actions.



'Uplift the Everyday' by celebrating each other's victories and understanding and responding to the needs of others.



'Win as One' by giving people the space to grow, learning from each other's strengths, and sharing honesty to earn trust.

## Employee engagement

At C&R, employee engagement is used to monitor the success of our programmes and sentiment regarding our culture, from career development and training opportunities to management and our processes. It also provides mechanisms for which staff can share their feedback with us so we can take action to evolve in line with their expectations. We firmly believe that engaging our teams means engaging our guests and retailers to provide an outstanding experience.

Since the creation of our Employee Voice Committee and our online tool that allows employees to submit anonymous feedback anytime, day or night, it has become a trusted platform where staff feel comfortable to openly share their opinions and feed into our business decisions. One new initiative conducted in 2023, was our Tree of Positivity in C&R's support office and shopping centres. We displayed Christmas tree gift tags with a QR code, giving employees the opportunity to share how their colleagues were positively impacting them, and 27 individuals were celebrated through this initiative. This speaks to our culture and goes a long way towards helping our people feel valued for their thoughtful actions.

Our annual pulse engagement survey for shopping centres and the support office, independently completed with the Happiness Index, received a 95% response rate and an average 7.7 score out of 10, which is above the industry average of 7. We have used the results to develop an action plan with our Diversity and Inclusion and Employee Voice Committees to address how we can improve the delivery of our initiatives, support our community strategy, and innovate our communication systems. We are pleased with this result and are aiming to maintain our 95% response rate in 2024.

Snozone employees' satisfaction within the workplace is assessed through a bi-annual survey, which measures 'top box satisfaction' (i.e. those team members who are 'very satisfied or 'extremely satisfied' in their place of work). In 2023, the aggregated score was 86%. Engagement and satisfaction are also reflected through our impressive overall retention rate of 74% (excluding seasonal workers) against a national leisure sector average of 47%, according to the UK Office for National Statistics. Further to this, 25% of our team members have over five years of continued service.

## People

### C&R's office relocation

Acting on employee feedback from our 2022 staff survey, in 2023, we relocated our support office to the Strand in London, providing a new vibrant and collaborative workspace. The new location is in a lively area with excellent amenities and transport links, making it easy for staff to access everything London has to offer. ESG was a key consideration when selecting the new office, where the location, energy efficiency of the space and waste management were top priorities. We are also continuing to work with the landlord to achieve further ESG improvements, such as the implementation of food waste segregation, in line with C&R's standards. From a wellness perspective, we have included extra



standing desks and employees have access to green space via an outdoor balcony. To bring the rich culture of C&R's local communities into our new space, we also commissioned a local artist to create murals in our meeting rooms to brighten and inspire.

### Diversity and inclusion

Effectively serving C&R's communities requires diverse voices, skills, and perspectives so our business can grow, innovate and evolve in line with the needs of our guests and retailers. This means fostering an environment where all individuals feel valued and can contribute to their full potential, free of harassment and discrimination.

Our Diversity and Inclusion (D&I) Committee, responsible for building a diverse and inclusive workforce, ran several events in 2023 to further develop our thinking on diversity, equity, and inclusion. For example, "Get Comfortable with the Uncomfortable" video series featured employees and guest speakers who courageously shared their personal experiences and insights on sensitive topics such as race and sexuality. Other events included attending Pride's Got Talent at the Adelphi Theatre, which celebrated LGBT+ artists. We also published several educational pieces around Black History Month, Developmental Language Disorder Day, Stroke Awareness, Race Equality Week,

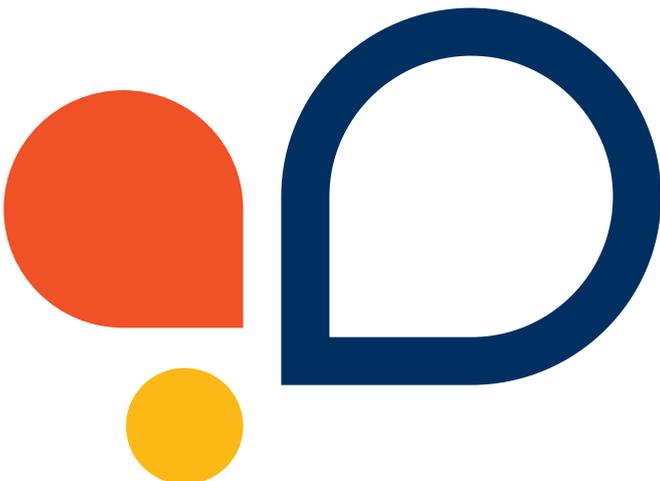
Mental Health Awareness, and more to bring attention to these topics.

In 2023, Snozone maintained our status as a Disability Confident Employer for the fourth consecutive year, with 9% of our workforce represented by team members with a registered disability or mental impairment. With this in mind, we were approached in February 2023 by the Shaw Trust, an equal opportunity charity, to provide a four-week placement to a teenager with cerebral palsy, and we hope to offer more opportunities like this in the future.

To further track our progress, we conduct an annual D&I survey with our support office and shopping centre teams. In 2023, we received a positive response from staff, with the majority of the responses stating that C&R is a diverse and inclusive company. Proudly, 91% of respondents strongly believe we cultivate a workplace environment that is inclusive and welcoming to individuals of all backgrounds, regardless of age, race, religion, sexual orientation, or disability. We use the feedback from this

To monitor and track our progress, we set annual KPIs focused on gender, pay and ethnicity. In 2023:

- **0%** gender managerial gap across C&R
- **25.8%** mean Gender Pay Gap Across Mall People and CRPM
- **2.8%** mean gender pay gap for Snozone
- **18%** ethnic representation in Snozone's workforce



survey to inspire ideas for future initiatives and identify ways we can improve and maintain our D&I efforts.

## Career development and training

We place significant emphasis on providing our people with the tools they need to succeed, adapt to today's evolving trends and challenges, and achieve their career ambitions. We do this by offering a multitude of training and career development programmes.

Performance appraisals are completed at the beginning of each year to review employees' performance over the previous year and agree on objectives for the year ahead, with 86% of employee performance reviews completed in 2023. As well as a formal mid-year review, monthly conversations are scheduled between line managers and their direct reports to regularly discuss progress against employees' personal development plans, where employees agree on the development and training support that they require. This includes accredited training as well as leadership mentoring, coaching, and courses, where supportive.

In 2023, we offered a comprehensive Line Management training course for 10 employees, incorporating both coaching and mentoring support alongside formal modular learning. The training covered four key modules including how to deliver performance through people, motivating teams effectively, accountability and difficult conversations, and the line manager as a coach. Reinforced by learning circles to embed education, coaching, and Senior Leadership Team mentorship, the programme advanced the participants' management capabilities and received positive feedback.

Across our centres and the support office, 1,872 hours of training and development were completed in 2023. This includes mandatory IT training, with 61% of staff completing all 11 sessions. The sessions covered topics such as phishing, security, personal data handling, privacy, and the UK Whistleblower Act. We also launched a new

in-house training programme based on staff feedback. We developed two sessions that leveraged the expertise in our business to provide training on frequently used software programmes, including Voyager, our property and accounting platform, and Excel.

Building on the ESG training delivered to our shopping centre teams and support office in 2022, we will be implementing bespoke ESG training programmes across the entire workforce in 2024. Delivering the objectives of C&R's ESG Strategy requires creating awareness amongst staff of the individual role they can play as well as equipping them with the skills to implement the strategy effectively.

Snozone's training programme is geared towards the dual importance of developing our team members in skills that will add value to them and their future - with accredited and certified training - and in disciplines that will add value to the business. We measure the success of our efforts via our Knowledge Achieved through Training (KAT) KPI, with 79% of our workforce gaining an accreditation or certification in 2023. These subject matters range from BASI Adaptive coaching qualifications and barista training to mental health awareness training and first aid and sales training. In addition, the management team at the venues undertake a structured 'Coaching for High performance' workshop each year. All employees have bi-annual appraisals, where targets and objectives are also set for the forthcoming year. This provides an opportunity for employees to have meaningful conversations about their development and future within Snozone. As a result, we have supported our team members into more senior roles. Currently, 18% of our management team has come through our internal pathway. In addition, each year, team members are inducted into the Snozone Hall of Fame. Employees usually qualify for a nomination after a five-year period of consecutive service and must visibly uphold our values.



**Humphrey Mwanza**  
General Manager  
The Marlowes,  
Hemel Hempstead

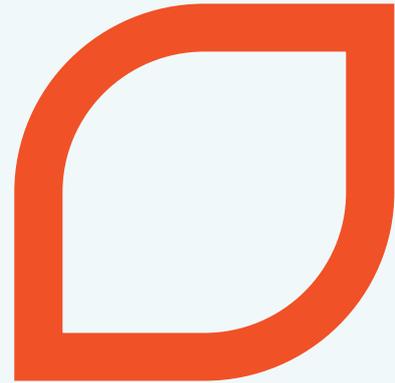
## Our People

**Humphrey joined the business as a General Manager in May 2019, following a successful 20-year career holding various roles within the retail fashion industry.**

Humphrey thrives on delivering results through people, by engaging and supporting his team to ensure guest and customer experience is always at the heart of the everyday. Through his wealth of retail experience and industry knowledge, he works closely with our retail customers, Dacorum local council and wider community stakeholders.

In supporting the wider Hemel Hempstead retail community, Humphrey chairs the Hemel Business Improvement District Board focusing on driving footfall and ensuring a clean and safe environment and is the Director of The Hemel Garden Community Board at Dacorum Borough Council, supporting regeneration, town planning and community initiatives for the wider success of the town.

Humphrey is a member of the Employee Voice and Diversity and Inclusion Committee ensuring employees feel valued and experience psychological safety regardless of our differences.



## People

### Recognising employees going the extra mile

In our shopping centres, we have an ongoing programme that recognises our team members for their hard work and going the extra mile (GEM) attitude. The GEM staff awards look to recognise those team members who have shown tremendous acts of kindness and overall work effort.

Since the start of the initiative in 2018, we are proud to have a growing number of rare GEMs in our teams throughout the centres, having recognised our staff 695 times. Their consistent hard work makes all the difference to our guests, other team members and our business. For example, 50% of staff completed the WorldHost customer service training, and as a result allows us to maintain our status as a WorldHost Recognised Business. In addition to our GEM awards, we hosted our National Sparkle Awards in November, where we honoured the following team members for having truly gone above and beyond the call of duty:

**Alina Barbu**  
from The  
Exchange, Ilford

**Akua Asantewa**  
from 17&Central,  
Walthamstow

**Johnson Asamoah**  
from The Mall,  
Wood Green

**Rachel Killick**  
from The Mall,  
Maidstone

**Zeny O'Hara**  
from The Marlowes,  
Hemel Hempstead

As part of the Sparkle programme, we are proud to have recognised 75 staff members for their inspiring efforts in 2023. The overall winner of the Sparkle Awards 2023 was Johnson Asamoah from The Mall Wood Green.



Having delivered customer service training to around 100 colleagues within Capital & Regional, I have been incredibly impressed by the organisational-wide focus on meeting and exceeding guests' needs and expectations. I've worked with many businesses and can honestly say that the GEM programme offers a fantastic means to recognise and reward colleagues who go that extra mile to delight their guests. The Sparkle Awards in November provided a platform to formally recognise these achievements and underline the consistent commitment shown across the organisation at all levels to offer excellent customer service to every visitor."

**Phil Raynsford, WorldHost, Senior Trainer**

## Health, safety and wellbeing

We have robust health and safety policies and procedures in place, which set standards across the business whilst safeguarding our employees, visitors and retailers. These policies undergo regular reviews to ensure their effectiveness and relevance. In the event of an incident, we take appropriate actions to address the situation and implement measures to prevent its recurrence in the future.

As well as setting annual KPIs, we also take part in the Work Health Index, which evaluates our policies, provisions and practices regarding employees' health and productivity across four areas (Work, Live, Move, and Thrive). We experienced an impressive 10-point increase compared to 2022, and the benchmark also enables us to compare our performance with other organisations. We scored 76 against an average score of 52 across all businesses. In all four areas, we scored above the sector average, reflecting our proactive approach to anticipating potential health challenges within our workforce. Our higher score in 2023 was due to improvements in several areas including maternity pay, increasing our employer pension contributions above statutory requirements, introducing a Cycle to Work scheme, provisions of mental health first aiders, facilitating regular Employee Voice forum meetings, and benefits provided by the office relocation.

This year, we updated our shopping centres' health and safety policy, redefined roles and responsibilities, and evolved our procedures to ensure we are incorporating comprehensive approaches to health and safety management. As part of this, we introduced a tailored training programme that specifically addresses the changes made to the policy and encompasses various topics such as fire safety awareness, slips, trips and falls prevention, and manual handling. In 2023, 100% of our workforce completed the training.

We strengthened and expanded our long-standing relationship with the Retail Trust, a charitable organisation that helps care for and protect people who work in retail. Staff can register for the programme for free and unlock wellness support such as physical wellbeing advice, mental health assistance, career development guidance, and online therapy. It also includes financial advice, retail discounts and rewards schemes, which assist staff through the cost-of-living crisis. To support physical wellness, we offer a Cycle to Work scheme to all C&R employees.

### Wellbeing calendar

To prioritise wellness, our Employee Voice Committee developed a wellness calendar filled with tips and challenges to promote physical and mental wellness amongst our teams throughout the year. Challenges included drinking two litres of water, stretching, and practicing mindfulness techniques.

### Supporting employees' financial wellbeing

As well as paying 6% above the 2023 minimum wage for all non-managerial employees, Snozone was an early adopter of Wagestream, a financial wellbeing platform, widely used in the retail, leisure, and hospitality industries. The platform enables our team to manage their earned income throughout the month linked to registered hours worked, instead of having to wait until pay day to access their wages. The initiative allows hourly workers to manage their monthly expenses and take out up to 50% and no more than £1,000 of their pay before payday. This helps to lessen reliance on credit cards and the resulting interest rates that could be incurred, with the app also providing savings accounts. Snozone has received overwhelmingly positive feedback, with 60% of its staff using this tool.

In each of our shopping centres, we also launched a new health and safety awareness campaign. As part of this, teams have been proactively monitoring weather forecasts for high winds and storms so we can mitigate potential risks and protect guests and team members from adverse conditions. Alongside this, as a precautionary measure, all our centres conducted visual assessments of external signage, considering patterns of high winds experienced in previous years. Furthermore, in 2023, all our centres were awarded gold in the UK Department of Developmental Services (DDS) audits, which demonstrates our strong commitment to health and safety for our team and guests, in addition to our new health and safety policy and training.

Given the nature of our business where velocity and gradient meet, skiing and snowboarding are sports that can also lend themselves to a degree of risk. This is at the forefront of Snozone's approach both with how the sports are taught and how the snow parks are shaped. Checks are rigorous and are performed four times a day across all venues.

Snozone carry out two independent and random audits each year conducted by health and safety provider, Citation. Testament to our approach, our venues achieved exceptional scores, with 98% for our UK venues and 97.5% for Madrid, with zero critical points. These results reflect our steadfast dedication to maintaining a safe working environment for our team members and guests. In addition, all ski and snowboard coaches must be first aid qualified before they are permitted to coach guests.

