

At the heart of sustainable supply chains

Annual Report 2021





Chairman's Governance Overview

“Strong governance is essential for the creation of value for all stakeholders.”



Aubrey Adams OBE, FCA, FRICS
Chairman

Governance highlights for 2021

- Appointed Wu Gang and Elizabeth Brown as Non-Executive Directors.
- Successfully implemented the succession planning programme with the appointment of Aubrey Adams as Chairman with effect from the 2021 AGM and Alastair Hughes as Senior Independent Director.
- Complied with all of the principles and provisions of the 2019 AIC Code applicable to the Company. Please see pages 72 to 73.
- Met all of the requirements set out in the Financial Reporting Council's Guidance on Risk, Internal Control and Related Financial and Business Reporting. Please see page 73.
- Conducted a comprehensive external Board evaluation exercise. Please see page 85.
- Continued to enhance the Company's succession and contingency planning processes. Please see pages 83 to 85.
- Further enhanced processes and procedures across the business and its supply chain in compliance with the Modern Slavery Act 2015 and prepared our annual statement which appears on our website. Please see page 87.
- Made good progress on implementing our sustainability strategy and achieved a number of our 2023 targets. Please see pages 32 to 41.

This report seeks to demonstrate and explain the Company's core governance-related processes and procedures, and highlights the key governance actions which have taken place during the period. The Board continues to believe that sound corporate governance plays a key role in shaping the long-term success of the Company and provides a strong foundation for the delivery of its strategic objectives.

Board priorities

One of our key priorities as a Board is to oversee the successful implementation of the business' strategy and ensure it is positioned for long-term success. The Board continues to support the Manager in any potential investment and divestment decisions and ensures ongoing compliance with the Company's Investment Policy and Objectives.

The Company has continued to grow throughout the period aided by a highly successful equity raise in September 2021, raising £300 million gross proceeds, which will be used to fund our near-term development pipeline.

The Board continued to monitor the impacts of the Covid-19 pandemic on the business as well as the wider macroeconomic environment. The Board recognises that although the pandemic has been challenging for society as a whole it has reinforced the importance of the logistic sector and the overall strategy of the Company.

ESG remains an important focus for the Company, as well as its stakeholders, and with the support of the Manager, the Company is making good progress in implementing its sustainability strategy and has already achieved a number of its 2023 targets. The Company has also fully allocated £250 million of Green Bond proceeds, following the issuance in November 2020 to qualifying green initiatives. Karen Whitworth is our “ESG Champion” on the Board and engages directly with the Manager's ESG Director on various sustainability topics. A key focus for the period has been understanding the risks and opportunities presented by climate change and the impacts it could have on our business operations. For further information please refer to pages 39 to 41.

During the period, abrdn completed its acquisition of a 60% stake in the Manager. We believe that the acquisition has strengthened the Manager's resources and will continue to benefit the Company in the long term. We look forward to the continued high quality of service and performance of the Manager.

During the year, the Management Engagement Committee continued to conduct a comprehensive review of the Investment Management Agreement (“IMA”), supported during the process by various external advisers. It is anticipated that the review will be finalised in the near term.

Board and Committee composition

As announced in January 2021, Richard Jewson retired as Chairman of the Company following the May 2021 Annual General Meeting. The Nomination Committee led a comprehensive Chairman succession search, which resulted in my appointment as Chairman and Alastair Hughes as Senior Independent Director. Susanne Given resigned from the Board in September 2021 following five years of service owing to her other commitments. Following these changes, the Nomination Committee reviewed the composition of the Board and identified the desirability to appoint two new Non-Executive Directors. We welcomed Wu Gang and Elizabeth Brown as Non-Executive Directors to the Board during the year. For further details regarding the recruitment process please refer to page 83 in the Nomination Committee Report.

Board development

We continue to receive regular updates and briefings on corporate governance as well as wider regulatory changes within the market to ensure we comply with all applicable laws and regulations.

During the year, the Board completed several training sessions, with a key focus on the UK economy and capital markets and on the incoming Task Force on Climate-related Disclosures and Carbon Reporting. The sessions help to upskill the Board and ensure we have sufficient knowledge to discharge our duties effectively, further details of which can be found on page 74.

Board engagement

We believe that our positive engagement and working relationship with the Manager is key to enhancing the Company's governance arrangements and ensuring that they are robust and fit for purpose. We work closely with the Manager to identify areas for improvement and best practice which promotes an open and collaborative culture. This year, we reviewed a number of our policies and procedures, including refreshing the Disclosure Policy.

We also regularly engage with the Company's advisers, Jefferies (Joint Financial Adviser and Joint Corporate Broker), JP Morgan Chase & Co (Joint Corporate Broker), Taylor Wessing LLP (Legal Adviser) and Akur Limited (Joint Financial Adviser), to discuss investor feedback they have received and/or gauge their views on corporate strategy and performance. We also provide investors with regular updates on significant business events, specifically financial performance and investment activity, through announcements via the Regulatory News Service of the London Stock Exchange ("RNS").

Priorities for 2022

Looking ahead to 2022, the Board is focused on embedding our new Non-Executive Directors, Wu Gang and Elizabeth Brown, to the Board as well as continuing to progress the Company's sustainability strategy and targets ahead of our 2023 deadline alongside the delivery of further strong financial performance. In addition, we plan to finalise the IMA review in the near term and look forward to updating the market in due course.

