RISK ASSESSMENT **METHODOLOGY**

TRANSITION AND SOCIAL RISKS AND OPPORTUNITIES ASSESSMENT

To determine the exposure of The Thistles Shopping Centre to climate-related transition and social risks and opportunities, the Savills Sustainability Team was appointed to help assess the risks that apply or may apply to the asset.

To identify any potential risks and opportunities facing the asset from the transition to a low-carbon future, a high-level regulation review was conducted, along with an analysis of the asset's projected carbon performance under a 1.5ºC global warming scenario. A disorderly transition risk scenario was applied across a medium-term horizon of 2025–2035.

Using energy consumption from 2024 and the Carbon Risk Real Estate Monitor's (CRREM) modelling tool, the asset's potential carbon intensity up to 2050 was compared against a decarbonisation pathway aligned with meeting the Paris Agreement's 1.5ºC climate warming limit.

In addition, the asset's EPC ratings, and existing and planned sustainability initiatives were reviewed to identify the current level of risk mitigation, with further recommendations as required.

Social risks and opportunities relate to the impacts and interdependencies between the community and the asset, considering social, economic and political disruptions and their relations to public health, poverty and social inequalities.

Savills assessed the social risks present to the asset and its surrounding community, determining its resilience in society. Metrics were identified through research into the asset's demographic context, including levels of deprivation and vulnerability, as well as a review of risk registers published by local and national government and global bodies. Opportunities relating to key risks were also identified, with the view of improving social resilience and creating value.

The Thistles Shopping Centre management team have reviewed these assessments to better understand the risks and to inform the implementation of additional measures in line with the opportunities identified.