



# ESG Report

## 2020 EPRA Sustainability Best Practice Indicator Disclosures

9 April 2021

# Tritax Big Box REIT 2020 ESG disclosures

Tritax Big Box REIT is committed to reporting fully and transparently on its ESG activities. The Group is aligned with the EPRA sustainability best practice reporting guidelines.

This document reports on Tritax's 2020 ESG disclosures against these indicators and provides explanatory notes relating to this data.



# About Tritax Big Box

**We own the UK's biggest portfolio of big box logistics investment assets and control the largest logistics-focused development land bank, offering the potential to deliver a combination of attractive income and capital growth to shareholders over the long term.**

We are committed to delivering high-quality and sustainable logistics buildings for our customers and attractive long-term returns for shareholders. We do this by investing in and actively managing existing logistics buildings, developing new logistics assets and securing land suitable for logistics development.

We focus on well-located, modern and sustainable buildings, let to high-quality customers on long-term leases. We seek to capture the significant opportunity in this sub-sector, driven by strong occupier demand and limited supply.

**Our purpose is to deliver sustainable logistics solutions that create compelling opportunities for our stakeholders and provide our customers with the space to succeed.**

# Our portfolio

## Diversified by customer and sector

Our portfolio is let to 41 customers across 50 assets providing a high degree of diversification by customer and by sector. These customers include some of the world's leading companies.

|  |   |   |
|--|---|---|
| <b>Online Retail 25.3%</b><br>                    | <b>Food Retail 19.8%</b><br>             | <b>Homewares &amp; DIY Retail 12.7%</b><br>        |
| <b>Other Retail 11.2%</b><br>                     | <b>Product Manufacturing 5.7%</b><br>    | <b>Third Party Logistics/Distribution 5.0%</b><br> |
| <b>Post &amp; Parcels 4.3%</b><br>                | <b>Automotive Manufacturing 3.5%</b><br> | <b>Computer &amp; Electronics Retail 3.5%</b><br>  |
| <b>Wholesale &amp; Retail Trade 3.3%</b><br>    | <b>Clothing Retail 2.8%</b><br>        | <b>Food Production 1.8%</b><br>                  |
| <b>Information &amp; Communication 1.0%</b><br> | <b>Food Service 0.4%</b><br>           |   |



## Diversified by location

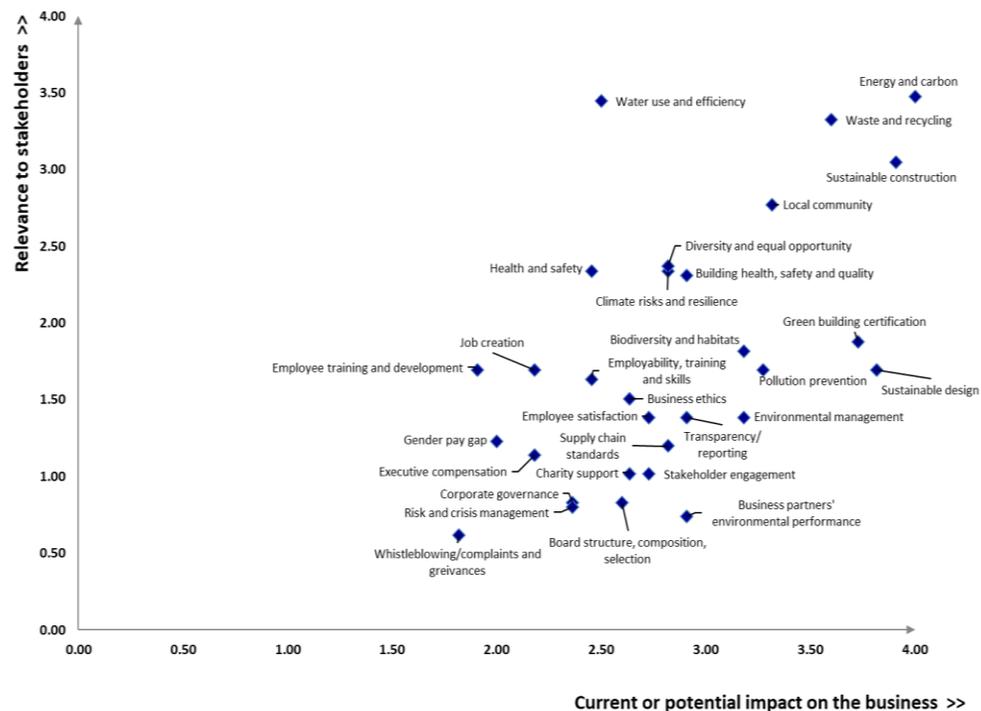
Our investments are in strategically important logistics locations across the UK, ensuring we have a portfolio diversified by regions.