Aubrey Adams OBE, FCA, FRICS

Chairman

2 March 2022

Statement of compliance

The Board of Tritax Big Box REIT plc has considered the Principles and Provisions of the 2019 AIC Code of Corporate Governance ("AIC Code"). The AIC Code addresses the Principles and Provisions set out in the UK Corporate Governance Code (the "UK Code"), and sets out additional Provisions on issues that are of specific relevance to investment companies.

The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to shareholders.

The Company has fully complied with the Principles and Provisions of the AIC Code.

The AIC Code is available on the AIC website (www.theaic.co.uk). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

► For further details please see pages 72 to 73.



Composition, succession and evaluation

**Aubrey Adams OBE, FCA, FRICS**

Independent Chairman

Appointed

11 September 2017

Tenure

4 years 6 months

Relevant skills and experience

- Almost 40 years' experience at Board level in the real estate industry, including part of his executive career as Chief Executive of Savills plc
- Extensive experience as a Chairman and Non-Executive Director, including as Senior Independent Director of Associated British Ports plc and Chairman of Max Property Group plc
- Fellow of the Institute of Chartered Accountants in England and Wales
- Fellow of the Royal Institution of Chartered Surveyors

External appointments

- Chairman of the Board of Trustees of Wigmore Hall since May 2011
- Group Chair of L&Q Housing Trust, a leading housing association since September 2015
- Director of Nameco (No.522)

**Alastair Hughes FRICS**

Senior Independent Director

Appointed

1 February 2019

Tenure

3 years 1 month

Relevant skills and experience

- Over 30 years' experience in the UK and international real estate markets both at an operational and strategic level
- Former director and Global Executive board member of Jones LaSalle Inc ("JLL"), previously serving as Managing Director of JLL in the UK, before becoming CEO for Europe Middle East and Africa and most recently CEO for Asia Pacific
- Fellow of the Royal Institution of Chartered Surveyors

External appointments

- Non-Executive Director of Schroder Real Estate Investment Trust Limited since April 2017
- Non-Executive Director of The British Land Company plc since January 2018
- Non-Executive Director of QuadReal since October 2019

**Richard Laing FCA**

Independent Non-Executive Director

Appointed

16 May 2018

Tenure

3 years 10 months

Relevant skills and experience

- In depth knowledge of financial matters through his previous role as Finance Director and Chief Executive of CDC Group plc for 11 years; as Finance Director of De La Rue plc; as financial analyst and manager at Bookers Group plc; and from five years at PricewaterhouseCoopers
- Experienced Non-Executive Director and Non-Executive Chairman of quoted and unquoted businesses
- Fellow of the Institute of Chartered Accountants in England and Wales

External appointments

- Chairman of 3i Infrastructure plc since January 2016
- Non-Executive Director and Chairman of the Audit and Risk Committee of JP Morgan Emerging Markets Investment Trust plc since January 2015
- Deputy Chairman of the Board of Trustees of Leeds Castle since September 2012, Chairman of the Audit and Risk Committee and member of the Investment Committee

- A Audit and Risk Committee
- M Management Engagement Committee
- N Nomination Committee
- Chairman of Committee



Karen Whitworth ACA

Independent Non-Executive Director

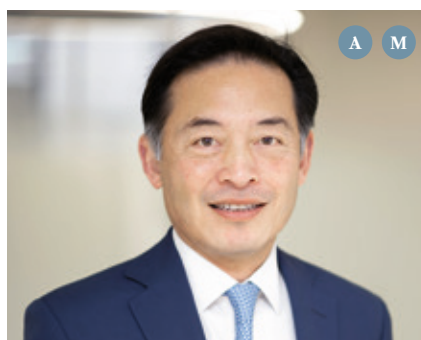
Appointed 21 October 2019 **Tenure** 2 years 5 months

Relevant skills and experience

- Significant retail, strategic, financial and logistics experience gained through several commercial, operational and governance roles
- Over 17 years of Board level experience in public and private organisations
- Financial acumen – Fellow of the Institute of Chartered Accountants in England and Wales
- Non-Executive Director and Chair of the Audit and Risk Committee of Pets at Home Group plc until May 2021
- Various operational, strategic and commercial roles at J Sainsbury's PLC, from 2007 to 2018, ultimately becoming a member of the Commercial Board and Director of Non-Food Grocery and New Business for the last three years
- Supervisory member and Audit Committee member of GS1 UK Limited from 2013 to 2018
- Chairman's Adviser/Finance Director at BGS Holdings Limited (trading as "Tunetribes") from 2005 to 2007
- Various roles at Intercontinental Hotel Group plc from 2000 to 2005, including Senior Vice President of Strategy and Transformation and Senior Vice President of Investor Relations

External appointments

- Non-Executive Director and member of the Audit Committee and Corporate Responsibility Committee of Tesco plc
- Non-Executive Director and Audit Committee Chair of The Rank Group Plc since November 2019 and Senior Independent Director from January 2022
- Independent Adviser to Growup Farms Limited



Wu Gang

Independent Non-Executive Director

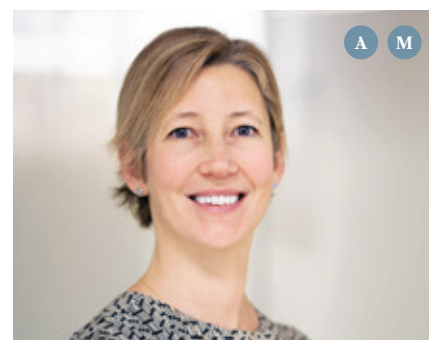
Appointed 1 October 2021 **Tenure** 5 months