## Community

Enhancing our role in the community is part of our DNA, to create tailored inclusive spaces where the community can meet and experience as well as access the services they need.

To have a positive impact within the communities where we operate and increase footfall to our assets, we focus on cohesion, cultural appreciation, inclusivity, youth education, environmental awareness, supporting local charities and economic inclusion. Our success relies on understanding the unique needs of each catchment area, as well as trusted partnerships with local organisations who help us to deliver on and scale up our ambitions. To track our progress, both shopping centres and Snozone track KPIs and set annual targets, with progress overseen by the Community Committee.

### Community Wheel of Support

Community impact made by our shopping centre assets is guided by a Community Wheel of Support initiative, which actively assists locally-led projects through six potential areas. To encourage action from our centre teams, we set nine KPIs, each with a defined target level for 2023, which

are then cascaded down to the centre level. Each centre is responsible for defining the needs of its stakeholders and the local organisations they should engage with in relation to the six areas of impact. At the start of the year, each centre defines the specific actions they pledge to achieve and the desired impact.

In 2023, we exceeded all but one KPI regarding volunteering hours. Some key highlights include supporting over 150 community groups, hosting 112 community events, providing almost £151,000 in community investment through sponsorships and donations, and fundraising over £46,000 through C&R Cares. Most impressively, we significantly exceeded our support for community services, including ShopMobility, Electric Umbrella, The Marlowes' Dementia Hub and the Record Shop, which totalled almost £180,000. Examples of projects for each of the six groups are included in the graphic below.

The Marlowes worked alongside the local Hemel Business Improvement District by attending 12 meetings to help improve overall town centre footfall and make it a safer place for the community.

The Mall Wood Green hosted RecFest, a free musical festival, with 60+ local, emerging artists showcasing their music.

Over 465 volunteering hours were spent supporting the community across all shopping centres.



The Exchange, Ilford worked alongside Barkingside Arts with neurodiverse artists to create inclusive activities for neurodiverse children.

The Mall Wood Green partnered with North London Samaritans as its charity of the year, raising £4,000 through events such as Mental Health Awareness week.

17&Central introduced circular economy initiatives including a book swap zone and a new donation station.

### We are contributing to the following SDGs:



- **£46,195** raised through C&R Cares
- **£179,798** donated to supporting community services.
- **293** different charities and community groups supported
- **465** hours of volunteering
- **Over 250** free ski and snowboard lessons offered to women and girls by Snozone
- **2,056** disability snow school adaptive lessons provided by Snozone
- **£2,000** raised for Snozone's charity partner, SENSE
- **+700** schools participated in Snozone's education programme to date

### Working with The Good Economy Partnership on impact management

We worked with The Good Economy Partnership in 2023 to conduct a social impact assessment across our shopping centre portfolio to measure and quantify the positive and negative impact we have on people and the planet. The assessment informed C&R's social impact goal, which is to maximise the potential of retail and leisure assets by creating locations where people want to be, businesses thrive, and local communities flourish.

Starting in 2024, we will implement a three-year framework to achieve this goal, driven by five objectives:

- Curate thriving destinations that meet local needs
- Form quality partnerships to maximise impact
- Act as a responsible and inclusive landlord and business
- Provide meaningful community and charity support
- Make a positive contribution to the natural capital and low carbon agendas.

Each objective has a set of metrics to be achieved at the centre, portfolio and/or corporate level so we can prove and improve our level of impact creation.



# 2023 Community contributions



£331,000

raised in 2023



293

charities and community  
groups supported

## Education



700

affiliated schools  
across Snozone  
venues



900

school uniforms  
donated for children  
in need



382

books donated  
to The Children's  
Book Project for  
disadvantaged  
children

## Inclusivity & accessibility



2,000

adaptive ski lessons  
offered across  
Snozone locations



250

free ski lessons for  
women and girls



14,000

people have  
accessed essential  
services through  
Wood Green CDC

## Community events



112

community events  
hosted throughout  
our shopping centres



60+

local artists  
showcased at The  
Mall Wood Green



3

community projects  
shortlisted for REVO  
awards

## Fundraising & donations



£180,000

in support for community  
services



£150,945

in community investments  
through sponsorships and  
donations



£46,195

raised through C&R cares



£30,000

in donations from our  
Christmas Grottos



£4,000

raised for mental health  
services during Mental  
Health Awareness Week



£2,000

raised for Snozone's  
charity partner SENSE



## Community



### Step Now partnership

Since 2021, we have partnered with Step Now, an organisation that seeks to provide opportunities for disadvantaged young people. So far, we have hosted eight students, welcoming them to our support offices to meet with our teams to learn about each department's responsibilities. They have the chance to job shadow to understand specific roles across the business and attend a site visit to one of our centres, which includes a tour to provide firsthand experience of day-to-day operations. They have also visited Snozone where they took part in an interactive session with the directors to understand how Snozone operates as a commercial business, to assist them with their business knowledge and support their NVQ learning.

## Charitable fundraising and volunteering

Through the collective efforts of our shopping centres in 2023, we supported 140 charities and 153 community groups, providing £150,945 in community investment and 465 hours of volunteering. Not only do our charitable events and giving activities increase footfall at our assets, but they also help shape each centre's identity in the community, providing a place for people to connect with each other through supporting important causes. Examples of the many events and initiatives that took place throughout 2023 are detailed below:

### Donation hubs

- In collaboration with the Ilford Business Improvement District and local charities, The Exchange became a hub for the town's first pre-loved school uniform sale. The drive received over 800 donations and over 250 people attended the sale, resulting in over £400 raised for local charity, Saint Francis Hospice.
- Our team at The Mall, Maidstone transformed an existing food bank donation point into a school uniform bank, receiving over 100 donations, which were then distributed to the community through a local charity, Making a Difference in Maidstone.

- 17&Central launched a donation station, designed by local artist Sean Rodrigo, who created a depiction of the Walthamstow Town Hall using over 100 individual 3D custom-designed parts. The station serves as an engaging place for guests to donate items such as food, clothes, gifts, and toys to those in need.

### Children in need

- 17 & Central, The Mall, Wood Green and The Mall, Maidstone joined forces with the charity, The Children's Book Project, to help collect books for disadvantaged children. Collection points were placed in each centre to encourage shoppers to support, with 382 books donated to the charity as a result.
- At The Mall, Wood Green, the Little Flame Cadets and the London Ambulance Service came together to raise money for Children in Need. Captured by the BBC, guests had the opportunity to meet Pudsey Bear and his friend, Blush, with an impressive £1,675 raised. The significance of this fundraising effort goes beyond the financial contribution, as the cadets - despite living with various disabilities - gained valuable work experience through their volunteering on the day

### Community cohesion

- The Marlowes, Hemel started Our Dementia Hub in partnership with the Alzheimer's Society on the first Wednesday of every month, providing a safe space for people to receive support, engage in conversations, and receive guidance on safeguarding issues.
- The Mall, Wood Green held a Brew Monday event with the North London Samaritans on the third Monday of January 2023, which is often regarded as 'Blue Monday' and known as the most challenging day of the year. The event aimed to spread positivity by providing a welcoming space for members of the community to come together over a 'brew' and have conversations. Our team of volunteers spent two hours connecting with guests, directing 20 people to essential support services.

In line with our emphasis on inclusion, Snozone continued our partnership with Sense, the charity for deafblind children and adults, with whom we have partnered since 2014. Through a calendar of events at the venues, we continue to bring much-needed awareness to the charity. In 2023, we introduced a 'donation station' at our Yorkshire venue, which allows team members and guests to donate clothing, books and other items.

### Celebrating diverse cultures

With our assets located in areas of the UK with high levels of diversity, we proudly serve individuals from a multitude of cultures and backgrounds. Every year, we look to cater to a variety of cultural events to promote a safe space for our local patrons and embed the centres into community life.

In April 2023, 17&Central hosted its first-ever Community Iftar, working with local charity partner PL84U AL-SUFFA



### In local MP Stella Creasy's words,

"Truly Walthamstow means welcome and tonight showed how!"

and Waltham Forest Council. The free event sought to bring people of all faiths together as a celebration of diversity, building a sense of community and togetherness. To host the event, the shopping centre reopened after trading hours on a Sunday. While charity partners decorated the centre, staff volunteers ensured the smooth operation of the event and guest health and safety.

The central space was utilised to create a welcoming atmosphere for 250 guests, who were offered water and dates on arrival. We had local Imams lead a congregational prayer, Nasheed performances (devotional acapella poetry) and a delicious vegetarian meal sponsored by local partners and the Council.

The event was also graced by several dignitaries, including Dr Debbie Weekes-Bernard, London's Deputy Mayor for Communities and Social Justice, who tweeted shortly afterwards, "Was wonderful to attend the Community Iftar tonight at the 17&Central shopping centre in Walthamstow. Huge thanks to the amazing Saira & team @ PL84U\_AI\_Suffa & to @wfcouncil & @17andCentral for the opportunity to connect & reflect with my local community."

Testament to its success, the centre, event, and its partners were shortlisted in the Community Initiative category for the REVO Awards.

### Giftng at the Grottos

The festive season continues to be a difficult time of year for many families across the UK. In 2023, our centres went above and beyond to raise money, and support the community while giving our guests a magical experience:

- 17&Central raised £6,829 at their Christmas Grotto for the Walthamstow Toy Library, their charity of the year
- The Mall, Wood Green raised £1,754 from their Christmas Grotto for the North London Samaritans and donated new toys to the Salvation Army for local families
- The Mall, Maidstone in partnership with the Maidstone Borough Council, ran a Christmas Family Appeal to collect donated gifts, decorations, toys and food items for local families in need. In total, 800 people donated to the hub, amounting to a remarkable £16,000
- The Marlowes, Hemel raised £5,000 from their Christmas Grotto in donations for the British Heart Foundation, their charity of the year. The centre also hosted a 'Fill Santa's Sleigh' Challenge, with



donations split between three charities: The Lions, Sebby's Corner and Herts Young Homeless

- Gyle worked in partnership with Cash For Kids for Mission Christmas, an initiative that served over 22,072 children across Edinburgh, the Lothians, Fife and Falkirk, raised over £450,000 in cash donations and generated over £900,000 worth of gifts.

## Community

### 326 Youth Hub

The Mall Maidstone introduced the 326 Youth Hub in partnership with Maidstone Borough Council and Maidstone Business Improvement District. This vibrant space aims to provide a wide range of activities and opportunities for young people, catering to their diverse interests and creating a sense of belonging. In addition to recreational activities, the Youth Hub facilitates informal engagement with professionals such as youth workers and health professionals, helping to build resilience and develop life skills. The opening of the hub was preceded by a message from Alessia Russo, a Maidstone native and England national footballer. The Youth Hub's establishment is a response to increasing rates of youth violence, mental health concerns, and suicides nationwide, with a focus on creating a safe and supportive environment for young individuals. Open on weekdays from 3pm to 6pm and all day on Saturday, the 326 Youth Hub provides a space where young people can thrive, grow, and enjoy a secure haven amid the challenges they face.



**Angus Blackwood,**  
Snow sports Manager,  
Snozone Yorkshire

### Our People

Snozone's education experiences develop children's learning outside of the classroom, which allows them to develop skills that they may not learn anywhere else. We combine physical education, social learning and, at times, academic learning, which you simply cannot do elsewhere, to the high level and standards we deliver. We reach out and invite many schools via parents' evenings and by our sales teams staying in regular contact with the principal decision-makers in schools. This allows us to speak to them about other education experiences such as the Duke of Edinburgh Bronze Award, GCSE assessments, and the Polar Experience. The feedback we receive is so positive which is why we have been awarded the School Travel Award multiple times over the past seven years. This is voted for by Schools and Teachers and we are so proud of the achievements, and we are constantly working to improve our experiences year on year. This is what makes us special!

### The coronation of King Charles III

Our shopping centres enthusiastically joined the festivities honouring King Charles III during the coronation weekend. They showcased art installations, organised craft activities, and hosted entertaining events. In celebration of this momentous occasion, The Marlowes, Hemel shopping centre had a time capsule competition, with a Year 5 student from Cambersbury Primary School, winning the top prize of £1,000 for their time capsule.

## Shaping young minds

Snozone has established a wide-ranging education programme over the years that continues to succeed. Our UK venues are accreditation centres for the snow sports components of GCSE and A-level Physical Education, meaning that our school affiliates do not have to go abroad at great expense to get their students qualified. Participation in these assessments grew by 22% compared to 2022.

We are also an accredited centre for the Duke of Edinburgh Bronze Award, providing skiing and snowboarding assessments as part of the award.

In addition, we offer a bespoke course for children and students called 'The Polar Experience'. This programme helps develop resilience, teamwork, self-awareness, and confidence through an on-slope problem-solving challenge with a classroom session to conclude. In addition, we provide award-winning School Holiday Camps that support the school curriculum by accentuating good citizenship, offering off-slope modules such as a certificated first aid course for children called Mini Medics and British sign language lessons, which are all delivered by our dedicated teams. Our Spanish coaches also provide conversational Spanish language lessons over Zoom for UK school children during our holiday camps as part of our off-snow activities.

The combination of all our educational initiatives led us to be voted the Best Sporting Venue at the School Travel Awards in 2017, 2021 and 2022. This is a prestigious award, and in the past, nominees in our category have included Wembley Stadium, Manchester City, the National Football Museum, Tottenham Hotspur FC, Twickenham, and Wimbledon. In 2022, we were awarded the quality kite mark by the Council for Learning Outside the Classroom. This kite mark recognises businesses and organisations that can provide educational experiences to the same standard or higher as those taught in the classroom environment. We retained this kite mark with distinction last year. The Council for Learning Outside the Classroom is funded by the Department for Education.

Since the acquisition of the Madrid venue in 2021, we have been developing a solid school programme at the venue to compliment the already successful activities that the team undertake there, similarly supporting the school curriculum.

In our shopping centres, we connect with local partners to provide learning opportunities for young people in the community and run various education-focused initiatives and events throughout the year for our visitors to attend. At The Mall Wood Green, 2023 saw the second year of the

centre's participation in London's Young Careers Network, working with Reed in Partnership to deliver work experience and other career opportunities for young people in the local area. Being part of the network enabled us to share ideas and learn from other partners with more experience in this area and troubleshoot the process of working with schools with the aim that we develop our own relationships with them to drive the programme in the future. Over the summer, three students joined us for work experience from St Thomas More and Highbury Grove schools. This experience allowed the students to get involved and gain insights into all aspects of the centre's operations including content creation, retailer liaison, website audits, reporting and raising money at their own charity stalls.

For younger students, The Marlowes, Hemel launched Marley's Little Library. There is a growing epidemic in the UK surrounding access to books, with one in three disadvantaged children having fewer than ten books of their own at home. This community library provides easy access to books for all local children, where they can read them at the centre, take a book home, swap books, or donate old ones.

## Environmental awareness in the community

As an integral part of the communities we serve, it is essential that we take a leading role in promoting sustainable living and helping people build their own resilience to environmental challenges. As such, our shopping centres organise various events to raise awareness on topics such as recycling and biodiversity.