# Our material impacts

## Materiality assessment

- In 2019 we conducted a materiality assessment in order to ensure that we are aware of new and emerging ESG issues, as well as any potential risks and opportunities.
- This in-depth assessment engaged key internal and external stakeholders to understand their views on the most important ESG issues, as well as ensure that our sustainability strategy meets with their expectations.
- The assessment was conducted in line with the GRI best practice methodology and took into account local and global trends in sustainability, including ESG indices and frameworks, such as GRESB, SDGs, TCFD and UN PRI.
- The material issues, which are represented in the top right quadrant have been categorised into four core themes, which now sit at the core of our 2030 sustainability strategy.

Tritax Big Box REIT Materiality Matrix



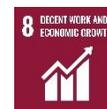
### Climate change:

Energy, carbon and climate resilience



### Biodiversity:

Ecology, biodiversity, pollution, and waste, environmental management



### Social value:

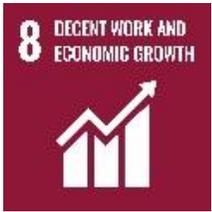
Local community, job creation, diversity and equality, supporting Customers and partners' sustainability



### Sustainable and healthy buildings:

Certification, sustainable design, sustainable construction, building health and safety

# Our 2030 commitments

|             | Healthy and Sustainable Buildings  | Net Zero Carbon   | Nature and Wellbeing   | Social Value   |
|-------------|--|---|--|--|
| Context     | As the investor and owner of one of the largest logistics portfolios in the UK, we have a responsibility to ensure our portfolio is sustainable and supports health and wellbeing for our customers. | Climate change is a critical risk. We are focused on reducing our carbon footprint, using energy more efficiently to make our assets more resilient in the long term, and reducing operating costs for our customers.                     | Biodiversity is in decline in the UK, with 1 million species at risk of extinction. We have a responsibility to ensure we mitigate environmental impacts and actively enhance biodiversity to create a positive impact.                                | Our assets are well located for local employment opportunities, meaning our direct investment in developments creates jobs and associated tax revenues and local spend.  |
| Objective   | To ensure and demonstrate the sustainability of our assets   | To achieve net zero carbon by 2030 for our direct activities  | To enhance nature and wellbeing on our land and for the benefit of our communities   | To measure and drive social value through our investment in logistics  |
| Activities  | <ul style="list-style-type: none"> <li>Responsible investment</li> <li>Green building certifications</li> <li>ESG ratings</li> <li>Tenant and stakeholder engagement</li> </ul>                      | <ul style="list-style-type: none"> <li>Net zero carbon operations</li> <li>Net zero carbon construction</li> <li>A-C EPC ratings</li> <li>Investment in renewable energy</li> <li>Supporting low carbon operations for tenants</li> </ul> | <ul style="list-style-type: none"> <li>Enhanced action for Biodiversity Net Gain in new developments</li> <li>Implementing biodiversity enhancements in our standing investments</li> <li>Funding Green Gyms in communities near our assets</li> </ul> | <ul style="list-style-type: none"> <li>Measurement of social value created by investment in logistics</li> <li>Creation of social value targets for each development in line with Social Value Charter</li> <li>Support for skills and employment</li> <li>Support for Schoolreaders in our communities</li> </ul> |
| Aligned SDG | Sustainable Cities and Communities   | Climate action  | Life on Land   | Sustainable Communities  |
|             |   |   |   |   |