Relevant skills and experience

- A strong strategic and financial advisory background and a wealth of international experience gained from a career of over 25 years in investment banking in Asia and Europe
- Set up and led the European investment banking team at CLSA Securities, the international investment Banking platform of CITIC Securities, from 2015 to January 2019
- Prior to CLSA Securities, Wu Gang was head of M&A and General Industrials at ICBC International
- Held senior level positions at The Royal Bank of Scotland, HSBC and Merrill Lynch in Hong Kong and London
- Served as a Non-Executive Director of Laird Plc from January 2017 to June 2018

External appointments

- Non-Executive Director of Ashurst LLP and IG Group Holdings Plc
- Senior Adviser at Rothschild & Co Hong Kong Limited



Elizabeth Brown

Independent Non-Executive Director

Appointed 15 December 2021 **Tenure** 3 months

Relevant skills and experience

- 20 year's experience in Strategy and M&A, as a former strategy consultant with L.E.K. Consulting, an investment director at the RBS Special Opportunities Fund, and in senior in-house strategy roles at Dixons Carphone and Diageo
- Track record in devising investment strategies, leading acquisitions and disposals, and long-term strategic planning
- Brings a clear focus on consumer trends and market insights, identifying growth opportunities and translating these into value-creating strategies
- Group Strategy Director and Global Head of M&A at Diageo since 2017
- Strategy Director of Services from 2016 to 2017 and Head of Corporate Development from 2013 to 2017 at Currys (formerly Dixons Carphone)
- Director at the RBS Special Opportunities Fund from 2005 to 2012
- Strategy consultant at L.E.K. Consulting from 2002 to 2005

External appointments

- Group Strategy Director at Diageo plc



Key Representatives of the Manager

Tritax Management LLP (the “Manager”) acts as the Company’s Alternative Investment Fund Manager (“AIFM”) for the purposes of the Alternative Investment Fund Manager Directive (“AIFMD”) and as such the Board has delegated authority to the Manager to conduct portfolio and risk management services on behalf of the Company. Whilst the Manager has the ultimate responsibility to make the final decision over portfolio and risk management services, the Board actively discusses potential investments and divestments with the Manager and ensures ongoing compliance with the Company’s Investment Policy and Investment Objectives.

This complies with the European Securities and Markets Authority (“ESMA”) guidelines published on 13 August 2013 in respect of the AIFMD and ensures that the Company continues to adopt best governance practice.

To read more about our colleagues please go to <https://www.tritaxbigbox.co.uk/about/people-and-culture/>.



Colin Godfrey

CEO – Fund Management

Relevant skills and experience

Colin is responsible for leading the Group’s fund management function and overall responsibility for the provision of strategic investment advice to the Group. Colin began his career with Barclays Bank before joining Conran Roche in the late 1980s. Once qualified as a chartered surveyor, Colin specialised in portfolio fund management, with particular responsibility for the £1 billion assets of the British Gas Staff Pension Scheme. In 2000, Colin was a founding director of SG Commercial and became a partner of Tritax Group in 2004.



Frankie Whitehead

Chief Financial Officer

Relevant skills and experience

Frankie is responsible for all aspects of the Group’s finance and corporate reporting. Frankie is a chartered accountant and joined Tritax in 2014 following the Company’s IPO. Frankie previously performed the role of Financial Controller at Primary Health Properties Plc and trained and qualified at PKF (UK) LLP which subsequently merged with BDO LLP. Frankie became a partner of the Tritax Group in 2020.



Petrina Austin

Head of Asset Management

Relevant skills and experience

Petrina leads the Group’s asset management function and is responsible for the strategic management of the investment portfolio, identifying and progressing value enhancing initiatives, so as to protect and maximise investor returns. Petrina began her career at Carter Jonas before moving to King Sturge (now JLL) to concentrate on institutional portfolio management. In 2002, Petrina joined Knight Frank before joining Tritax Group in 2007.



Bjorn Hobart

Investment Director

Relevant skills and experience

Bjorn is responsible for managing the Company’s investment portfolio and serves as Chairman of the Investment Committee. Bjorn started his career at Faber Maunsell (now AECOM) and went on to undertake an MA in Property Valuation and Law. In 2007, Bjorn joined SG Commercial and joined Tritax Group in 2011, becoming a partner in 2017.



Phil Redding

Director of Investment Strategy

Relevant skills and experience

Phil is responsible for providing strategic investment advice to the Company. Phil started his career at King & Co (now JLL) where he qualified as a chartered surveyor in their Industrial Agency and Development division in 1992. In 1995, Phil joined SEGRO plc holding a number of management positions before becoming Chief Investment Officer and member of the Board in 2013. Phil joined Tritax Group in 2020.



Henry Franklin

Chief Operating Officer

Relevant skills and experience

Henry is responsible for tax, legal and compliance activities, working closely with the Board, the management team and external advisers to ensure the robustness of the tax and legal structure. Henry is a qualified solicitor who completed his articles with Ashurst LLP in 2001, qualifying as a chartered tax adviser in 2004 before moving to Fladgate LLP in 2005. Henry joined the Tritax Group in 2008.