For example, the Big Recycling Hunt, held at The Marlowes, Hemel, featured remarkable sculptures made entirely from recycled materials by local children. In attendance was the Mayor Councillor, William Allen, with the event showcasing the power of community collaboration and the importance of responsible waste management.

Our team in The Exchange, Ilford organised the Young Guardians of the Planet event, inviting children to engage with various animals, learn about recycling and create their own plant pots and bird feeders using cardboard tubes. 17&Central's #FixItDontDitchIt event took place as part of Repair Week in March, with local artist, Sean Rodriguez, holding a live repair workshop, advising shoppers on possible repair solutions and creating parts using a 3D

printer. The centre also collaborated with Love Not Landfill to install a clothes recycling bank, encouraging visitors to give their clothes and once-loved textiles a second chance and reduce the amount of clothing taken to landfill.

In partnership with Maidstone Borough Council, The Mall Maidstone hosted the Eco Hub for 17 days over the summer. This initiative aimed to support the local community in living more sustainably, saving money, and reducing their carbon footprint. The Eco Hub proved to be hugely successful, with 1,926 visitors, 18 volunteers and 24 local organisations taking part. In total, 17 events took place, including People Planet Pastry, a business sustainability workshop, the Green Doctors Bill Surgery, where guests could get free, impartial advice and support to save energy and reduce bills, and a talk from Kent Wildlife Trust on projects and 2030 goals. In recognition of its success, The Mall Maidstone was shortlisted in the Best Local Authority/Private Sector Partnership category at the REVO Awards for its work with Maidstone Borough Council.

## Local independent businesses

At C&R, we pride ourselves on giving local, diverse and independent businesses a place to see their business grow. Independents currently account for approximately 32% of our occupiers, and our centres provide an environment where they have access to a strong guest base as well as onsite teams who are ready to support them with education and upskilling. Examples of these include:

- 2023 saw the launch of Gül Hanımın Mutfağı, a Turkish frozen food retailer that took the leap from operating out of a family kitchen to a bricks-and-mortar location in Wood Green's Market Hall. Having enjoyed some success purely via word of mouth and social media, the team is now building a thriving customer base for their authentic home-cooked food.
- 2023 also saw the opening of The Bridge, which boasts five independent F&B tenants. A notable success is Apna Adda, an Indian Street Food operator, which scaled its business from a small kiosk in central London to a second location in The Mall Wood Green's new food court. The Bridge is also home to Bowl, a second business for owner Ziggy Aung, whose café Moodog has operated in The Mall, Wood Green for many years. His new venture has branched out into a Southeast Asian menu, which our guests really enjoy.

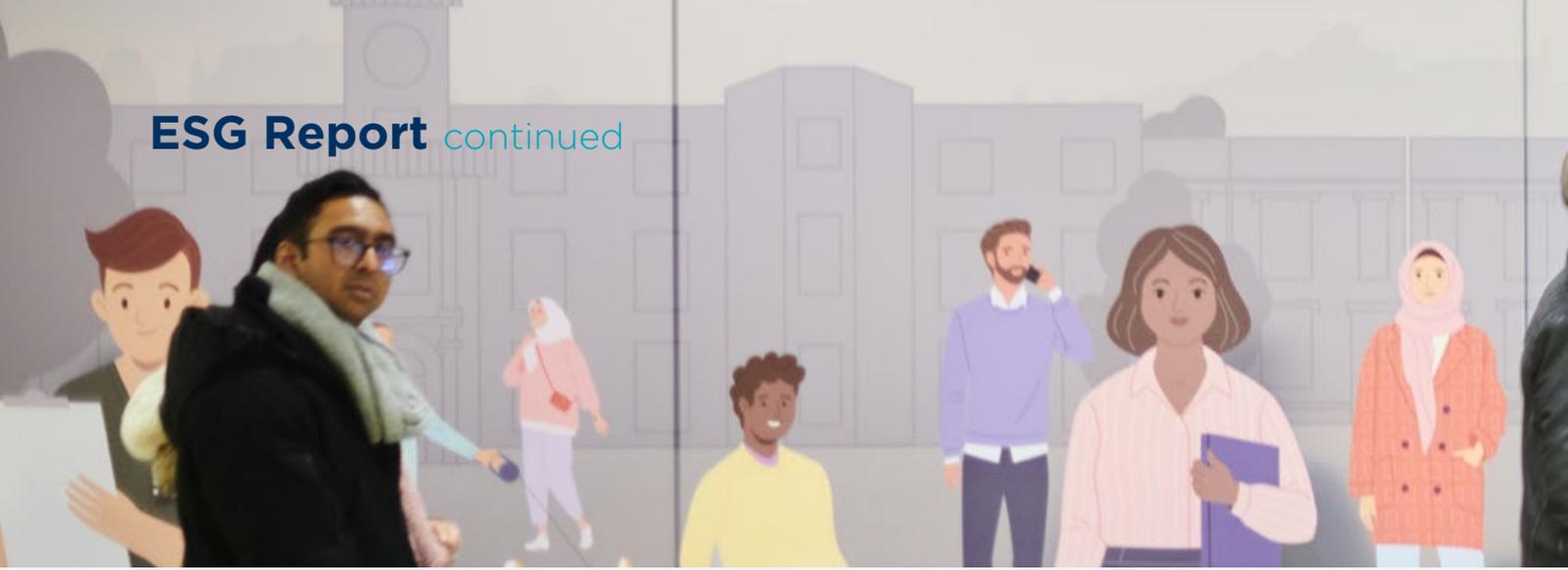
## Guest experience at Snozone

A key tool for measuring guest satisfaction is online reviews on Google and TripAdvisor. Our UK venues have a combined 92% (Very good to Excellent) rating, with over 6,500 reviews. In 2023, we were once again awarded the "Travelers Choice" kite mark by TripAdvisor for the fourth year in a row in the UK. Meanwhile, our efforts in Madrid have seen our score rise from 63% on acquisition to an impressive 79% in 2023.

The majority of our marketing activity and community outreach now takes place online and engagement across all our social platforms increased by 13% compared to 2022.

Our successful approach to the guest experience is driven by the 'Snozone Brand Standards', which exist to provide both a productive defined way of working and consistency in delivery, strengthening our position in the leisure sector and keeping us at number one in the marketplace.





- 17&Central welcomed one such start-up, Hanoi Kitchen, into our food and leisure space. Having scoured the streets of Hanoi and tasted every dish along the way, Nigel and Paula persuaded their favourite street food traders to teach them the very best Vietnamese street eat recipes, and their recipes strike the perfect balance between hot, spicy, fresh, and fragrant.

In 2023, we completed significant updates to CRATE at 17&Central, creating a vibrant, chic, and welcoming space where members of the community can gather, enjoy a coffee, and indulge in delicious food. As part of the refit process, we set a target of achieving an EPC rating of B by utilising renewable energy, natural lighting and increasing greenery, which we formally achieved in 2023. A key focus of our CRATE update was to replace chain offerings with exciting independent food choices, from Yorkshire Burrito, with their on-the-go Sunday roast wrapped in a Yorkshire

pudding, to This is Molo, providing seafood street food with wine pairings for the perfect date night. We support these independent local vendors in establishing their businesses and providing them with everything they need to succeed, from initial business planning and store design to launch and marketing support. This space has now blossomed into a beloved meeting place, with mothers with prams accounting for an impressive 30% of footfall. We take pride in the warm and inclusive environment that brings local people together through several means, including classes, Ted Talks, live music from local and emerging artists, as well as an open plan space for community groups to come together, socialise and build connections.

## Inclusive spaces

C&R values people's differences and offering welcoming retail and leisure spaces means ensuring that our assets and experiences are inclusive and accessible to all people.

With a primary catchment area in both the UK and Madrid that extends up to an hour and thirty minutes and a secondary reach of up to four hours, Snozone serves a huge community. As such, our commitment to diversity and inclusion is visible on and off the slopes. Snozone is an accredited Disability Confident Employer, 20% of our coaches are trained in adaptive coaching, and all our venues are fitted to provide accessibility. We are the only European operator to own and self-manage a Disability Snow School, and in 2023, we proudly welcomed and tutored over 2,000 guests in the UK and Spain who have physical disabilities or mental impairments, significantly outperforming our annual target and achieving a marked increase of 102% compared to 2022. We also performed further outreach in our communities throughout the year, delivering talks to

### When we say "sport for all" we mean "sport for all"

In 2023, we welcomed several guests to Snozone with FASD (Fetal Alcohol Spectrum Disorder) following a post from a parent who shared their visit on the UK FASD Facebook page, highlighting the positive experience of their Snozone visit. FASD can display physical conditions but is mostly behavioural and could be a hidden disability. Our 1:1 approach with our disability-aware and trained instructors, and the welcoming attitude of our team, were noted as providing an inclusive experience for people living with FASD.

## Our People



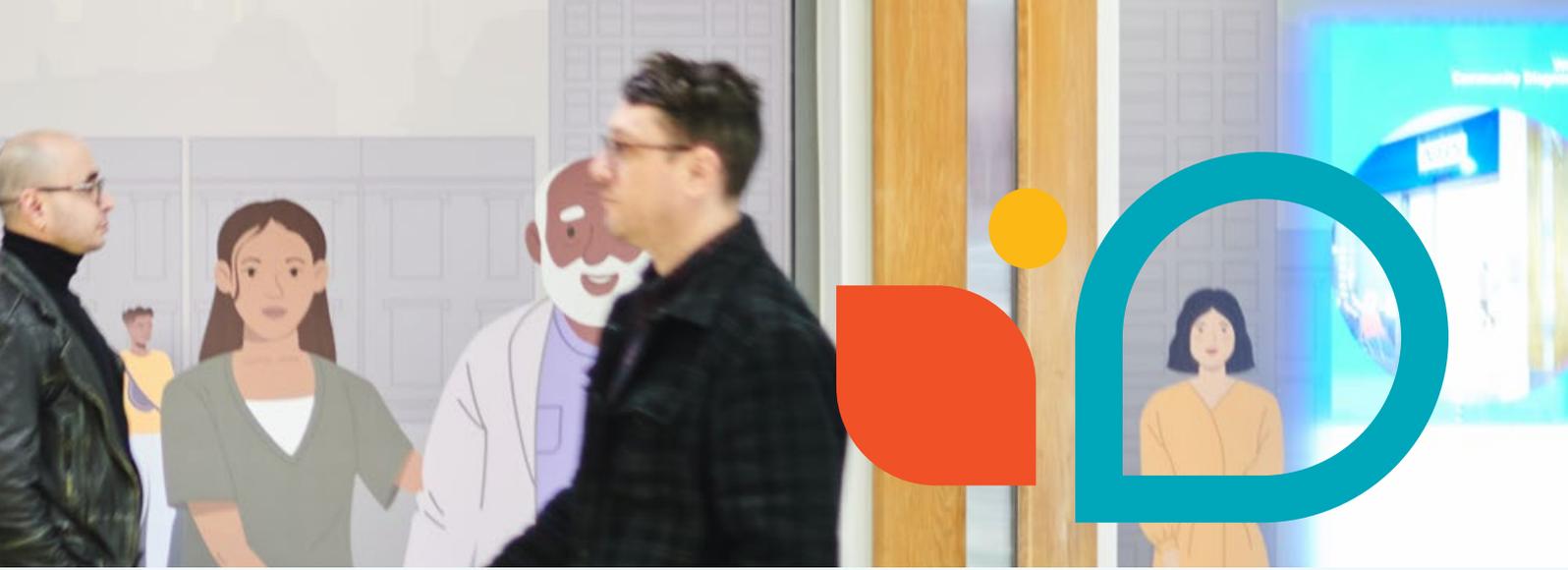
I have been working at Snozone for four years as a receptionist. Throughout the year, over 500,000 guests pass through our doors!

I'm particularly passionate about what we do for disability snow sports - we offer skiing and snowboarding for all abilities - and we never say 'no' to anyone who would like to learn. We have trained coaches and special equipment to deliver outstanding lessons.

What I enjoy the most about working at Snozone are the people I'm surrounded by. They are amazing and our regular guests always bring a smile to my face!

I also enjoy hosting our fantastic children's birthday parties - we offer the best activities in the best location with fantastic food of course!

**Fara Zamir,**  
Receptionist, Milton Keynes



schools about the benefits of fitness and how snow sports can support a healthy lifestyle. We aimed to reach guests who otherwise may not have attended our venues due to the perceived barriers to entry in snow sports.

As well as our long-term partnership with the charity Sense, Snozone supports the sunflower lanyard scheme, which aims to provide a subtle way to signify that someone has a hidden disability such as Crohn's disease or diabetes and might need extra help. At our venues, our teams are trained in various capacities to appropriately approach, engage and assist guests by wearing the lanyard that signifies this.

Snozone lead the sector in enabling women and girls to engage in or return to sport and, therefore, an active lifestyle through avidly supporting Sport England's This Girl Can campaign and has been doing so since its inception in 2015. Several factors prevent women and girls from adhering to and participating in sport, ranging from how it is taught and by whom to a host of social pressures, and this is hugely disproportionate to men and boys. We strongly believe in contributing to address these disparities, starting with a focused recruitment campaign to increase the number of female coaches throughout the Group.

On International Women's Day in 2023, we provided 250 free ski and snowboard lessons to women and girls, as we do each year, and continue to pay special attention to improving their adherence throughout their lesson

pathway to keep them engaged in either alpine discipline. Demonstrating the success of our approach, we achieved above-average retention rates, with 1,200 lessons being realised throughout the learning journey.

Within our shopping centres, we implement initiatives such as Quiet Hour, where lighting is dimmed, no music is playing and there are no PA announcements. This provides a less daunting experience for those who can find loud noises and bright lights overwhelming. We also offer sensory backpacks including ear protectors and sensory toys.

For events, our teams pay particular attention to guests who may require tailored or extra support. For example, during the summer, The Marlowes, Hemel hosted Immersive Globe sessions every Tuesday for four weeks. The onsite team was made aware of one guest with specific sensory needs, and so priority was given to them to participate in a smaller group. In addition, the centre's Christmas Grotto offered SEN sessions, designed for people with special needs, autism or sensory needs, every Sunday. These took place prior to the shops opening and with a reduced noise level. Furthermore, Electric Umbrella at The Marlowes, Hemel offer a workshop for those with learning difficulties to learn a new skill by upcycling musical instruments and The Exchange Ilford works alongside Barkingside Art Club to run inclusive Kids' Club activities for children on the autism spectrum.

## Wood Green Community Diagnostic Centre (CDC)

In March 2023, C&R's partnership with the Whittington Health NHS Trust was recognised at the HSJ Partnership Awards, where the CDC was awarded the 'Best Consultancy Partnership'. The awards acknowledge and honour the most effective partnerships, innovative projects, and collaborations in the UK health system.

Since opening in 2022, the CDC has welcomed over 14,000 people, offering essential services including ultrasounds, X-rays, MRIs, CT scans as well as blood work and GP services. Located on the ground floor of The Mall Wood Green, the location was chosen due to its strong transport links, providing much-needed access to diagnostic services for this community, as well as a shorter or easier journey than travelling to a hospital for these tests. In the years following the pandemic,

community access to NHS services has suffered, with some waitlists for diagnostic tests extending to two and a half years, therefore this partnership addresses a critical challenge head on.