# Our 2023 targets

| Sustainability Goals  | 2023 Targets   | Action in 2020   | Progress against target   |   |
|---|--|--|---|---|
| <b>Healthy and sustainable buildings: Ensure and demonstrate the sustainability of our assets</b>               | Embed ESG into investment practices and ensure any new acquisitions and investments align with ESG investment principles | £250m Green Bond raised to finance green initiatives   | ●   |   |
|   | Ensure all new assets in the portfolio have a green building certification   | ESG investment training undertaken develop expertise to ensure investments align with ESG investment principles  | ●   |   |
|   | Improve GRESB score to three Green Stars   | 43% of total floorspace is BREEAM certified (42% in 2019)  | ●   |   |
|   | Improve MSCI ESG rating to A   | GRESB increased from 1 Green Star to 3 Green Stars   | ●   |   |
|   | Implement green leases on all new leasing opportunities, where our customers agree                                       | MSCI increased from B to BB  | ●   |   |
|   | Provide recommendation reports to tenants, and to provide sustainable operations guides                                  | Drafted preferable best practice green lease clauses and solicitors briefed  | ●   |   |
| <b>Energy and Carbon: Achieve net zero carbon for direct operations</b>   | To maintain net zero carbon for Scope 1 and 2 GHG emissions  | Net zero carbon achieved for Scope 1 and 2 direct carbon emissions through procurement of renewable energy (maintained from 2019)  | ●   |   |
|   | To measure indirect (Scope 3) emissions  | Indirect (Scope 3) business travel calculated at 5.5 tonnes of carbon (not calculated in 2019)   | ●   |   |
|   | Identify the products and processes that remove carbon from construction   | Identified an approximate reduction of 30% in the embodied carbon for the first net zero carbon development at DPD - estimated that current residual carbon emissions for the development will be 5,147 tonnes of carbon, which will be confirmed at the point of practical completion and offset through verified and accredited schemes. | ●   |   |
|   | Improve EPCs to A-C Grade  | 90% A-C grade EPCs by floor area (87% in 2019)   | ●   |   |
|   | Install renewable energy generation projects to benefit our customers  | Generated 890 MWh of onsite renewable energy for the benefit of our customers, avoiding 207 tonnes of carbon being emitted through fossil fuel energy (791MWh in 2019)   | ●   |   |
|   | Ensure top three priority assets have climate resilience plans in place  | 10.5 MW of onsite generation assessed for installation with six customers in 2021  | ●   |   |
| <b>Nature and Wellbeing: Enhance nature on our land and for our communities</b>                                 | Pilot 15% BNG on new developments  | Climate related risks identified for priority assets   | ●   |   |
|   | Implement biodiversity enhancements on 11 assets with no measures in place   | Pilot underway at Wigan  | ●   |   |
|   | Support the local environment for the communities near our assets  | 11 Biodiversity Action Plans created, with five plans to be progressed in 2021   | ●   |   |
|   | <b>Social Value: Create a positive socio-economic impact through our investment</b>                                      | Measure social value to demonstrate impact of our investment   | Three conservation projects commenced with The Conservation Volunteers in communities near B&Q, Worksop, TK Maxx Knottingley, and Littlebrook Dartford      | ● |
|   |  | Support apprenticeships and employability in construction  | Social Value Charter created for new developments   | ● |
|   |  | Invest in our communities through the Community Benefit Fund   | Littlebrook development has created £8.2m of additional social value for the local community through employment, community investment and local procurement | ● |
| Support Schoolreaders until 2023 to increase childhood literacy in the communities where our assets are located |  | Partnerships established with Bicester Technology Studio and North Warwickshire and South Leicester College to support vocational training for careers in logistics  | ●   |   |
|   | 10 apprenticeships created at Littlebrook  | Confirmed DPD Bicester as the first beneficiary of the Community Benefit Fund on completion in 2021  | ●   |   |
|   | £10,000 of community investment to support Schoolreaders   | Funded 25 volunteers to reach 375 schoolchildren   | ●   |   |

- Achieved
- On track
- Not achieved



# Environmental indicators

# Energy consumption

Tritax reports on energy consumption for the areas where we have operational control. Due to leasing structures, our tenants have complete operational control. Tritax Big Box therefore provides electricity for external lighting services for two assets within the portfolio. Tritax Big Box and its Manager use no gas in its direct operations.