Our corporate governance structure



Board relevant sector experience

The Board has a complementary range of skills which are relevant to the Group's medium and longer-term objectives.

The Board considers Richard Laing to have recent and relevant financial expertise to chair the Audit and Risk Committee.

Financial



Property



Retail



ESG



Logistics



Governance/PLC



e-Commerce



Risk Management

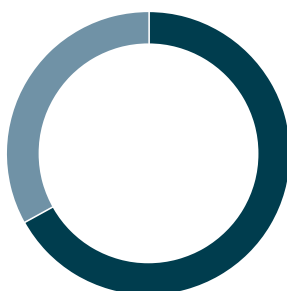


Strategy



Board gender split

- Male 67%
- Female 33%



Non-Executive Director tenure

1–2 years

2

2–3 years

1

3–4 years

2

4–5 years

1



Application of Code

Application of AIC Code principles

The AIC Code, and the underlying UK Code, have placed increased emphasis on “comply or explain” with regard to the principles of the Code. Our explanations of how we have applied the main principles of the AIC Code can be found below.

Board leadership and company purpose	
Principle A. A successful company is led by an effective board, whose role is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society.	<ul style="list-style-type: none"> • Strategic Report pages 1 to 65 • Board leadership and Company purpose pages 74 to 77
Principle B. The board should establish the company’s purpose, values and strategy, and satisfy itself that these and its culture are aligned. All directors must act with integrity, lead by example and promote the desired culture.	<ul style="list-style-type: none"> • Strategic Report pages 1 to 66 • Board leadership and Company purpose pages 74 to 77 • Division of responsibilities pages 79 to 82
Principle C. The board should ensure that the necessary resources are in place for the company to meet its objectives and measure performance against them. The board should also establish a framework of prudent and effective controls, which enable risk to be assessed and managed.	<ul style="list-style-type: none"> • Principal Risks and Uncertainties pages 58 to 64 • Section 172 Statement page 22 • Audit, risk and internal control pages 86 to 87 • Audit and Risk Committee Report pages 88 to 91
Principle D. In order for the company to meet its responsibilities to shareholders and stakeholders, the board should ensure effective engagement with, and encourage participation from, these parties.	<ul style="list-style-type: none"> • Stakeholders pages 22 to 25 and 78 • Section 172 Statement page 22
Division of responsibilities	
Principle F. The chair leads the board and is responsible for its overall effectiveness in directing the company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the chair facilitates constructive board relations and the effective contribution of all non-executive directors, and ensures that directors receive accurate, timely and clear information.	<ul style="list-style-type: none"> • Board leadership and Company purpose pages 74 to 77 • Division of responsibilities pages 79 to 82
Principle G. The board should consist of an appropriate combination of directors (and, in particular, independent non-executive directors) such that no one individual or small group of individuals dominates the board’s decision making.	<ul style="list-style-type: none"> • Division of Responsibilities pages 79 to 82 • Composition, succession and evaluation pages 68 to 71
Principle H. Non-executive directors should have sufficient time to meet their board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold third-party service providers to account.	<ul style="list-style-type: none"> • Board leadership and Company purpose pages 74 to 77 • Division of responsibilities pages 79 to 82 • Audit and Risk Committee Report pages 88 to 91 • Management Engagement Committee Report pages 92 to 94
Principle I. The board, supported by the company secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.	<ul style="list-style-type: none"> • Division of Responsibilities pages 79 to 82 • Nomination Committee Report pages 83 to 85
Composition, succession and evaluation	
Principle J. Appointments to the board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.	<ul style="list-style-type: none"> • Nomination Committee Report pages 83 to 85
Principle K. The board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the board as a whole and membership regularly refreshed.	<ul style="list-style-type: none"> • Composition, succession and evaluation pages 68 to 71
Principle L. Annual evaluation of the board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively.	<ul style="list-style-type: none"> • Nomination Committee Report pages 83 to 85

Audit, risk and internal control	
Principle M. The board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of external audit functions and satisfy itself on the integrity of financial and narrative statements.	<ul style="list-style-type: none"> • Audit, risk and internal control pages 86 to 87 • Audit and Risk Committee Report pages 88 to 91
Principle N. The board should present a fair, balanced and understandable assessment of the company's position and prospects.	<ul style="list-style-type: none"> • Audit and Risk Committee Report pages 88 to 91 • Responsibilities statements page 100
Principle O. The board should establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the company is willing to take in order to achieve its long-term strategic objectives.	<ul style="list-style-type: none"> • Principal Risks and Uncertainties pages 58 to 64 • Viability Statement page 65 • Audit, risk and internal control pages 86 to 87 • Audit and Risk Committee Report pages 88 to 91 • Notes to the financial statements pages 111 to 134
Remuneration	
Principle P. Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success.	<ul style="list-style-type: none"> • Management Engagement Committee Report pages 92 to 94 • Directors' Remuneration Report pages 95 to 97
Principle Q. A formal and transparent procedure for developing policy on remuneration should be established. No director should be involved in deciding their own remuneration outcome.	<ul style="list-style-type: none"> • Directors' Remuneration Report pages 95 to 97
Principle R. Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances.	<ul style="list-style-type: none"> • Directors' Remuneration Report pages 95 to 97