Jonathan Gardner, Director of Strategy, Development and Corporate Affairs at Whittington Health said, "This award recognises the collaborative efforts and dedication of our teams and our partner, Capital & Regional. I am proud that we are delivering NHS services differently. By bringing diagnostic tests into the heart of Haringey, we are reaching a population that has been underserved and tackling the health inequalities that residents face. To be chosen among the other incredible nominees is a wonderful achievement."

## EPRA Sustainability Performance Measures (Environmental)

Impact Area	EPRA Code	Measurement Unit	Performance measure	Indicator	Boundaries
Energy	Elec-Abs, Elec-LFL	annual kWh	Total electricity consumption, Like-for-like total electricity consumption	Electricity	C&R shared areas Tenant obtained Total C&R obtained % from renewable sources (C&R obtained)
	Fuel-Abs, Fuel-LFL	annual kWh	Total fuel consumption, Like-for-like total fuel consumption	Fuels	C&R shared areas Tenant obtained Total C&R obtained % from renewable sources (C&R obtained)
	Energy-Int	annual kWh per ft <sup>2</sup>	Building energy intensity	Energy Intensity	Total C&R obtained
Greenhouse Gas Emissions (GHG)	GHG-Dir-Abs & LFL	tCO <sub>2</sub> e	Total direct GHG emissions	Direct	Scope 1
			Total indirect GHG emissions	Indirect	Scope 2 - Location based Scope 2 - Market based Scope 3 (incl. Tenant usage (2023), T&D (2023), water, waste)
	GHG-Int	kg CO <sub>2</sub> e/ft <sup>2</sup> /year	GHG emissions intensity from building energy consumption	Scope 1 and Scope 2 Scope 1, Scope 2 & Scope 3	1.20 2.94
Water	Water-Abs, Water-LFL	annual cubic metres (m3)	Total water consumption, Like-for-like total water consumption	Water	Total C&R obtained
	Water-Int	annual cubic metres (m3)/ft <sup>2</sup>	Building water intensity	Water	Total C&R obtained
Waste	Waste-Abs, Waste-LFL	annual metric tonnes and proportion by disposal route	Total weight of waste by disposal route, Like-for-like total weight of waste by disposal route	Waste	Total amount (tonnes)
					% non-hazardous waste
					% hazardous waste
					Reuse
					Recycling
					Composting
					Materials Recovery Facility
					Incineration w/ energy recovery
					Incineration w/out energy recovery
					Landfill w/ energy recovery
					Landfill w/out energy recovery

Total Portfolio				Performance by asset type											
Absolute performance (Abs)		Like-for-like performance (LFL)		Shopping Centres				Snozone				Support Office			
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
9,188,645	12,133,428	6,890,613	7,299,266	9,188,645	12,133,428	6,890,613	7,299,266	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
8,635,721	9,673,357	8,622,087	9,673,357	13,634	-	-	-	8,558,708	9,599,032	8,558,708	9,599,032	63,379	74,325	63,379	74,325
17,824,365	21,806,785	15,512,699	16,972,623	9,202,279	12,133,428	6,890,613	7,299,266	8,558,708	9,599,032	8,558,708	9,599,032	63,379	74,325	63,379	74,325
99.9%	44%	99.9%	57%	100%	0.01%	100%	0.01%	100%	100%	100%	100%	41%	0%	41%	0%
1,062,636	1,660,685	535,986	893,612	1,062,636	1,660,685	535,986	893,612	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1,178,351	1,386,232	1,178,351	1,386,232	-	-	-	-	1,178,351	1,386,232	1,178,351	1,386,232	n/a	n/a	n/a	n/a
2,240,987	3,046,917	1,714,337	2,279,844	1,062,636	1,660,685	535,986	893,612	1,178,351	1,386,232	1,178,351	1,386,232	n/a	n/a	n/a	n/a
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	n/a	n/a	n/a	n/a
5.868	5.326	7.193	8.038	3.108	3.033	3.260	3.596	87.949	99.224	87.949	99.224	10.265	9.291	10.265	12.037
410	556	314	416	194	303	98	163	216	253	216	253	n/a	n/a	n/a	n/a
3,686	4,217	3,209	3,282	1,900	2,346	1,424	1,411	1,772	1,856	1,772	1,856	13	14	13	14
8	n/a	8	n/a	0	n/a	0	n/a	0	n/a	0	n/a	8	n/a	8	n/a
5,969	77	5,320	57	5,811	73	5,162	53	157	4	157	4	1	n/a	1	n/a
1.02	1.47	1.54	0.63	0.58	0.67	0.69	17.96	19.05	17.96	19.05	2.132	2	2		
1.04	3.69	1.57	2.39	0.60	2.93	0.71	19.37	19.09	19.37	19.09	2.292	2	2		
92,622	93,968	86,386	78,103	68,630	66,542	62,395	50,677	23,992	27,426	23,992	27,426	n/a	n/a	n/a	n/a
0.027	0.020	0.036	0.033	0.021	0.015	0.027	0.022	0.217	0.248	0.217	0.248	n/a	n/a	n/a	n/a
2,426	2,983	2,090	2,131	2,426	2,983	2,090	2,131	-	-	-	-	-	-	-	-
100%	n/a	100%	n/a	100%	n/a	100%	n/a	-	-	-	-	-	-	-	-
0%	n/a	0%	n/a	0%	n/a	0%	n/a	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
731	1,793	570	1,276	731	1,793	570	1,276	-	-	-	-	-	-	-	-
66	70	55	56	66	70	55	56	-	-	-	-	-	-	-	-
441	136	401	54	441	136	401	54	-	-	-	-	-	-	-	-
1,136	984	1,064	745	1,136	984	1,064	745	-	-	-	-	-	-	-	-
52	-	-	-	52	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## EPRA Sustainability Performance Measures (Environmental)

Impact Area	EPRA Code	Measurement Unit	Performance measure	Indicator	Boundaries
Certified Assets	Cert-tot	<u>% of portfolio</u> Level of certification	Type and number of sustainability certified assets	EPC	% of portfolio with an EPC certificate
					A/B
					C
					D
					E
					F/G
					Unrated
					Outdated

## EPRA Sustainability Performance Measures (Social & Governance)

Impact Area	EPRA Code	Measurement Unit	Performance measure	Indicator	Boundaries	Total Portfolio				
						2023				
Diversity	Diversity-Emp	% of employees	Employee gender diversity	Gender	% of women on the board	25%				
					% of men on the board	75%				
					% of women in executive management	43%				
					% of men in executive management	57%				
	Diversity-Pay	% pay gap	Gender pay ratio	Gender	All employees, rate of women to men	0.77:1				
Development & Turnover	EMP-Training	average hours	Employee training and development	Training	All employees	39				
	EMP-Dev	% of employees	Employee performance appraisals	Appraisals	All employees	86.08%				
						Total no. of new hires	16			
	Emp-Turnover	Total no. of leavers	New hire rate (%)	New hires and turnover	New hires	All employees	19%			
							Turnover rate (%)	Employee turnover	All employees	19
									Excluding TUPE	22.60%
Including TUPE	45.65%									

Total Portfolio				Performance by asset type											
Absolute performance (Abs)		Like-for-like performance (LFL)		Shopping Centres				Snozone				Support Office			
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
78%	79%	68%	69%	78%	79%	67%	69%	100%	100%	100%	100%	100%	100%	100%	100%
205	205	119	119	202	202	116	116	2	2	2	2	1	1	1	1
155	158	90	90	154	157	87	89	1	1	1	1	-	-	-	-
80	84	49	52	80	84	49	52	-	-	-	-	-	-	-	-
22	22	7	7	22	22	7	7	-	-	-	-	-	-	-	-
10	10	6	6	10	10	6	6	-	-	-	-	-	-	-	-
58	58	57	57	58	58	57	57	-	-	-	-	-	-	-	-
75	68	71	66	75	68	71	66	-	-	-	-	-	-	-	-

Impact Area	EPRA Sustainability Performance Measures (Social & Governance)						Total Portfolio
	EPRA Code	Measurement Unit	Performance measure	Indicator	Boundaries	2023	
Health and safety	H&S-Emp	Days per employee	Employee health & safety	Injury rate	All employees	0	
		Days per employee		Lost day rate	All employees	0	
		Days per employee		Absentee rate	All employees	0	
		Total no.		Work-related fatalities	All employees	0	
	H&S-Asset	%	Asset health & safety assessments	Assets	Shopping Centres Support Office	100% 100%	
	H&S-Comp	Total no.	Asset health & safety compliance	Incidents	All assets	0	
Community	Comty-Eng	%	Community engagement, impact assessments and development programs	Assets	All assets	100%	
Governance	Gov-Board	Total no.	Composition of the highest governance body	Board members	Executive members Independent/ non-executive members	2 5	
		Average years		Tenure	Board Members	4.6	
		Total no.		Board members	Competencies relating to environmental and social topics	2	
	Gov-Select	Narrative	Process for nominating and selecting the highest governance body		Narrative on process		
	Gov-Col	Narrative	Process for managing conflicts of interest		Narrative on process		

## Streamlined Energy and Carbon Reporting (SECR)

	Like-for-Like					2019 vs 2023% Change
	2019	2020	2021	2022	2023	
<b>Scope 1 - Direct GHG emissions from controlled operations</b>						
<b>Natural Gas</b>						
<b>Like-for-Like Energy Consumption (kWh)</b>						
Centres (exc. Gyle)	3,182,995	3,423,739	1,914,160	1,051,263	893,819	-72%
Support Office	N/A	N/A	N/A	N/A	N/A	N/A
Snozone	1,566,474	1,202,557	992,421	1,386,232	1,178,351	-25%
<b>Natural Gas Total (kWh)</b>	<b>4,749,468</b>	<b>4,626,296</b>	<b>2,906,581</b>	<b>2,437,494</b>	<b>2,072,170</b>	<b>-56%</b>
Natural Gas-Gyle (kWh)	N/A	N/A	N/A	145,954	168,817	N/A
<b>Like-for-Like Emissions (tCO<sub>2</sub>e)</b>						
Centres	585	630	351	192	164	-72%
Support Office	N/A	N/A	N/A	N/A	N/A	N/A
Snozone	288	221	182	253	216	-25%
<b>Scope 1 Total (tCO<sub>2</sub>e)</b>	<b>873</b>	<b>851</b>	<b>532</b>	<b>445</b>	<b>379</b>	<b>-57%</b>
Natural Gas-Gyle (tCO <sub>2</sub> e)	N/A	N/A	N/A	27	31	N/A
<b>Scope 2 - Indirect GHG emissions from the use of purchased electricity, heat or steam</b>						
<b>Purchased Electricity</b>						
<b>Like-for-Like Energy Consumption (kWh)</b>						
Centres (exc. Gyle)	10,479,378	9,147,580	8,638,501	9,193,590	8,919,371	-15%
Support Office	96,096	96,096	96,096	74,325	63,379	-34%
Snozone <sup>1</sup>	10,148,750	9,654,856	9,626,091	9,599,032	8,558,708	-16%
<b>Purchased Electricity Total (kWh)</b>	<b>20,724,224</b>	<b>18,898,532</b>	<b>18,360,689</b>	<b>18,866,947</b>	<b>17,541,457</b>	<b>-15%</b>
Purchased Electricity - Gyle only (kWh)	N/A	N/A	N/A	257,742	257,591	N/A
<b>Like-for-Like Emissions (tCO<sub>2</sub>e)</b>						
Centres (exc. Gyle)	2,679	2,133	1,834	1,778	1,847	-31%
Support Office	25	22	20	14	13	-47%
Snozone	2,594	2,252	2,044	1,856	1,772	-32%
<b>Scope 2 Total (tCO<sub>2</sub>e) - Location based</b>	<b>5,297</b>	<b>4,407</b>	<b>3,899</b>	<b>3,648</b>	<b>3,632</b>	<b>-31%</b>
Scope 2 Total (tCO <sub>2</sub> e) - Market based <sup>2</sup>	N/A	N/A	N/A	N/A	8	N/A
Scope 2 (tCO <sub>2</sub> e) - Location based - Gyle only	N/A	N/A	N/A	50	53	N/A
Scope 2 (tCO <sub>2</sub> e) - Market based - Gyle only	N/A	N/A	N/A	0	0	N/A
<b>Like-for-Like Renewable Electricity<sup>3</sup></b>						
Solar PV Generation (kWh) (exc. Madrid <sup>1</sup> )	9,861	4,290	6,160	746	11,683	18%

- Madrid's electricity figure includes the energy generated by our on site Solar PV installation. Given the nature of reporting in Spain, the % split generated by on venue solar is not separated. Snozone have opted to report all electricity usage here, the manufacturer has estimated this at 32% of the quantum.
- Market Based Scope 2 emissions is a newly reported value for 2023. Market based emissions takes into account any REGO certificates our sites hold proving the electricity purchased is from a renewable source and can therefore have a zero emissions factor applied to it.
- Renewable energy is generated through Solar PV installed at Walthamstow Centre. The centre has been generating its own energy in 2023 and 2022 following repair of the system in 2021. The total generated in 2022 is thought to be more than the stated 746 kWh but this cannot be confirmed due to issues with the metering data for this time period. The issue has now been resolved and the 2023 total is accurate. The Madrid solar PV should also be included here, however, as the first asterisk (\*) above states, this split was unavailable at the time of writing.
- Previously only the water usage in m3 has been reported. 2023 is the first year emissions data has also been included for water in this report.