The energy used by the Company decreased 10% since 2019. This is mainly due to the use of LED lighting and a reduction in office use due to the Covid-19 pandemic.

There are no changes in the assets Tritax Big Box provides external lighting services meaning the like-for-like comparison remains the same.

## Total energy consumption (electricity) from direct operations and the Managers Head Office

| GRI code | EPRA code          | Indicator                                   | Metric     | Scope   | 2019    | 2020    |
|----------|--------------------|---|------------|---|---------|---------|
| 302-1    | Elec-Abs           | Total electricity consumption               | annual kWh | For landlord shared services and Head Office of the Manager | 579,821 | 519,806 |
|          |                    |   | %          | Proportion sourced from renewable energy                    | 100%    | 100%    |
| 302-1    | Elec-LfL           | Like-for-like total electricity consumption | annual kWh | For landlord shared services and Head Office of the Manager | N/A     | 519,806 |
| 302-1    | Total Energy-Abs   | Total energy                                | Annual kWh | For landlord shared services and Head Office of the Manager | 579,821 | 519,806 |
| 302-1    | Total Energy – LfL | Like-for-like total energy consumption      | Annual kWh | For landlord shared services and Head Office of the Manager | 579,821 | 519,806 |
| CRE1     | Energy-Int         | Building energy intensity                   | kWh/sq ft  | For Head Office of the Manager                              | N/A     | 5       |
| CRE1     | Energy-Int-LfL     | Like-for-like building energy intensity     | kWh/sq ft  | For Head Office of the Manager                              | N/A     | 5       |

# Case study: DSG, Newark

Supporting improvements in energy efficiency and low carbon energy supplies.

Upon acquisition, our DSG asset in Newark had an EPC rating of D. We worked proactively with our customers to identify ways that we could support improvements in energy efficiency and low carbon energy supplies.

Tritax Big Box agreed to fund the installation of onsite renewable energy for the benefit of the tenant. This scheme, generated 580,000 MW in 2020, preventing 135 tonnes of carbon being emitted to the atmosphere, and increasing our customer's EPC rating from a D to a C.



# GHG Emissions

Where we are responsible for procuring energy we procure 100% REGO certified energy. This energy tariff reduces the market based emissions to net zero.

Location based emissions in 2020 reduced by 18%, this is due to the 10% reduction in energy use as well as the reduction in the carbon intensity of the grid.

As with our energy consumption, the like-for-like comparisons have not changed as there was no change in the assets we provide energy supplies for.

## GHG Emissions from Direct Operations and the Head Office of the Manager – Market Based and Location Based emissions

| GRI code | EPRA code              | Indicator   | Metric                     | Scope   | 2019 | 2020 |
|----------|------------------------|---|----------------------------|---|------|------|
| 305-1    | GHG-Dir-Abs            | Total direct GHG emissions  | annual metric tonnes CO2e  | For landlord shared services and Head Office of the Manager | 0    | 0    |
| 305-1    | GHG-Dir-LfL            | Like-for-like direct GHG emissions                                      | annual metric tonnes CO2e  | For landlord shared services and Head Office of the Manager | 0    | 0    |
| 305-2    | GHG-Indir-Abs          | Total indirect market based GHG emissions                               | annual metric tonnes CO2e  | For landlord shared services and Head Office of the Manager | 0    | 0    |
| 305-2    | GHG-Indir-LfL          | Total indirect market based GHG emissions                               | annual metric tonnes CO2e  | For landlord shared services and Head Office of the Manager | 0    | 0    |
| 305-2    | GHG-Indir-Abs          | Total indirect location based GHG emissions                             | annual metric tonnes CO2e  | For landlord shared services and Head Office of the Manager | 148  | 121  |
| 305-2    | GHG-Indir-LfL          | Total indirect location based GHG emissions                             | annual metric tonnes CO2e  | For landlord shared services and Head Office of the Manager | 0    | 0    |
| 305-2    | GHG-Abs Market based   | Total market based GHG emissions scope 1+2                              | annual metrics tonnes CO2e | For landlord shared services and Head Office of the Manager | 0    | 0    |
| 305-2    | GHG-Abs Location based | Total location based GHG emissions scope 1+2                            | annual metrics tonnes CO2e | For landlord shared services and Head Office of the Manager | -    | 121  |
| CRE3     | GHG-Int                | Market based GHG emissions intensity from building energy consumption   | tonnes CO2e/sq ft/yr       | For Head Office of the Manager                              | 0    | 0    |
| CRE3     | GHG-Int                | Location based GHG emissions intensity from building energy consumption | tonnes CO2e/sq ft/yr       | For Head Office of the Manager                              | 0.04 | 0.03 |