Key Board statements

Requirement	Board statement	Where to find further information
Going concern basis	The Board is of the opinion that the going concern basis adopted in the preparation of the Annual Report is appropriate.	Further details are set out on page 65 of the Strategic Report.
Viability Statement	The Board is of the opinion that the Viability Statement adopted in the preparation of the Annual Report is appropriate.	Further details are set out on page 65 of the Strategic Report.
Annual review of systems of risk management and internal control	A continuing process for identifying, evaluating and managing the risks the Company faces has been established and the Board has reviewed the effectiveness of the internal control systems.	Further details are set out in Audit, risk and internal controls on pages 86 and 87 of this Governance Report.
Robust assessment of the Company's emerging and principal risks to the business model, future performance, solvency and liquidity of the Company	The Audit and Risk Committee and the Board undertake a full risk review twice a year where all the emerging, principal risks and uncertainties facing the Company and the Group are considered.	Further details can be found in Our Principal Risks and Uncertainties on pages 58 to 64 of the Strategic Report.
Fair, balanced and understandable	The Directors confirm that to the best of their knowledge the Annual Report and Accounts taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.	Further details of the fair, balanced and understandable statement can be found in the Audit and Risk Committee Report on pages 88 to 91.
Appointment of the Manager	The Directors consider the continuing appointment of the Manager on the terms agreed in the Investment Management Agreement dated 11 September 2017 to be in the best interests of the Company.	Further details are set out in the Management Engagement Committee Report on pages 92 and 93.
s172 of the Companies Act 2006	The Directors have considered the requirements of s172 when making strategic decisions.	Further details are set out on page 22 of the Strategic Report.



Board Leadership and Company Purpose

Key activities of the Company in 2021



January–March 2021

- Declared an interim dividend of 1.7125 pence per share, in respect of the three months to 31 December 2020.
- Approved the Annual Report and Accounts 2020.
- Received training on the Economy and Capital Markets by a leading economist from Panmure Gordon.



April–June 2021

- Declared an interim dividend of 1.60 pence per share, in respect of the three months to 31 March 2021.
- Held the Company's Annual General Meeting.
- Conducted the performance review of the Company's key suppliers.
- Strategy Review.
- Appointed of Aubrey Adams as Chairman and Alastair Hughes as Senior Independent Director.



July–September 2021

- Declared an interim dividend of 1.60 pence per share, in respect of the three months to 30 June 2021.
- Approved the Interim results 2021.
- Conducted the performance review of the Manager.
- Raised £300 million issuance through a successful equity raise.
- Insurance Board update with a focus on Cyber risk.



October–December 2021

- Declared an interim dividend of 1.60 pence per share, in respect of the three months to 30 September 2021.
- Conducted the Board and Committee evaluation.
- Appointed Wu Gang and Elizabeth Brown as Non-Executive Directors of the Company.
- Improved the Company's credit rating with Moody's to Baa1 (positive) from Baa1 (stable).
- Received training on TCFD and carbon reporting by Hillbreak.

Post year end

- Agreed action plan following Board and Committee evaluation to focus on in 2022.
- Declared an interim dividend of 1.90 pence per share, in respect of the three months to 31 December 2021.
- Approved the Annual Report and Accounts 2021.

How we govern the Company

The Board is responsible for promoting the long-term sustainable success of the Company and generating value for its Shareholders and other stakeholders through effective leadership. The Board and the Manager work closely together to maintain the highest standards of corporate governance. We believe that our positive engagement and working relationship with the Manager is key to enhancing the Company's governance arrangements and ensuring that they are robust and fit for purpose. We work closely with the Manager to identify areas for improvement and best practice which creates an open and collaborative culture. The Company's success is based upon the effective implementation of its strategy by the Manager and third-party service providers under the leadership of the Board. The Board's culture provides a forum for constructive and robust debate, which the Board believes has been crucial to the success of the Company to date.

The Company's purpose is to deliver sustainable logistics solutions that create compelling opportunities for our stakeholders and provide our customers with the space to succeed. In order to achieve this, the Board has determined the Company's Investment Objectives and Investment Policy. It has overall responsibility for the Company's activities, including reviewing investment activity, performance, business conduct and strategy, in compliance with the principles of good corporate governance. The Board has delegated the day-to-day operational aspects of running the Company to the Manager and approved a schedule of matters reserved for its consideration and approval, which are set out on this page. Although the Board does not formally approve investment proposals or decisions, as this is a matter delegated to the Manager, the Board is kept fully informed and notified of investment proposals and decisions to enable the Directors to undertake their responsibilities and duties appropriately.

As well as regular Board meetings, the Board also meets for dedicated strategy meetings, in which the Company's immediate and long-term strategy is discussed, and holds ad hoc meetings to consider specific issues, the market generally and its stakeholders.

There is frequent engagement and interaction between the Manager and Tritax Symmetry Management Ltd (Tritax Symmetry) regarding the development pipeline and the status of current projects. This regular engagement is overlaid by a series of meetings to ensure appropriate oversight and governance of Tritax Symmetry, being weekly updates and occupier review meetings, quarterly project review meetings and quarterly board meetings of Tritax Symmetry. These meetings provide a forum for reporting on detailed project matters by Tritax Symmetry to the Manager and discussion of the wider business strategy.

The Manager retains approval rights in relation to transactional documentation proposed to be entered into by Tritax Symmetry.