	Like-for-Like					2019 vs 2023%
	2019	2020	2021	2022	2023	Change
<b>Scope 3 - Indirect emissions that are a consequence of C&amp;R's actions, but the source is not owned/controlled, and are not classed as Scope 2</b>						
<b>Like-for-Like Tenant Natural Gas (newly reported for 2023)</b>						
Natural Gas Consumption (kWh)	N/A	N/A	N/A	N/A	3,840,716	N/A
Natural Gas Emissions (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	703	N/A
Natural Gas Consumption - Gyle Only (kWh)	N/A	N/A	N/A	N/A	552,822	N/A
Natural Gas Emissions - Gyle Only (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	101	N/A
<b>Like-for-Like Tenant Electricity (newly reported for 2023)</b>						
Electricity Consumption (kWh)	N/A	N/A	N/A	N/A	19,009,559	N/A
Electricity Emissions (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	3,936	N/A
Electricity Consumption - Gyle Only (kWh)	N/A	N/A	N/A	N/A	2,200,561	N/A
Electricity Emissions - Gyle Only (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	456	N/A
<b>Like-for-Like Electricity Transmission &amp; Distribution (tCO<sub>2</sub>e) (newly reported for 2023)</b>						
Centres (exc. Gyle)	N/A	N/A	N/A	N/A	160	N/A
Centres Tenants	N/A	N/A	N/A	N/A	341	N/A
Support Office	N/A	N/A	N/A	N/A	1	N/A
Snozone	N/A	N/A	N/A	N/A	153	N/A
<b>T&amp;D Emissions Total (tCO<sub>2</sub>e)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>656</b>	<b>N/A</b>
T&D Emissions - Gyle Only (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	44	N/A
<b>Water Usage (reported for Centres from 2023)</b>						
<b>Like-for-Like Water Consumption (m<sup>3</sup>)</b>						
Centres (exc. Gyle)	64,520	41,766	50,346	58,731	66,767	3%
Support Office	N/A	N/A	N/A	N/A	N/A	N/A
Snozone	29,311	23,656	22,995	27,426	23,992	-18%
<b>Water Total (m3)</b>	<b>93,830</b>	<b>65,421</b>	<b>73,340</b>	<b>86,156</b>	<b>90,758</b>	<b>-3%</b>
Water Total - Gyle only (m <sup>3</sup> )	N/A	N/A	N/A	304	1,863	N/A
<b>Like-for-Like Emissions (tCO<sub>2</sub>e)</b>						
Centres (exc. Gyle)	22	14	8	9	12	-46%
Support Office	N/A	N/A	N/A	N/A	N/A	N/A
Snozone	10	8	3	4	4	-58%
<b>Water Emissions Total (tCO<sub>2</sub>e)</b>	<b>32</b>	<b>23</b>	<b>11</b>	<b>13</b>	<b>16</b>	<b>-50%</b>
Water Emissions - Gyle only (tCO <sub>2</sub> e)	N/A	N/A	N/A	0	0	N/A
<b>Waste Disposal (newly reported for Centres for 2023)</b>						
<b>Like-for-Like Waste Generated (tonnes)</b>						
Centres (exc. Gyle)	N/A	N/A	N/A	N/A	2,318	N/A
Support Office	N/A	N/A	N/A	N/A	N/A	N/A
Snozone	N/A	N/A	N/A	N/A	N/A	N/A
<b>Waste Total (tonnes)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>2,318</b>	<b>N/A</b>
Waste Total - Gyle only (tonnes)	N/A	N/A	N/A	N/A	108	N/A
<b>Like-for-Like Emissions (tCO<sub>2</sub>e)</b>						
Centres	N/A	N/A	N/A	N/A	56	N/A
Support Office	N/A	N/A	N/A	N/A	N/A	N/A
Snozone	N/A	N/A	N/A	N/A	N/A	N/A
<b>Waste Emissions Total (tCO<sub>2</sub>e)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>56</b>	<b>N/A</b>
Waste Emissions - Gyle Only (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	2	N/A

Streamlined Energy and Carbon Reporting (SECR) *continued*

	Like-for-Like					2019 vs 2023% Change
	2019	2020	2021	2022	2023	
<b>Total Scope 1, 2 &amp; 3 Emissions</b>						
Scope 1 (tCO <sub>2</sub> e)	873	851	532	445	379	-57%
Scope 2 (tCO <sub>2</sub> e) - Location Based	5,297	4,407	3,899	3,648	3,632	-31%
Scope 2 (tCO <sub>2</sub> e) - Market Based	N/A	N/A	N/A	N/A	8	N/A
Scope 3 (tCO <sub>2</sub> e)	32	23	11	13	5,367	16527%
<b>Total Emissions (Location Based, exc. Gyle) (tCO<sub>2</sub>e)</b>	<b>6,203</b>	<b>5,281</b>	<b>4,442</b>	<b>4,106</b>	<b>9,378</b>	<b>51%</b>
Total Emissions (Location Based) - Gyle Only (tCO <sub>2</sub> e)	N/A	N/A	N/A	77	687	N/A
<b>Total Emissions (Market Based, exc. Gyle) (tCO<sub>2</sub>e)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>5,754</b>	<b>N/A</b>
Total Emissions (Market Based) - Gyle Only (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	634	N/A

<b>Intensity Ratio</b>						
<b>Like-for-Like Scope 1 and 2 (kgCO<sub>2</sub>e/sqft)</b>						
Centres (exc. Gyle)	1.03	0.87	0.69	0.62	0.63	-38%
Support Office	3.98	3.63	3.30	2.33	2.13	-47%
Snozone	26.03	22.34	20.10	19.05	17.96	-31%
<b>Group Total intensity (kgCO<sub>2</sub>e/sqft)</b>	<b>1.88</b>	<b>1.60</b>	<b>1.35</b>	<b>1.24</b>	<b>1.22</b>	<b>-35%</b>
Total intensity - Gyle Only (kgCO <sub>2</sub> e/sqft)	N/A	N/A	N/A	0.58	0.64	N/A
<b>Like-for-Like Scope 1, 2 and 3 (kgCO<sub>2</sub>e/sqft) - (reported for Centres from 2023)</b>						
Centres (exc. Gyle)	N/A	N/A	N/A	N/A	2	N/A
Support Office	N/A	N/A	N/A	N/A	2	N/A
Snozone	N/A	N/A	N/A	N/A	19	N/A
<b>Group Total intensity (kgCO<sub>2</sub>e/sqft)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>3</b>	<b>N/A</b>
Total intensity - Gyle Only (kgCO <sub>2</sub> e/sqft)	N/A	N/A	N/A	N/A	1	N/A

	Absolute					2019 vs 2023% Change
	2019	2020	2021	2022	2023	
<b>Scope 1 - Direct GHG emissions from controlled operations</b>						
<b>Natural Gas</b>						
<b>Absolute Energy Consumption (kWh)</b>						
Centres	4,556,731	4,629,788	2,329,556	1,660,685	1,062,636	-77%
Support Office	N/A	N/A	N/A	N/A	N/A	N/A
Snozone	1,566,474	1,202,557	992,421	1,386,232	1,178,351	-25%
<b>Natural Gas Total (kWh)</b>	<b>6,123,205</b>	<b>5,832,346</b>	<b>3,321,977</b>	<b>3,046,917</b>	<b>2,240,988</b>	<b>-63%</b>
Natural Gas Total - UK only (kWh)	6,123,205	5,832,346	3,321,977	3,046,917	2,240,988	-63%
<b>Absolute Emissions (tCO<sub>2</sub>e)</b>						
Centres	838	851	427	303	194	-77%
Support Office	N/A	N/A	N/A	N/A	N/A	N/A
Snozone	288	221	182	253	216	-25%
<b>Scope 1 Total (tCO<sub>2</sub>e)</b>	<b>1,126</b>	<b>1,072</b>	<b>608</b>	<b>556</b>	<b>410</b>	<b>-64%</b>
Natural Gas Total - UK only (tCO <sub>2</sub> e)	1,126	1,072	608	556	410	-64%

	Absolute					2019 vs 2023% Change
	2019	2020	2021	2022	2023	
<b>Scope 2 - Indirect GHG emissions from the use of purchased electricity, heat or steam</b>						
<b>Purchased Electricity</b>						
<b>Absolute Energy Consumption (kWh)</b>						
Centres	16,012,429	12,705,437	12,023,949	12,132,682	9,176,961	-43%
Support Office	96,096	96,096	96,096	74,325	63,379	-34%
Snozone <sup>1</sup>	4,562,865	3,754,501	9,043,071	9,599,032	8,558,708	88%
<b>Purchased Electricity Total (kWh)</b>	<b>20,671,390</b>	<b>16,556,035</b>	<b>21,163,117</b>	<b>21,806,039</b>	<b>17,799,048</b>	<b>-14%</b>
Purchased Electricity Total - UK only (kWh)	20,671,390	16,556,035	16,319,565	16,649,728	13,571,733	-34%
<b>Absolute Emissions (tCO<sub>2</sub>e)</b>						
Centres	4,093	2,962	2,553	2,346	1,900	-54%
Support Office	25	22	20	14	13	-47%
Snozone	1,166	877	1,920	1,856	1,772	52%
<b>Scope 2 Total (tCO<sub>2</sub>e) - Location based</b>	<b>5,284</b>	<b>3,861</b>	<b>4,494</b>	<b>4,217</b>	<b>3,686</b>	<b>-30%</b>
Scope 2 Total (tCO <sub>2</sub> e) - Market based <sup>2</sup>	N/A	N/A	N/A	N/A	8	N/A
Scope 2 Total (tCO <sub>2</sub> e) - Location based (UK Only)	5,284	3,861	3,465	3,220	2,810	-47%
Scope 2 Total (tCO <sub>2</sub> e) - Market based <sup>2</sup> (UK Only)	N/A	N/A	N/A	N/A	8	N/A
<b>Absolute Renewable Electricity<sup>3</sup></b>						
Solar PV Generation (kWh) (excl. Madrid <sup>1</sup> )	9,861	4,290	6,160	746	11,683	18%

	Absolute					2019 vs 2023% Change
	2019	2020	2021	2022	2023	
<b>Scope 3 - Indirect emissions that are a consequence of C&amp;R's actions, but the source is not owned/controlled, and are not classed as Scope 2</b>						
<b>Absolute Centres Tenant Natural Gas (newly reported for 2023)</b>						
Natural Gas Consumption (kWh)	N/A	N/A	N/A	N/A	4,393,393	N/A
Natural Gas Emissions (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	804	N/A
<b>Absolute Centres Tenant Electricity (newly reported for 2023)</b>						
Electricity Consumption (kWh)	N/A	N/A	N/A	N/A	21,210,120	N/A
Electricity Emissions (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	4,392	N/A
<b>Absolute Electricity Transmission &amp; Distribution (tCO<sub>2</sub>e) (newly reported for 2023)</b>						
Centres	N/A	N/A	N/A	N/A	164	N/A
Centres Tenants	N/A	N/A	N/A	N/A	380	N/A
Support Office	N/A	N/A	N/A	N/A	1	N/A
Snozone	N/A	N/A	N/A	N/A	153	N/A
<b>T&amp;D Emissions Total (tCO<sub>2</sub>e)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>699</b>	<b>N/A</b>
T&D Emissions Total - UK Only (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	623	N/A

## Streamlined Energy and Carbon Reporting (SECR) continued

Water Usage (reporting includes data available)						
Absolute Water Consumption (m <sup>3</sup> )						
Centres	79,278	50,000	54,085	66,542	68,630	-13%
Support Office	N/A	N/A	N/A	N/A	N/A	N/A
Snozone	29,311	23,656	21,733	27,426	23,992	-18%
<b>Water Total (m<sup>3</sup>)</b>	<b>108,589</b>	<b>73,656</b>	<b>75,818</b>	<b>93,968</b>	<b>92,622</b>	<b>-15%</b>
Water Total - UK only (m <sup>3</sup> )	108,589	73,656	62,771	78,796	78,905	-27%

Absolute Emissions (tCO <sub>2</sub> e) <sup>4</sup>						
Centres	N/A	N/A	N/A	N/A	12	N/A
Support Office	N/A	N/A	N/A	N/A	N/A	N/A
Snozone	N/A	N/A	N/A	N/A	4	N/A
<b>Water Emissions Total (tCO<sub>2</sub>e)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>16</b>	<b>N/A</b>
Water Emissions Total - UK only (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	14	N/A

Waste Disposal (newly reported for Centres for 2023)						
Absolute Waste Generated (tonnes)						
Centres	N/A	N/A	N/A	N/A	2,426	N/A
Support Office	N/A	N/A	N/A	N/A	N/A	N/A
Snozone	N/A	N/A	N/A	N/A	N/A	N/A
<b>Waste Total (tonnes)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>2,426</b>	<b>N/A</b>

Absolute Emissions (tCO <sub>2</sub> e)						
Centres	N/A	N/A	N/A	N/A	58	N/A
Support Office	N/A	N/A	N/A	N/A	N/A	N/A
Snozone	N/A	N/A	N/A	N/A	N/A	N/A
<b>Waste Emissions Total (tCO<sub>2</sub>e)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>58</b>	<b>N/A</b>

1. Madrid's electricity figure includes the energy generated by our on site Solar PV installation. Given the nature of reporting in Spain, the % split generated by on venue solar is not separated. Snozone have opted to report all electricity usage here, the manufacturer has estimated this at 32% of the quantum.
2. Market Based Scope 2 emissions is a newly reported value for 2023. Market based emissions takes into account any REGO certificates our sites hold proving the electricity purchased is from a renewable source and can therefore have a zero emissions factor applied to it.
3. Renewable energy is generated through Solar PV installed at Walthamstow Centre. The centre has been generating its own energy in 2023 and 2022 following repair of the system in 2021. The total generated in 2022 is thought to be more than the stated 746 kWh but this cannot be confirmed due to issues with the metering data for this time period. The issue has now been resolved and the 2023 total is accurate. The Madrid solar PV should also be included here, however, as the first asterisk (\*) above states, this split was unavailable at the time of writing.
4. Previously only the water usage in m3 has been reported. 2023 is the first year emissions data has also been included for water in this report.

	Absolute					2019 vs 2023% Change
	2019	2020	2021	2022	2023	
<b>Total Scope 1, 2 &amp; 3 Emissions</b>						
Scope 1 (tCO <sub>2</sub> e)	1,126	1,072	608	556	410	-64%
Scope 2 (tCO <sub>2</sub> e) - Location Based	5,284	3,861	4,494	4,217	3,686	-30%
Scope 2 (tCO <sub>2</sub> e) - Market Based	N/A	N/A	N/A	N/A	8	N/A
Scope 3 (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	5,969	N/A
<b>Total Emissions (Location Based) (tCO<sub>2</sub>e)</b>	<b>6,409</b>	<b>4,934</b>	<b>5,102</b>	<b>4,773</b>	<b>10,065</b>	<b>57%</b>
Total Emissions (Location Based) - UK only (tCO <sub>2</sub> e)	6,409	4,934	4,074	3,776	9,112	42%
Total Emissions (Market Based) <sup>2</sup> - (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	6,387	N/A
Total Emissions (Market Based) <sup>2</sup> - UK only (tCO <sub>2</sub> e)	N/A	N/A	N/A	N/A	6,309	N/A

<b>Intensity Ratio</b>						
<b>Absolute Scope 1 and 2 (Location based values) (kgCO<sub>2</sub>e/sqft)</b>						
Centres	1.03	0.80	0.62	0.58	0.63	-38%
Support Office	3.07	2.80	2.55	1.80	2.13	-31%
Snozone	18.02	13.60	19.60	19.05	17.96	0%
<b>Group Total intensity (kgCO<sub>2</sub>e/sqft)</b>	<b>1.32</b>	<b>1.01</b>	<b>1.04</b>	<b>1.02</b>	<b>1.20</b>	<b>-9%</b>
Total intensity - UK Only (kgCO <sub>2</sub> e/sqft)	1.32	1.01	0.84	0.81	0.95	-28%
<b>Absolute Scope 1, 2 and 3 (kgCO<sub>2</sub>e/sqft) (newly reported for Centres for 2023)</b>						
Centres	N/A	N/A	N/A	N/A	2.28	N/A
Support Office	N/A	N/A	N/A	N/A	2.31	N/A
Snozone	N/A	N/A	N/A	N/A	19.38	N/A
<b>Group Total intensity (kgCO<sub>2</sub>e/sqft)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>2.94</b>	<b>N/A</b>
Total intensity - UK Only (kgCO <sub>2</sub> e/sqft)	N/A	N/A	N/A	N/A	2.69	N/A

- Please note these values represent the best information available at the time of issue in April 2024. The values for Snozone gas usage have been updated for the previous years following improved data being made available.
- Consumption on the absolute data sets is not directly comparable year to year due to acquisitions and divestments (see list below). For example consumption has increased due to the purchase of Snozone Madrid in February 2021.
- Where N/A is stated this means data is not available. This is typically the case where data sets being reported have expanded since 2019.
- N.B. We have opted to include Scope 3 data in the 2023 annual reporting. As this is new reporting, data is excluded for 2019-2022 as Scope 3 was outwith reporting during those years.
- Absolute values include the sites within our operational control boundary for the years covering 2019 to 2023. Therefore numbers are not directly comparable for each year due to the impact of acquisitions and disposals.
- Changes to our portfolio in 2023 include:
  - **Disposals:** Redditch was sold on the 15th September 2023 and the Luton site was sold on the 16th March 2023. Therefore, no data is reported for these sites after the sold dates.
  - **Acquisitions:** The centres now include the Gyle site which was acquired by Capital and Regional on 6th of September 2023. Therefore, no data is reported for before this date.
  - **Changes:** The support office moved location in June 2023.
- Changes to our portfolio between 2019 and 2022 include:
  - **Disposals:** Blackburn was sold on the 9th August 2022.
  - **Acquisitions:** Snozone acquired the Madrid site on the 11th February 2021

## Streamlined Energy and Carbon Reporting (SECR) continued

### Methodology

The consumption and emissions relate to the Capital and Regional (C&R) group across the UK and Europe. "UK Only" totals have been included to ensure the compliance with the SECR requirements "to state what proportion of their energy consumption and their emissions related to emissions and energy consumption in the UK".