# Carbon footprint

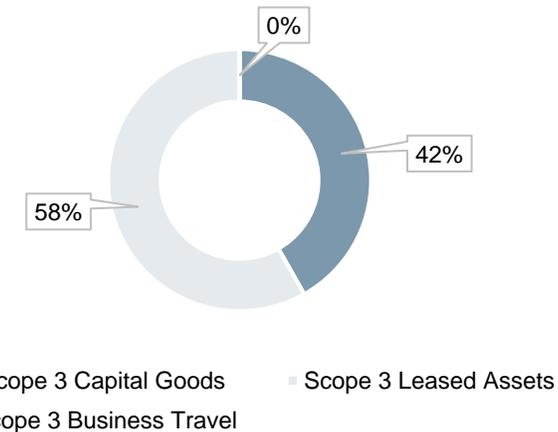
We recognise that our direct carbon emissions are minimal compared to the our indirect Scope 3 emissions. We have calculated a partial carbon footprint for 2020 based on modelling of the carbon emissions from a typical building specification and tenant emissions from a sample of 19% of tenant emissions by floorspace. On a market basis, all of our carbon footprint lies in our Scope 3 emissions, with construction ('Capital Goods') making up 42% and tenant emissions ('Leased Assets') making up the remaining 58%.

We are initially focused on developing new assets to net zero carbon as this is an area where we have direct control to set these standards.

In 2021, we will carry out a more rigorous Scope 3 screening to include actual carbon emissions from new construction, increased coverage of tenant emissions and services procured by the Company.

| Scope 3 category                 | Tonnes of carbon (TCO2e) | Proportion of total footprint (%) |
|----------------------------------|--------------------------|-----------------------------------|
| Scope 1: Gas consumption         | 0                        | 0%                                |
| Scope 2: Electricity consumption | 0                        | 0%                                |
| Scope 3: Capital goods           | 113,000                  | 42%                               |
| Scope 3: Leased assets           | 158,047                  | 58%                               |
| Scope 3: Business travel         | 5.5                      | 0.002%                            |

Split of carbon emissions from Scope 3 sources



# Net zero carbon in action

## DPD, Symmetry Park, Bicester

This development puts into practice a detailed 12-month study that modelled the whole lifecycle of carbon emitted in the construction of a typical logistics building.

The assessment identified ways to reduce the carbon emissions from this baseline that have been included into the new design specification. A reduction of approximately 30% has been identified through:

1. Reducing excess material use wherever possible
2. Increasing the amount of recycled concrete aggregate
3. Optimising design to reduce the amount of steel needed
4. Optimising on site equipment use to reduce machinery emissions

In order to assess the development's final carbon footprint a carbon assessment will be conducted at practical completion. Residual emissions, which cannot be eliminated due to lack of net zero carbon steel and concrete products available in the supply chain, will be offset through a verified and accredited scheme.



As part of our net zero carbon strategy, we are committing to all new developments in the Tritax Symmetry portfolio will be constructed to net zero carbon, as defined by the UK GBC, starting with DPD, Bicester.

# Water consumption and waste generation

Tritax Big Box provides water to one asset for external landscaping purposes and the Manager uses water for its Head Office. This means our water consumption is minimal.

Water is abstracted from municipal water sources.