A typical Board agenda includes:

- a review of investment performance;
- a review of investments, divestments and asset management initiatives;
- a report on the development activities of the Tritax Symmetry arm of the Group;
- an update on investment opportunities available in the market and how they fit within the Company's strategy;
- a report on the property market;
- a review of the Company's financial performance;
- an update on sustainability and targets;
- a review of the Company's financial forecast, cash flow and ability to meet targets, including a review of the Company's debt covenants and debt maturity;
- a review of the Company's financial and regulatory compliance;
- updates on Shareholder and stakeholder relations;
- updates on the Company's capital market activity;
- specific regulatory, compliance or corporate governance updates;
- a bi-annual risk management review;
- investor relations update; and
- marketing and communications update.

Board reserved matters

- Reviewing and approving Board composition, including the appointment of Directors.
- Approving and implementing the Company's strategy.
- Approving the budget, financial plans and Annual and Interim financial reports.
- Approving the dividend policy.
- Reviewing property valuations and valuations of its interest rate derivatives.
- Overseeing treasury functions and managing the Company's capital structure.
- Reviewing and monitoring the Manager's ongoing compliance with the Company's Investment Objectives and Investment Policy.
- Overseeing the services provided by the Manager and, in conjunction with the Manager, the Company's principal service providers.
- Reviewing and approving all compliance and governance matters.
- Approval of the issuance of new ordinary share capital.



Board Leadership and Company Purpose continued

Strategy

The 2021 strategy meeting took place in May 2021 and focused on assessing whether the Company's strategy remained fit for purpose to ensure the Company's long-term success. The meeting involved the full Board and key members of the Manager who discussed the portfolio strategy and the strategic targets for the year ahead. The Board agreed to continue to monitor the performance of the investment portfolio and where it makes sense to do so, recycle capital into opportunities that are going to improve performance, based on the Company's risk return analysis. The Board also agreed to continue with the development led strategy which would be aided by the equity raise, which took place in Q3 2021, in order to fund an acceleration in development activity. The Board requested that the Manager explore additional income streams for the Company through asset management initiatives and further nurturing occupier relationships.

- Please see pages 26 and 27 for more details on strategy in the Strategic Report.

Given the current dynamics of the logistics market, with strong demand but limited supply of suitable assets, we believe that we are well positioned to capture further value through the Group's development pipeline.

Our focus in 2022 and beyond

Our focus for the coming year will be on achieving planning consents, securing pre-lettings for our development assets and acquiring investment assets in order to grow the Group's strong asset base and deliver enhanced returns to Shareholders.

- For further details of the Company's strategy see pages 26 and 27 of the Strategic Report.

Culture

The culture and ethos of the Company are integral to its success. The Board promotes open dialogue and frequent, honest and open communication between the Manager and other key providers and advisers to the Company. Whilst the Company is externally managed, the Board is confident that the culture within the Manager is aligned with that of the Board.

The Board believes that its positive engagement and working relationship with the Manager helps the business achieve its objectives by creating an open and collaborative culture, whilst allowing for constructive challenge. The Non-Executive Directors meet regularly with members of the Manager outside of Board meetings to discuss various key issues relating to Company matters.

The Company's success is based upon the effective implementation of its strategy by the Manager and third-party providers under the leadership of the Board. The Board's culture provides a forum for constructive and robust debate, and the Board believes that this has been fundamental to the success of the Company to date.

Sustainability

Managing sustainability is core to our business. The CSR Committee of the Manager regularly reports to and engages with the Board on its sustainability activities. The CSR Committee has ultimate responsibility for all ESG related policies of the Manager and recommends them to the Operations Committee, who include these as part of their full review of all policies. For full details of all policies please refer to the Manager's website. During the year, the Board continued to embed the Sustainability Strategy and made good progress towards the Company's 2023 sustainability targets. The Company received a GRESB score of 81/100 which represents an increase of 9 points since 2020 and achieved four Green Stars out of five for our standing portfolio. In addition, the Company was also awarded the GRESB 2021 Leader for Development in the European and Global Industrial Listed Sectors, achieving the highest score for the industrial sector with a score of 97/100 and the maximum five Green Stars. Further to the issuance of the Company's Green Bond in 2020, the Green Finance Committee has fully allocated all proceeds from the Bond to eligible Green initiatives.

- For further information on our sustainability strategy please refer to pages 32 to 41.

The Company has made a commitment to achieve net zero carbon for its direct activities by 2030 and for its total Scope 3 emissions by 2050.

- For further information on how the Company reports against TCFD please see page 39.

The Board ESG champion meets regularly with the Manager's ESG Director to discuss progress on the Sustainability Strategy and have deep dives into key sustainability issues relevant to the Board. This year, key matters discussed included:

- climate change risk and how the Company will report against the TCFD recommendations; and
- carbon Reporting.

To demonstrate its own commitment to sustainability, the Manager procures renewable energy and sends zero waste to landfill. It also achieved ISO 14001 accreditation in late 2020.

- Please see pages 32 to 41 for the Sustainability report.

Relations with Shareholders and other stakeholders

Maintaining strong relationships with the Company's Shareholders and other stakeholders and an understanding of their priorities and concerns is a key objective of the Board. The Chairman and the Senior Independent Director ("SID"), alongside the CEO Fund Management, Chief Financial Officer and Head of Investor Relations of the Manager are the Company's principal spokespersons who regularly communicate with the Company's Shareholders, the press, analysts, investors and other stakeholders. All Directors are available to speak to Shareholders on any matters relating to the Company.