This report was produced in line with the Operational Control Boundary methodology within the 'GHG Reporting Protocol - Corporate Standard'. The absolute reporting includes operations for which we have control over, and a baseline year of 2019. For absolute tables, the baseline has not been adjusted for acquisitions and disposals. The Like-for-like (LFL) tables are prepared in a similar manner, but for acquisitions, do include historic estimations prior to our operational control.

We have collated the energy and utility data for each calendar year. Actual data has been used wherever possible, however, some data has been estimated. Estimated data in this report relates to 41% of the support office electricity. Some data was also estimated for Gyle in 2022. 75% of water and 4% of electricity are estimated values to provide a comparison year for LFL. The data was then provided to HDR alongside invoices for a limited verification to be completed.

The reported data and emissions represent the best information available at the time of issue in April 2024.

It should be noted that absolute Scope 1, Scope 2 and Scope 3 emissions (where stated in tCO<sub>2</sub>e) are not directly comparable due to changes in emission factors year on year (as well as changes to the properties we operate). Emission Factors used are from the "UK Government GHG Conversion Factors for Company Reporting, 2023 v1.1" for calculating 2023 carbon emissions. Past years have used the equivalent conversion factor documents from the UK government.

Scope 1 emissions account for our total gas consumption. Emissions from emergency equipment (e.g. standby generators) have been deemed de minimis and therefore are not included in the reported figures.

Scope 2 for this report, the emissions associated with the electricity figures have been calculated using two methods as per the SECR guidelines. The primary method uses the UK grid average (location-based method). The secondary method, added in 2023, takes into account the Renewable Energy Guarantees of Origin (REGOs) certificates that our sites hold verifying the purchase of renewable energy (market-based method). The emissions associated with any renewable energy consumed has had a zero emissions factor applied as per the guidelines. For clarity, the on-site Solar PV generation has been reported separately under the Scope 2 section of the tables. This section however, does not include the Solar PV generated on the Snozone Madrid, Spain site due to the split of electricity usage between self-generation and purchased supply being unavailable at the time of writing. Therefore, the decision to over report "Purchased Electricity" was taken as a more conservative method. UK Emissions factors were used for Snozone Madrid as a Spanish equivalent was not available.

Scope 3 emissions account for third parties (e.g. centre's tenants) natural gas and electricity consumption, emissions associated with the Transmission and Distribution of all scope 2 & 3 electricity, and emissions associated with Water consumption and Waste disposal.

Consumption values from metered sources identified as fully controlled by third parties (e.g. centre's tenants) have been provided to us by Arbnco. The data for Gyle has been estimated for the tenants due to only an annual usage figure being available and our operational control only starting in September.

The Intensity Ratio we have selected is the recommended ratio for the property sector of: tonnes of CO<sub>2</sub>e per total square foot for the group. These ratios have been reported in terms of tonnes of CO<sub>2</sub>e for Scope 1 and 2 only, as well as for 2023 Scope 1, 2 and 3 emissions. The areas for each year represent the total square footage that was in our control during that calendar year.

In addition to the above absolute energy and emissions values, we have decided to report a Like-for-Like (LFL) table for years covering 2019 to 2023. For this LFL table the Operational Control Boundary of 2023 was used as the comparison between years. Where sites have been sold or acquired mid-year the equivalent part of the year has been reported for all years using best available data.

### Energy Efficiency

During 2023, there have been several energy efficiency improvements.

- Our centres have been making a concerted effort to reduce gas consumption, in some cases down to zero in line with their Net Zero pathway interventions. For example, Wood Green no longer uses natural gas.
- Our centres have also reduced electricity consumption following the completion of the LED light replacement project.
- Due to changes in legalisation, we also have a new EPC tracking tool in place to allow targeted improvements in ratings to help ensure minimum energy efficiency standards are met.
- There is also a continued improvement in monitoring throughout the portfolio which is improving data returns.
- Snozone have undertaken five different CAPEX project to reduce Energy usage:
  - a. Blast cooler replacement in Milton Keynes
  - b. Glycol piping upgrade in Yorkshire
  - c. De lamping project at all venues
  - d. Voltage optimiser in Yorkshire
  - e. Insulation project at all venues

Snozone have also engaged with Tree Nation to plant trees to offset emissions and in 2023 12,578 trees were planted.





## TCFD Disclosure

- 47 Governance
- 49 Strategy
- 53 Risk Management
- 56 Metrics and Targets



# TCFD Disclosure

As part of our commitment to a leading sustainability business, we are dedicated to proactively managing our climate-related risks and publicly reporting climate-related financial information to our stakeholders.

Here we disclose the climate-related risks we have identified to the business and set out our overarching risk management approach in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In accordance with LSE Listing Rules published by the FCA in 2022, and in line with the Recommendations of TCD dated June 2017, this report complies with 11 of the 11 TCFD recommendations and recommended disclosures. This year we have begun to disclose our Scope 3 emissions as we continue to focus on improving our occupier data collection.

## 1 Governance

### The Board's oversight of climate-related risks and opportunities

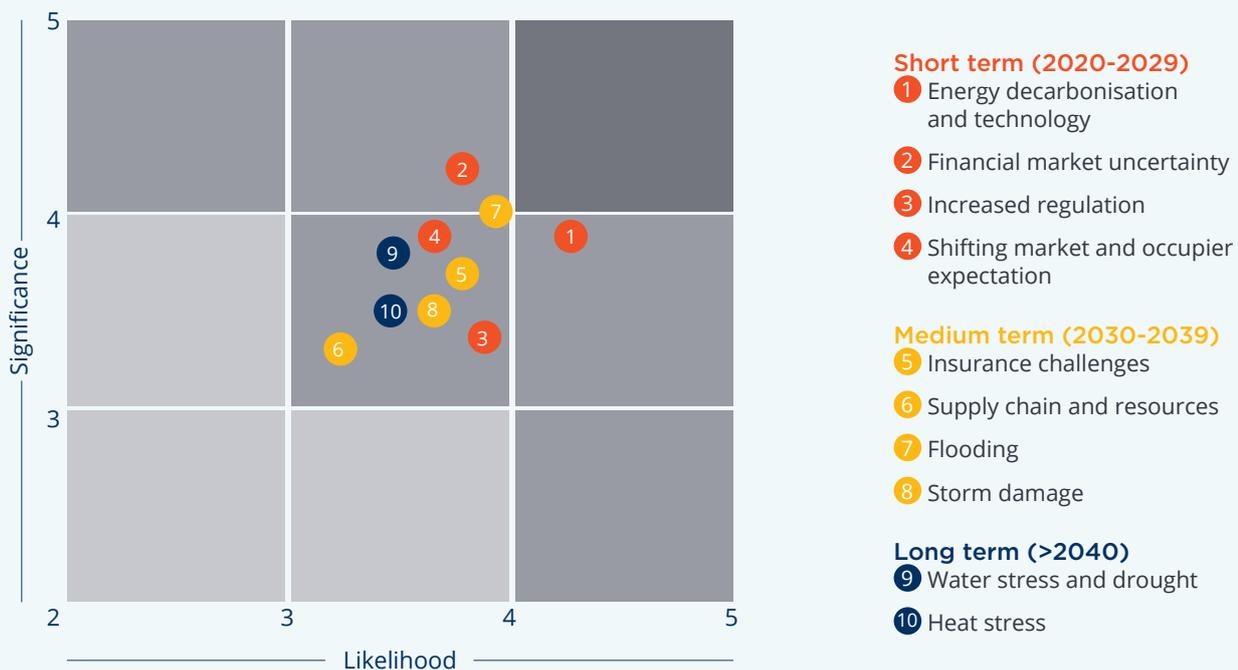
Responsibility for climate-related risk management and robust internal control processes ultimately lies with the Board, including the consideration of climate-related risks and setting the Group's risk appetite. The Board has ultimate oversight of the Environmental, Social and Governance (ESG) and Climate-related principal risk in the Group's Risk Matrix. Integrating Climate-related risks as a new principal risk highlights the Group's recognition of the material impact climate risks have on the business and the Group's ambition to actively monitor and manage these risks. The Climate-related and ESG principal risks consider a number of transition and physical climate-related risks, including management and compliance with increasingly stringent environmental policy, minimum energy efficiency requirements, carbon reduction commitments, reputational damage from inaction, and impacts of

extreme weather events and climate change on our assets and their supply chain. The full list of climate-related risks considered can be seen below.

The Audit Committee supports the Board in the management of climate-related risks. The Audit Committee meets twice a year to review the effectiveness of the overall risk management strategy and internal control processes supporting our agile risk management approach. This includes reviewing the principal risks across the Risk Matrix, including the Climate-related and ESG principal risks and ensuring that climate-related risks are integrated into the risk management strategy.

The ESG Committee meets at least four times a year and has more specific responsibility for developing and monitoring climate-related risks and wider sustainability matters. The ESG Committee has direct responsibility over developing and reviewing the Group's ESG strategy across the three underpinning pillars of Environmental

### Climate-related risk heatmap



Sustainability, People & Community and Governance, and assessing and monitoring the Climate-related and ESG principal risks. The progress against climate-related targets, long-term sustainability goals and implementation or actions towards achieving these goals are overseen by the ESG Committee and reported to the board through the governance structure described below.

The ESG Committee is chaired by a non-executive member of the board. Therefore, the board has oversight of updates regarding the Group's ESG strategy and the Climate-related and ESG principal risks. As per the cadence of the ESG Committee, these updates are provided on a quarterly basis, ensuring that the Board and Audit Committee are informed of any climate-related changes in the macroeconomic, financial, and regulatory environment. To better assess and monitor climate-related risks, the Group has created a new separate Climate-related risk matrix for the Climate-related principal risk which includes a broad range of physical and transition climate-related risks. The Climate-related risk matrix feeds into Group risk review and ESG Committee reporting to the Board.

The ESG committee is chaired by a non-executive Director and three members of the Senior Leadership Team (SLT), meaning the performance towards climate-related targets and long term goals

The description and business impact of the full range of the climate-related risks that have been assessed using scenario analysis and integrated into the Climate-related principal risk and ESG strategy via our Climate-related risk matrix are detailed in the Strategy section. The process for identifying and assessing the top climate-related risks to Capital & Regional can be seen in the Risk Management section.

This year, we have advanced our oversight and management of climate-related risks and opportunities by developing and integrating a climate resilience framework and adaptation strategy to embed climate considerations into decision-making processes across the entire asset lifecycle. We developed a Climate Adaptation Plan, in alignment with the Better Buildings Partnership (BBP) requirements, with our approach utilising a range of new tools to fully embed climate adaptation into investment decisions and business processes. Activation and oversight of the Climate Adaptation Plan is headed by Sara Jennings, Director of Operations and Guest Experience, and the NZC Committee.

## Management's role in assessing and managing climate-related risks and opportunities

The Senior Leadership Team (SLT) is responsible for the day-to-day operational application of the risk management strategy, including climate-related risks, and ensures that all employees are aware of their responsibilities and align with the Group's strategy. The SLT supports the Board, Audit Committee and ESG Committee in identifying and evaluating climate-related risks under the Climate-related principal risk and incorporates employee feedback into these assessments. Additionally, Sara Jennings, Director of Operations and Guest Experience, and Nick Philips, Managing Director Snozone sit on both the ESG Committee and SLT. This ensures that climate-related risks

are assessed and managed throughout all levels of the organisation. The SLT is also responsible for reviewing on a deal-by-deal basis whether acquisitions and divestments align with our ESG Strategy, ensuring that climate-related risks are considered throughout the property lifecycle.

Operational Management is responsible for the implementation and maintenance of climate-related risk management procedures, as well as the identification of climate-related risks and the mitigating controls and actions required at the asset level. The Operational Management team escalate climate-related risks that are identified at the asset level to the SLT. These are assessed and integrated into the Climate-related risk matrix and escalated to the ESG Committee, Board and Audit committee as necessary.

As part of the climate risk assessment undertaken in late 2021, we conducted a detailed climate risk governance gap analysis, aligned with TCFD recommendations to understand how to best oversee and manage climate-related risks throughout our governance structures. In late 2023 we developed and began implementing our Climate Adaptation Plan, thus extending our formal governance of climate-related risks and opportunities across the investment lifecycle and enhancing our ESG Committee's and SLT's oversight and management of climate-related risks.

As part of the Climate Adaptation Plan, four adaptation tools have been developed:

1. **Climate Risk Acquisition Checklist.**
2. **Climate Resilience Framework.**
3. **Retail Technical Design Guide: Sustainable Fit-out Measures.**
4. **Climate Adaptation Conflict Tool.**

Ultimate responsibility for overseeing the integration of each tool into our investment decisions is assigned to SLT individuals, ensuring that climate-related considerations are actively addressed at key stages of an asset's lifecycle: Acquisitions, Refurbishments, Lettings & occupier engagement, Operations & property management.

Responsibility for each tool within our Climate Adaptation Plan currently follows:

- **The Climate Risk Acquisition Checklist** – James Ryman, Investment Director, and Stuart Wetherly, Group Finance Director.
- **The Climate Resilience Framework** – Daniel Fleming, Senior Development Project Manager, and Sara Jennings, Director of Operations & Guest Experience.
- **The Sustainable Fit-out Measures** – Frankie Chrysanthou, Commercial Director, Daniel Fleming, Senior Development Project Manager, and Sara Jennings, Director of Operations & Guest Experience.
- **The Climate Adaptation Conflict Tool** – Daniel Fleming, Senior Development Project Manager, and Sara Jennings, Director of Operations & Guest Experience.

A detailed overview of our Governance structure can be found in the Corporate Governance section on pages 122–133 of our 2023 Annual Report.

## 2 Strategy

### Climate-related risks and opportunities identified over the short, medium, and long-term

Through conducting a rigorous climate risk assessment (see Risk Management), we have accurately identified the potential climate risks and opportunities facing our business. The table below outlines the key physical and transition risks we have identified over the short term (2020-2029), medium term (2030-3039) and long term (>2040). Our heightened understanding of climate risks to the Group has enabled us to embed a robust risk management process via our Climate-related risk matrix to address possible impacts proactively.

Physical and Transition Climate-related risks

Time horizon	Risk number	Risk	Risk description	Risk impacts
Short term: 2020-2029	1.	Energy decarbonisation and technology	The decarbonisation pathway demands an energy shift from fossil fuels to renewables. This will stimulate low carbon technological solutions. Existing buildings must adapt with these technologies in order to meet energy efficiency targets and reduce rising operational costs caused by changing seasonal patterns and carbon taxes	<ul style="list-style-type: none"> <li>• Reduced asset value, 'green premium' vs 'brown discount'</li> <li>• Increased cost of financial capital</li> <li>• Tenant default risk causing loss of income</li> <li>• Capex and retrofit costs</li> <li>• Increased operational costs, including impacts from increased cost of carbon</li> </ul>
	2.	Financial market uncertainty	Sustained damage from climate-related physical impacts or persistent transition-related market movements impact macroeconomic conditions and threaten the ability of firms to produce goods and services	
	3.	Increased regulation	Policy mandates existing building stock and developments improve efficiencies and operational practices, and embed climate resilience on-site	
	4.	Shifting market and occupier expectation	Markets shift to meet a growing demand for low or net zero carbon assets with on-site climate resilience embedded. Demand may also shift away from certain geographies or sectors, while changing consumer preferences could create tenant risk.	



Time horizon	Risk number	Risk	Risk description	Risk impacts
Medium term: 2030-2039	5.	Insurance challenges	The physical impacts of climate change are extensive and cause the insurance industry to reassess premiums or withdraw cover	
	6.	Supply chain and resources	Physical climate impacts can cause widespread disruption to production within supply chains and cause resource prices to rise.	
	7.	Flooding	Increased duration and intensity of precipitation, snow melt, and rising sea levels will exacerbate fluvial (river), pluvial (surface water) and coastal flooding	<ul style="list-style-type: none"> <li>Physical damage causing costly repairs and clean-up</li> <li>Cost of mitigation measures</li> <li>Migration away from vulnerable areas</li> <li>Decline in asset value or stranded asset risk</li> </ul>
	8.	Storm damage	Meteorological phenomena are becoming more frequent. Impacts arise from storms and heavy wind, exacerbated by changes to sea temperatures and seasonal patterns.	<ul style="list-style-type: none"> <li>Litigation or reputational risks if perceived to inadequately prepare for physical risks</li> </ul>
Long term (>2040)	9.	Water stress and drought	Water becomes increasingly scarce, with supply unable to meet demand. As temperatures rise, average drought lengths could increase, with implications on water costs, supply chains and public health.	<ul style="list-style-type: none"> <li>Supply chain, distribution and regional infrastructure disruption</li> </ul>
	10.	Heat stress	Rising mean temperatures and extreme temperature highs put pressure on both people and infrastructure	

#### Additionally, key opportunities we have identified include:

- Harnessing low-carbon technologies and providing energy efficient buildings will provide us with the opportunity to secure premium tenants with robust sustainability strategies and enhance our asset values, footfall, and reputation. This includes additional opportunities we expect to realise as we continue to implement our Net Zero Carbon strategy.
- The Group will focus on proactively assessing and managing climate-related risks to embed resilience across our portfolio and business strategy. This will also enable us to gain a sustainable competitive advantage.

### Impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning

We acknowledge that climate change will have a material impact on our business and consequently, we have enhanced our business, strategy and financial planning to account for climate-related risks, including the impact of climate-related risks on the Group's current and future financial value. We have assessed a broad range of climate-related risks and opportunities, which we have integrated in our business strategy.

The Group places a strategic focus on assessing a broad range of climate-related risks posed to our business and assets and improve our climate risk resilience to these risks by enhancing and adapting our assets through refurbishment and energy efficiency upgrades across each stage of the property life cycle. We continue to strive towards future-proofing our new and existing assets against the physical impacts of climate change and have strategies in place to take advantage of opportunities linked to the shift to a low carbon economy.

As part of any acquisition, we would undertake building fabric, M&E, environmental and sustainability surveys, which will consider building component lifecycles and programmes for their replacement / upgrade. The outcomes will influence acquisition decisions and where a decision is taken to proceed, the findings will inform our capex allocations in line with our Net Zero Carbon pathway and the target acquisition pricing required to accommodate such capex needs within our financial performance targets.

We recognise that refurbishments are a good opportunity to undertake upgrades that deliver NZC enhancements. Refurbishments provide the opportunity to assess plant and material condition and efficiency and integrate upgrades when we prepare refurbishment specifications. Viability of initiatives can also create surplus positions above acceptable target return thresholds. These surpluses provide opportunity to widen project scopes to capture wider climate enhancing solutions that may not be a core part of a particular refurbishment or initiative but can be efficiently and cost effectively accommodated into a wider programme, where otherwise such enhancements may not have progressed.

To advance the integration of climate resilience across the investment and property lifecycle, we developed our Climate Adaptation Plan by leveraging our comprehensive understanding of our material climate-related risks. Headed by Sara Jennings, Director of Operations and Guest Experience, and the NZC Committee, it aims to proactively improve the resilience of our strategy and portfolio against potential future impacts by caused by climate change. In doing so, the Group will reduce the vulnerability of its portfolio to physical and transition climate-related risks via the identification and installation of appropriate adaptation measures using four tools developed as part of the Climate Adaptation Plan, as described below and in more detail in the Risk Management section.

1. The Climate Risk Acquisition Checklist ensures a broad range of physical and transition climate-related risks are assessed as part of the acquisition due diligence process and that asset-level resilience measures are formally considered to understand the target asset's existing adaptive capacity before confirming investment decisions. The tool is constructed of two sections: the Pre-Acquisition Requirements, and the Acquisition Checklist. The Pre-Acquisition Requirements involves two steps – step 1 is mandatory and requires the assessor to conduct a forward-looking and historic climate risk assessment. If the asset's risk level exceeds our desired threshold, step 2 is needed, using the Climate Resilience Framework to understand the existing adaptive capacity to mitigate against potential risk impacts. Subsequently, the Acquisition Checklist is leveraged to assess the target asset against a broader set of sustainability thresholds, including climate risk and resilience, to inform a final decision.
2. The Climate Resilience Framework helps evaluate existing and target assets' resilience to climate hazards, assess the effectiveness of adaptive solutions in reducing climate risk, and determine the impact of adaptive measures on vulnerability to support strategic investment and refurbishment decisions aligned with the Group's commitment to building climate resilience. The tool has five steps following an initial set of baseline questions collecting asset level information concerning the site. Step 1 involves a risk assessment that determines the climate hazard exposure of a target asset. Step 2 involves a resilience assessment that utilises collected asset-level documentation, and due diligence documentation from Step 1, to evaluate its current level of climate resilience. Step 3 combines the assessment results into one output to determine the final vulnerability and resilience rating of the target asset for each

applicable hazard. Step 4 tracks the performance of assets' climate adaptation measures to monitor and measure their implementation and effectiveness using appropriate indicators. Step 5 evaluates how the existing or necessary adaptation solutions identified in the Resilience Assessment align with the existing Planned Preventative Measures (PPM) at the asset level to determine how and/or if adaptation solutions are already considered in the maintenance plans.

3. The Retail Technical Design Guide: Sustainable Fit-out Measures provides a comprehensive set of guidelines and recommendations for achieving climate resilience, energy-efficiency, and environmentally sustainable outcomes during the interior fit-out of retail units and other tenant-controlled spaces. The tool is used to support and encourage the adoption of green building practices, materials, technologies, and design strategies that increase climate resilience, minimise environmental impact, enhance occupant wellbeing, and optimise resource efficiency. There are three steps to the Guide – Step 1 involves a Design & Approval Phase whereby tenants are given the Retail Technical Design Guide and must submit a concept design in line with the guidance to the landlord. Step 2 involves a Fit-out Phase following approval of the concept design where permission is granted and the fit-out commences. Step 3 is the Open to trade Phase, it commences following completion of the fit-out whereby tenants may open to trade.
4. The Climate Adaptation Conflict Tool assists decision-makers to implement climate change adaptation solutions by evaluating the potential synergies or conflicts a climate adaptation solution may have with other sustainability goals, including climate mitigation, nature and biodiversity, community, and resource use. It is intended for use when considering the implementation of a climate adaptation measure as part of a wider refurbishment and necessary upgrades to meet minimum performance requirements or risk thresholds, or as part of a Planned Preventative Maintenance upgrades.

More detailed information can be found in our 'Climate Adaptation Plan' report on our website.

Additionally, our clear and robust net zero Carbon pathway will further improve our climate resilience and sustainability performance. In the context of the geography in which our business operates, we recognise the UK government has published a strategy which sets out policies and proposals for decarbonising all sectors of the UK economy to meet a net zero target by 2050. This strategy will introduce policies for driving transition in our sector particularly relating to the energy efficiency of buildings and electrification of heating demand.

Our net zero carbon pathway prioritises the necessary emission reductions up to 2040 and beyond, supported by a clear and actionable implementation plan, designed with all stages of the property lifecycle in mind. Read our pathway to net zero carbon for more information. Owing to more stringent UK regulations, EPC ratings are a top priority for C&R and are included as a key target area in our Net Zero Carbon Pathway Wheel of Delivery. The EPC ratings are also included within internal KPIs and in the deals submitted to our SLT for approval, as well as the heads of terms when the commercials are agreed. As part

of the UK strategy for net zero carbon, the Government has stated an ambition to transition all electricity generation from fossil fuels by 2035. Decarbonising electricity is also a part of our strategy, whereby shopping centres' landlord electricity is 100% renewable and REGO certified. However, the transition to renewable gas has proved slower and more challenging, particularly considering our Food & Beverage (F&B) occupiers and their higher reliance on gas sources.

Snozone's electricity is 100% renewable and 100% traceable, sourced from the Hornsea North Sea wind farm for our UK venues, about 90 miles from our Yorkshire venue. In Madrid, 68% of power is sourced from a mixture of solar, wind and nuclear energy, with the remaining 32% supplied by 1,600 of our own solar panels.

For both asset types, we continue to investigate opportunities to increase onsite renewable energy. For our shopping centres, we are working through a feasibility study on implementing solar PV at select assets.

### **Resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario**

Our rigorous climate risk assessment enabled us to understand and assess the most material climate-related risks across the short-, medium-, and long-term time horizons outlined above. Understanding the most material climate-related risks across the time horizons has enabled us to discern the most effective climate risk mitigation measures to improve our climate risk resilience and reduce our climate risk exposure. Additionally, reducing our carbon footprint with our Net Zero Carbon pathway strategy will support the Group in effectively managing climate-related risks, most notably transition risks associated with a shift to a low-carbon economy and physical risks associated with flooding, heat stress and drought.

The scenarios we selected for our analysis were the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways RCP4.5 and RCP8.5. These are recognised climate scenarios models and align with consensus around the most likely range of average global temperature increases from now until 2100. Aligning with a 2°C or lower scenario, the RCP 4.5 scenario models a global temperature increase of 1.7°C - 3.2°C by 2100 and represents significant short-term policy action to meet the Paris Agreement. It is characterised by transition risks, although physical risks are still present with global temperature increase persisting. The RCP 8.5 scenario models a scenario where there is insufficient global policy action to meet the aims of the Paris Agreement and models a global temperature increase of

3.2°C - 5.4°C by 2100. This scenario is characterised by very severe physical climate risks, particularly in the long term. Analysing these two distinct climate scenarios has enabled us to understand a wide scope of climate-related risks and opportunities across different possible future trajectories, providing insights into what actions best support the Group's climate resilience. Furthermore, our net zero carbon strategy is aligned with CRREM 1.5°C Global and Sector Pathways. As such, we are considering a scenario whereby the transition demands are greater than the RCP4.5 and RCP8.5 climate models.

We have confidence that our approach to decarbonisation will make the business resilient to the transition risks expected with a 2°C or lower scenario. Within the RCP8.5 model as with other scenarios, is an amount of uncertainty spread over time. It is difficult to truly predict and anticipate the full magnitude of impacts associated with global temperature rises over 3°C but it is likely that there will be macroscale social and economic disruption which will be difficult to avoid. Our work on improving our resilience to the effects of such a scenario includes a focus on climate adaptation and responding to the experiences of severe weather events. For example, we have developed our response plans for our buildings and the welfare of people in reaction to weather events with hot or cold extremes, as well as learning from specific incidents of flood risk and how they might manifest in our building archetypes. We are also planning on furthering our resilience with additional climate-related KPIs and risk management measures, such as regular legislation and regulation reviews and climate risk upskilling.

As a signatory to the BBP Climate Commitment, we developed a Climate Adaptation Plan as part of our comprehensive resilience strategy. A comprehensive resilience strategy as outlined by the BBP must demonstrate the ability to adapt to operating in a world where climate-driven disruption is more frequent and severe. We recognise that simply identifying risks is insufficient without material action, therefore, we have positioned ourselves as proactive leaders in creating and implementing our Climate Adaptation Plan.

Our Climate Adaptation Plan is designed to capture, assess, and respond to the physical and transition risks that are not already addressed by the net zero carbon pathway. The plan was developed in line with the eight requirements set out by the BBP, and is accompanied with a Climate Adaptation User Manual allowing anyone with a need to identify and implement adaptation measures in a simple and timely manner. Activating our Climate Adaptation Plan requires sign-off from Sara Jennings, Director of Operations and Guest Experience, and the NZC Committee, securing senior level buy-in.

## 3 Risk Management

### **Describe the organisation's processes for identifying and assessing climate-related risks**

We are aware that climate change poses an existential threat to not only our business and sector, but the global economy. We recognise that there is much we need to do to improve the impact of our business on the environment. As such, in 2021 we engaged with external agency, JLL, to conduct two rigorous climate scenario analysis exercises, the first to model climate-related risks and opportunities to our portfolio and the second to qualitatively assess the resilience of our overall business strategy. The results of the two assessments were used to develop our Climate-related risk matrix.

In-line with TCFD's recommendation, the assessment used two distinct, plausible scenarios established by the IPCC, one of which considers a transition to a lower-carbon economy consistent with a 2°C or lower scenario, RCP 4.5, and one consistent with increased physical climate-related risks, RCP 8.5. The two scenarios covered a broad range of likely physical and transition climate-related risks over the short, medium, and long term. Furthermore, our net zero carbon strategy is aligned with CRREM 1.5°C Global and Sector Pathways. To understand our impact and develop a trajectory of how our shopping centre portfolio will perform from a net zero carbon and energy perspective over the period to 2040, we have set a carbon baseline in the most recent, representative year: 2019. The baseline and projection to 2040 represent a business-as-usual scenario, including assumptions about growth plans, strategic shifts, grid decarbonisation, operational carbon at current energy usage intensity rates and embodied carbon based on current intensity rates.

The first climate risk analysis exercise quantitatively assessed the vulnerability of our portfolio based on our assets' location and characteristics to a range of climate-related risks, including physical risks such as flooding, heat stress, drought and storm damage and transition risks, such as market, legal, reputation and technology risks. The assessment helped us determine the geographical distribution of climate-related risks and opportunities and the potential financial losses and gains to our portfolio, as well as the different types of climate risks posed to our shopping centres and Snozone assets. The assessment also helped determine the most at-risk assets, allowing us to make strategic decisions on where to best focus mitigation actions and harness the available opportunities.