During the year, the Manager, together with the Company's Brokers, devoted time to meeting with existing Shareholders and prospective new investors virtually from the UK, Continental Europe, South East Asia, the USA and South Africa. The Chairman and SID held a governance road show in Q4 2021 with key Shareholders of the Company. The key theme to emerge from the meetings was the Group's ESG performance over the period. The Manager also held an investor seminar in January 2022 which provided stakeholders with a market update, information on the Company's strategy and the development pipeline.

- Further details of the Company's engagement with our other key stakeholders can be found on pages 22 to 25 and 78.

Site visits

There is continued demand from Shareholders and prospective investors to visit our assets and development sites. In December 2021, the Manager undertook a number of site visits with analysts to Biggleswade and Kettering and the Manager alongside the Investor Relations team plan to host a programme of site visits in 2022.

Annual General Meeting ("AGM")

The Company's general meetings provide the Board and the Manager with a valuable opportunity to engage with its shareholders on governance and strategy. All the Directors usually attend the AGM and make themselves available to answer Shareholders' questions. The Chairman also makes himself available outside of these meetings to speak to Shareholders.

The SID is available for Shareholders to contact if other channels of communication with the Company are not available or are inappropriate. Various Directors also regularly attend the biannual financial results presentations.

We encourage Shareholders to attend and vote at the AGM and take the opportunity to engage with the Board and the Manager. Due to the ongoing Covid-19 pandemic restrictions in May 2021, Shareholders were unable to attend in person. We plan to hold our May 2022 AGM in person, at Taylor Wessing's office as in previous years.

The Chairman and the SID as well as other Directors can be contacted by emailing the Company Secretary on cosec@tritaxbigbox.co.uk, who will pass the communication directly to the relevant person, or by post at the Company's registered office.

Public communications

The Company ensures that any price sensitive information is released to all Shareholders at the same time and in accordance with regulatory requirements. All Company announcements which are released through the London Stock Exchange's Regulatory News Service ("RNS") are also made available on the Company's website. The website also holds the quarterly fact sheets, share price and dividend information, investor presentations, the Key Information Document required by PRIIPS regulations and the Annual and Interim Reports which are available for download. The Company's Annual and Interim Reports are dispatched to Shareholders upon request.





Stakeholder Engagement

Key decisions of the Board

Our stakeholders



The Manager and its employees



Our shareholders



Our suppliers



Our customers



Our lenders



Government, regulators and local councils



Our communities



Equity raise

Stakeholder



How were stakeholders' views taken into account?

The placing in September 2021 was underpinned by active discussions with occupiers across approximately 7.0 million sq ft of consented land and lettings during the year to Ikea at Littlebrook and HarperCollins at Glasgow, totalling 1.0 million sq ft. The placing provided a strong underpin to the 1.3 million sq ft of speculative development in progress or planned to commence in Q4 2021.

Impact – what actions were taken as a result of this engagement/taking concerns into account?

As a result, the Board approved the decision to conduct the placing in September 2021, successfully raising £300 million at a premium to IFRS NAV through issuing new shares, which allowed the Company to take advantage of its attractive development pipeline. The raise allowed institutional and retail investors to participate through an accelerated book build.

► Further details can be found on pages 42 to 52

Long-term effects of the decision?

The equity raise supported the continued growth of the Company and delivery of its development strategy. The raise was three times oversubscribed and demonstrated our ability to fund our attractive development pipeline. A further 147,058,823 shares were issued in relation to the equity raise.



Net zero carbon development pilot

Stakeholder



How were stakeholders' views taken into account?

As part of the Company's sustainability strategy and its commitment to net zero carbon by 2050, TSL commissioned an Independent Carbon Assessor to conduct carbon modelling with a view to understanding what measures it could take to mitigate carbon emissions in construction. In addition to this, TSL were also mindful of the views expressed by Shareholders, the recent carbon targets and feedback from tenants who are looking for more sustainable assets.

Impact – what actions were taken as a result of this engagement/taking concerns into account?

Since June 2020, all base build units within the Tritax Symmetry development portfolio will be built as "Net Zero Carbon in Construction". DPD, Bicester was the first net zero carbon construction for TSL and provided an opportunity to pilot this initiative.

► Further details can be found on page 34

Long-term effects of the decision?

The pilot scheme at DPD, Bicester helped identify ways to reduce embodied carbon from construction and achieved a 8% reduction against its baseline of 6,614 tonnes of carbon. It provided a model for future initiatives and helped identify opportunities for improvement. Engagement with our building contractors showed that earlier involvement in suggesting carbon saving measures and measure assumptions all helped to improve carbon offsetting and these lessons learned would be taken into the next construction initiative. A long-term aim of the initiative is to create a more sustainable asset and operational environment not only for our tenants, but also for the communities who live and work near our assets.



The Mothership (Atlantic Row)

Stakeholder



How were stakeholders' views taken into account?

One of the Company's strategic goals is to operate a sustainable business, promote socially responsible values and support the wider community. The Board recognises the importance of supporting valuable charitable causes, especially during the pandemic.

Impact – what actions were taken as a result of this engagement/taking concerns into account?