The second climate risk analysis exercise involved an in-depth review of the most up-to-date, credible climate literature to determine the Significance and Likelihood of a range of physical and transition climate-related risks and helped establish which risks are most material to our business. The results from the quantitative climate risk assessment were taken into account when scoring the Significance and Likelihood of individual climate-related risks. Significance scoring considered the impact, financial impact and ease/cost of mitigation on a scale of 1-5, ranging from minimal/no impact to catastrophic impact threatening the future of the business. Likelihood scoring

considered the likelihood, frequency, duration of impact, and how quickly the risk materialises on a scale of 1-5, from unlikely risks with a short duration that materialise slowly to certain risks with a high frequency and duration that persist over a long period of time.

The results of the two scenario analyses were synthesised together to identify the top risks and opportunities to the Group, as well as inform detailed risk management recommendations. These have been embedded into risk management and decision-making by forming the new Climate-related risk matrix specifically for climate-related risks, feeding into the Group's Risk Review (see Governance).

Building on the climate risk assessment process conducted previously, the development of our Climate Adaptation Plan facilitates greater integration of adaptation and resilience across the business and decision-making process. Embedding this action plan into our business strategy decisions across the entire investment lifecycle supports our ability to fully address the challenges posed by climate change now and to prepare effectively for potentially greater risk in future. In doing so, we aim to secure long-term sustainability and protection of our portfolio against potential climate risks, as well as contribute to a more resilient and thriving future for our business and society. As part of the plan, we have developed a range of tools that aid the identification, assessment and management of climate risks into decision making and business processes across all stages of the investment lifecycle.

Featured in our Climate Adaptation Plan toolkit, our Climate Risk Acquisition Checklist ensures that a range of physical and transition climate-related risks are identified and assessed during acquisition due diligence to avoid acquiring spaces that expose the business to climate-related risks beyond our adaptive capacity. As part of the Pre-Acquisition Requirements, this involves conducting both a physical and a transition climate-related risk assessment.

When assessing physical risk, a historic climate risk assessment reviews publicly available information, such as flood maps and heat maps, to determine the historical likelihood of climate-related impacts and whether the asset is in a historically high-risk area. A forward-looking approach is also taken using climate modelling tools (a minimum of two climate scenarios must be conducted, including a 2°C scenario) to identify and assess potentially material climate-related risks to the target asset over time. This assessment provides analysis of the potential financial losses (potential disruption costs, damage costs, insurance costs, operational expenditure costs and capital expenditure costs) that could be incurred in the event of physical climate events materialising at the property.

We recognise emerging regulatory risks through our climate-related risk matrix whereby the transition risk category of increased regulation includes anticipated policy for improving existing building stock with increased energy efficiency requirements and building labelling schemes.

Transition climate-related risks are assessed using two audits, a Rapid Net Zero Carbon Audit, and an Asset Performance Audit. The audits help determine the operational performance of the asset regarding energy and carbon by assessing building certifications, EPC ratings, type of energy procured, operational efficiency, GHG emission intensity, efficiency of existing building systems and machinery, age and useful life of machinery and equipment, opportunities to improve systems, feasibility for low-carbon technologies and the associated capital expenditure costs. Target assets must possess an acceptable level of risk for the acquisition process to proceed following authorisation, with identified potential financial losses not exceeding defined investment thresholds.

Our Climate Resilience Framework tool is leveraged to identify and assess the residual climate risk facing an asset following an assessment of the asset's existing resilience and adaptive capacity. We calculate an initial vulnerability score using results from the climate risk assessments performed during acquisition due diligence and the assessment of our existing portfolio in 2021. The resilience assessment utilises a target asset's site documentation and the results from the climate risk assessments to assess the asset's existing adaptive capacity to climate hazards most material to our business, including heat stress, storms, flooding, drought and water stress, and solid mass-related events. We use our Climate Resilience Score Grid to input the target asset's adaptive solutions. A score, between -1 to +1, is determined based on the target asset's exposure to risk and adaptive capacity. The scores are simplified to 'positive', 'neutral', and 'negative' and can be evaluated and assessed using guidance provided in the Climate Resilience Score Guide. This tool provides us with a fuller understanding of our risk, and informs effective management solutions.

## Describe the organisation's processes for managing climate-related risks

The Group's Risk Matrix is reviewed twice a year by the Group's Senior Leadership Team, the Audit Committee, and the Board to ensure that the Group remains on top of existing identified and any new emerging risks and their potential impact to the business, the likelihood of them occurring, the actions being taken to manage them, and the individuals responsible for managing them. In the Risk Matrix principal risks are scored and ranked for Significance and Likelihood across low, medium, and high levels. Significance levels are given financial values to indicate the potential financial impact of principal risks to the business. Climate-related is a principal risk in the Group's Risk Matrix that considers the top identified transition and physical climate-related risks to the business. These are also scored and ranked by Significance and Likelihood in a separate Climate-related risk matrix following the rigorous climate risk assessment described in the previous sub recommendation. The Climate-related principal risk and Climate-related risk matrix are overseen by the ESG Committee

The climate risk assessment process we have undertaken in late 2021, described above, has informed detailed risk management recommendations, which we used to develop a five-year roadmap for implementing key

actions across four main stages of the property life cycle: Governance, Acquisition, Property management and Asset management, that set the foundations for short-term actions for embedding climate-related risk management and improving climate resilience in the medium and long term.

Risk management processes are present at each stage of the property lifecycle, with all activities taking place within our defined risk appetite. EPC ratings are actively considered in the acquisition due diligence process and in our Acquisition Checklist. Additionally, no acquisition would progress without a detailed building survey first being undertaken, which would incorporate environmental and sustainability considerations in reviewing construction and condition and lifecycle replacement programmes. The outputs from these surveys will not only inform cyclical replacement and upgrade programmes, but will be taken into consideration alongside asset initiative investment that would form part of any underwriting. Thus, ensuring investment commitments for refurbishment or general initiatives can incorporate opportunities to enhance NZC readiness in a timely manner and when opportunities arise.

Through the formation of our Climate Adaptation Plan this year, we have further developed and formalised our approach to managing our material climate-related risks. This has involved assigning responsibility to managing climate risks across the investment lifecycle to named individuals within our Senior Leadership Teams and developing a suite of complementary tools to ensure climate-related considerations are thoroughly evaluated before acquisitions and major capital expenditures.

Strengthening our existing acquisition process mentioned above, our new Climate Risk Acquisition Checklist sets thresholds that inform a go and no-go investment decision, protecting our portfolio from exceeding our set risk thresholds. Where an investment case remains, we conduct a further set of assessments prior to acquisition, including use of our Climate Resilience Framework to identify climate adaptation measures required to reduce the target asset's overall residual risk following implementation, which then inform capital expenditure plans prior to the asset's acquisition.

Within our Climate Resilience Framework tool, our Climate Adaptation Performance Tracker is used to measure and monitor the effectiveness of climate adaptation measures which may have been implemented to address the identified material climate hazards. Efficacy is measured against a 2023 baseline and monitored annually to highlight any change in vulnerability following the implementation of new adaptive solutions and ongoing climate transformation. Furthermore, the framework ensures that proposed adaptation solutions align with the existing Planned Preventative Maintenance (PPM) at the centre-level to ensure we allocate our capital expenditure appropriately and invest where resilience is most required.

To enhance our ability to manage climate-related risks in tenant-controlled spaces, we have introduced Green Lease Clauses considering minimum energy efficiency standards (MEES) compliance and are engaging with tenants around their operational behaviour, energy efficiency and data sharing. We are pursuing to move to 100% renewable landlord electricity supply. Additionally, we undertake

asset level net zero carbon audits to identify opportunities to reduce energy consumption and improve efficiencies. Together, these strategies inform our investment and capital allocation activities, as well as acquisition and divestment decisions to maximise the overall performance and resilience of our portfolio's assets.

Furthermore, we also manage climate-related risks in our tenant-controlled spaces via our new Retail Technical Design Guide: Sustainable Fit-Out Measures. This guidance provides comprehensive recommendations for enhancing climate resilience, energy-efficiency, and environmentally sustainable outcomes across key sustainability areas during the interior fit-out of retail units and other tenant-controlled spaces. The recommended initiatives cover a broad range of sustainability themes, including climate change resilience, health and wellbeing, and carbon and energy efficiency, and either support Green Fit-Out (structural changes to facilities) or Green Operation (processes) transformation.

We have already undertaken climate resilience upgrades across our portfolio, such as at our Snozone sites where voltage optimisers have been installed to improve the efficiency of energy consumption in extreme temperatures and capital expenditure has been specifically dedicated to improving the insulation of these sites. These types of adaptation measures are important at these sites given the expectation that temperature extremes will become more frequent and significant in the future, leading to potential physical asset damages and material financial losses.

When implementing climate adaptation measures across our sites, we will leverage our Climate Adaptation Conflict tool to evaluate an adaptation solution's potential impact on our wider sustainability goals. By considering the goals linked to climate change mitigation, nature and biodiversity, community, and resource use, we want to make sure that these decisions are made with a holistic approach. For this intent, the tool measures potential synergies and trade-offs, safeguarding our responsible management of climate risks and ensuring that we implement the solutions that offer the greatest resilience potential, without exacerbating wider sustainability challenges.

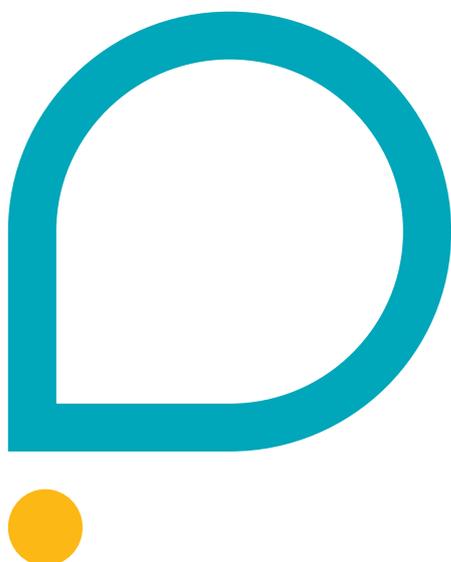
We conduct regular weekly calls with asset operations managers to specifically discuss and address weather impacts across our sites. This allows us to gain insight into the potential risks and effects posed by weather events at a site scale, prioritising adaptation solutions accordingly to enhance asset resilience strategies. Climate risk is also being integrated into health and safety audits, ensuring emergency plans and procedures are in place and effective when required. With climate risk being integrated into the breadth of the management processes including emergency plans, there is a strong social focus where the wellbeing of employees and tenants are at the heart of decisions surrounding climate adaptation.

In addition to our compliance to the Streamlined Energy and Carbon Reporting (SECR), Carbon Trust and ISO14001, our organisational commitment to reach net zero by 2040, which is supported by our Net Zero Carbon Pathway, is a key step to managing and mitigating transition climate-related risk, specifically risks associated with increased costs of carbon and shifting market and occupier demand towards low carbon buildings.

### **Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management**

We have now fully integrated climate-related risks and opportunities into our risk management processes. We have integrated the outputs of the climate risk assessments into our risk management framework and will continue to integrate key risks within the Risk Matrix and separate climate-related risk matrix owned by the ESG Committee and overseen by the Audit Committee and the Board.

Through the development of the Climate Adaptation Tool, responsibility for managing climate-related risks is integrated at the top governance levels, for which training workshops were carried out to facilitate immediate integration and effective activation. We have committed to developing robust risk management of climate-related considerations as we recognise that climate-related risks could increasingly materially impact our financial and business strategy decisions.



## 4 Metrics and Targets

### Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

We report in line with EPRA Sustainability Best Practices Recommendations (sBPR) for sustainability reporting. We provide information to our stakeholders on our climate-related performance and activities by reporting on a range of metrics for resource consumption, energy, and carbon emissions across our portfolio.

These include:

- Total and like-for-like Scope 1 and 2 emissions were calculated using internal data alongside the emissions factors from the UK Government's GHG Conversion Factors for Company Reporting 2020. Scope 3 emissions will be calculated in the Net Zero Carbon pathway being developed.
- Total and like-for-like Scope 1 and Scope 2 emissions in tCO<sub>2</sub>e, including GHG intensity from building energy (kgCO<sub>2</sub>e/sqft/year), also split by asset type
- Total and like-for-like electricity consumed in kWh, including energy intensity in kWh/sqft/year, also split by asset type
- Total and like-for-like water consumption, including occupier water consumption in m<sup>3</sup>/year, also split by asset type
- Total and like-for-like waste disposal in tonnes, split into landfill, incineration, recovery recycling, and anaerobic digestion in metric tonnes

As part of our Net Zero Carbon pathway strategy, we will be implementing metrics, including:

- Maximise onsite renewable energy
- High quality renewable energy procurement %
- Major refurbishment embodied carbon intensity (tCO<sub>2</sub>e/m<sup>2</sup> GIA)
- Minor development and fit-out embodied carbon intensity (tCO<sub>2</sub>e/m<sup>2</sup> GIA)
- Total portfolio embodied carbon development (tCO<sub>2</sub>e)
- Offset residual carbon emissions (tCO<sub>2</sub>e)

To supplement our quantitative measures, we also assess key qualitative measures, including EPC ratings and building certifications to build a holistic view of our portfolio's performance. Following the in-depth climate risk assessment conducted in late 2021, we are in the process of defining and tracking further climate-related metrics and targets.

As outlined in Risk Management, key material climate-related risks and opportunities have been identified by

conducting rigorous climate risk assessments. Using indicators in the climate resilience framework, we can assess and track an asset's performance on climate risk and resilience and the corresponding changes when adaptive measures are implemented.

Within The Climate Resilience Framework, indicators have been identified for the purpose of performance tracking. Such indicators cover the identified physical climate-related risks of heat stress, storms, flooding, drought and water stress, solid mass-related events and other material physical climate-related risks. These indicators include: the thermal performance of the roofing system, the percentage of both external and internal shading coverage, the number of repairs made to the HVAC system, the number of repairs made to the drainage along with their costings and the number of leaks detected within the last year.

### Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks

We disclose Scope 1 and Scope 2 GHG emissions in our SECR disclosures and on our website. These have been calculated and reported in line with the GHG Protocol Corporate Accounting and Reporting Standard.

Scope 3 GHG emissions are calculated in the Net Zero Carbon pathway and reported accordingly.

### Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

In recognition of the real estate sector's contribution to global GHG emissions and climate change, we are developing our Net Zero Carbon pathway strategy with the intention to reach net zero carbon by 2040.

Each of our retail and leisure centres has developed its own multiyear carbon reduction plan, which builds on the carbon reductions achieved to date, and outlines the pathway to achieving net zero by 2040. These plans include annual carbon intervention targets. The Centre teams monitor their carbon reduction plan on monthly basis which is being enhanced through a rollout of real-time circuit monitoring for utilities.

In 2024, we will recalculate our CRREM pathways to align with the most recent changes to our portfolio. Asset interventions recommended by the framework will provide insight as we continue to develop our future plans.

Read our pathway to net zero carbon for more information.



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