The Board resolved to support "The Mothership", a crew of four female rowers including the Manager's IR Director, Jo Blackshaw to race 3,000 miles across the Atlantic in the Talisker Whisky Atlantic Challenge. The donation enabled the team to take part in the challenge by acting as the lead sponsor. This in turn resulted in the team raising over £69k for worthwhile charities, including Felix Fund, Women in Sport and Noah's Ark Children's Hospice. The endeavour demonstrated the ability to be self-sufficient and resilient by taking on the utmost challenge, in turn helping to inspire and empower women and children to pursue their goals, whilst promoting gender equality.

Long-term effects of the decision?

In addition to the above benefits, this sponsorship helped to secure media coverage across the national, broadcast and sector press, further raising the profile of the Company. It also highlighted its continuing support of the Manager's employees and the community in which it operates.

► For further information on the challenge please refer to <https://www.tritaxbigbox.co.uk/news-insights/news-and-insights/tritax-director-raises-59k-during-extreme-3-000-mile-row-across-the-atlantic/>

Division of Responsibilities

The Board and its Committees

The Board currently consists of six Non-Executive Directors, all independent of the Manager. We believe that the Board is well balanced and possesses a sufficient breadth of skills, variety of backgrounds, relevant experience and knowledge to ensure it functions effectively and promotes the long-term sustainable success of the Company, whilst generating shareholder value and keeping in mind wider stakeholder interests. In light of Sir Richard Jewson's retirement in May 2021, the Nomination Committee identified the need to recruit a new Non-Executive Director to further strengthen the existing Board.

► Further details can be found on page 83.

Directors' biographies are set out on pages 68 and 69. In accordance with the requirements of the AIC Code, all of the Directors will stand for re-election at the Company's AGM on 4 May 2022.

We have not established a Remuneration Committee as the Board has no Executive Directors and the Company has no other employees. The Board as a whole is responsible for reviewing the scale and structure of the Directors' remuneration. Details of the Directors' remuneration for the year ended 31 December 2021 are included in the Directors' Remuneration Report on pages 95 to 97.

Conflicts of interest

Each Director has a duty to avoid a situation in which he or she has a direct or indirect interest that may conflict with the interests of the Company. The Board may authorise any potential conflicts, where appropriate, in accordance with the Articles of Association. Where a potential conflict of interest arises, a Director will declare their interest at the relevant Board meeting and not participate in the decision making in respect of the relevant business.

Board meetings

During 2021 we held seven scheduled Board meetings, plus six further ad hoc meetings which dealt with transactional and other specific events such as the equity raise and asset purchase. During the Covid-19 pandemic all meetings were held virtually. Although this format has proved efficient and in many ways convenient, the Board looks forward to spending more time together in person.

The Board meetings follow a formal agenda, which is approved by the Chairman and circulated by the Company Secretary in advance of the meeting to all Directors and other attendees. At each Board meeting, every agenda item is considered against the Company's strategy, its Investment Objectives, its Investment Policy, s172 and all Directors' duties.

The Board is kept fully informed of potential investment opportunities, along with wider property market intelligence, through a comprehensive set of Board papers prepared by the Manager prior to each meeting. Included within this pack are the investment reports prepared by the Manager's Investment Committee for each acquisition and asset management opportunity. Representatives of the Manager are invited to attend the Board meetings as are representatives of the

Company's other advisers as required, particularly representatives from Jefferies, JP Morgan Chase & Co, Akur Capital and Taylor Wessing LLP.

Outside the Board meetings, the Manager shares recommendations around investment opportunities and keeps the Directors fully informed on the progress of transactions. The Board also has full access to the Management team and the Company Secretarial team at all times to discuss any specific matters outside of formal meetings.

Board reporting

In July 2021, the Secretariat held a workshop with Board Intelligence to review the Board and Committee packs with the primary aim of benchmarking the packs against the Company's peers and providing recommendations on how Board papers could be further improved to align to Board Intelligence's best in class reporting template. Following the initial feedback session, Board Intelligence met with the Chairman to understand any aims or concerns faced with the Board pack and to discuss initial findings. Board Intelligence then proceeded to schedule one-to-one calls with several of the paper authors, including the CEO Fund Management, Investment Director, Chief Operating Officer, Head of Asset Management, Chief Financial Officer and ESG Director to discuss how the structure of each report could be improved to align with best practice. Since then, clearer and more concise reports have been implemented across the business which has helped to further refine and focus Board reporting.

The Chairman and the Senior Independent Director

Our Independent Chairman, Aubrey Adams, has no relationships that could create a conflict of interest between his interest and those of Shareholders or the Manager.

As we are subject to the AIC Code, there is no requirement for a limitation on the length of tenure of the Chairman. However, we recognise that there is a significant body of opinion that tenure should be limited to nine years and take this into account in our succession planning.

The Chairman's other significant commitments include Chairmanship of L&Q Housing Trust and Board of Trustees of Wigmore Hall. For the Chairman's full biography please refer to page 68 and 69 and the Company website. The Board believes he dedicates sufficient time to his Chairmanship of the Company. The Board has adopted a Policy on Tenure and Re-election; for more information please refer to page 84.

As Chairman, he sets the agenda for Board meetings with assistance from the Company Secretary, manages the meeting timetable and facilitates open and constructive dialogue during the meetings.

The SID, Alastair Hughes, and the other Directors met during the year, without the Chairman, to appraise his performance. The outcome of this meeting is detailed on page 85.



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