Like-for-like water consumption has not changed in 2020 as the coverage for water supplies remains the same.

Tritax Big Box does not provide any waste

management services for the benefit of its tenants.

We are reporting against the waste generated by the Manager for its Head Office activities.

## Water use from direct operations and Head Office of the Manager

| GRI code | EPRA code | Indicator                       | Metric                   | Scope   | 2019         | 2020  |
|----------|-----------|---------------------------------|--------------------------|---|--------------|-------|
| 303-1    | Water-Abs | Total water consumption         | annual cubic metres (m3) | For landlord shared services and Head Office of the Manager | 8,635        | 3,696 |
| 303-1    | Water-LfL | Like-for-like water consumption | annual cubic metres (m3) | For landlord shared services and Head Office of the Manager | 8,635        | 3,696 |
| 303-1    | Water-Int | Total water intensity           | annual cubic metres (m3) | For Head Office of the Manager                              | Not reported | 0.2   |

## Waste from Head Office of the Manager in 2020

| GRI Code | EPRA Code | Total waste produced (T) | Waste Recycled (T) | % Recycled | Waste to energy (T) | % to energy | Waste to landfill | % to landfill |
|----------|-----------|--------------------------|--------------------|------------|---------------------|-------------|-------------------|---------------|
| 306-2    | Waste-Abs | 3                        | 2                  | 70%        | 1                   | 30%         | 0                 | 0             |

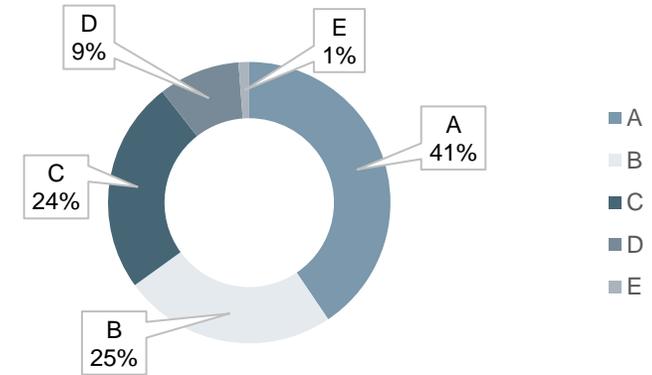
# Building operational energy ratings

The proportion of floorspace with high energy performance certificates (EPCs) continued to increase in 2020, with a number of refurbishments, new developments and acquisitions of high rated assets. We also disposed of a low performing D grade asset, in line with our ESG Investment Principles.

The proportion of A-C EPC grades has increased to 90% of floorspace from 87% in 2019 and 100% of assets have a valid EPC in place.

There are no F and G rated assets in the portfolio, in line with the current Minimum Energy Efficiency Standards (MEES) Regulations. We have only 1% of floorspace rated E grade, and we have plans in place to improve the EPC to at least a C ahead of the 2023 MEES threshold for E rated assets.

EPC Grades by Floor Area (sq ft)



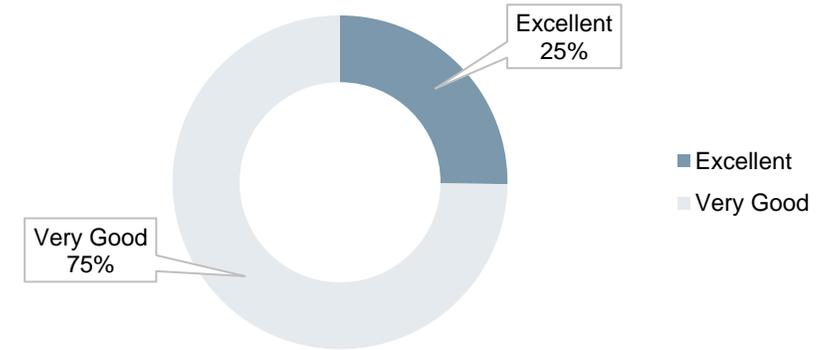
| EPC Grade    | Sum of Area (Sq ft) | Number of Certified Assets |
|--------------|---------------------|----------------------------|
| A            | 11,405,491          | 19                         |
| B            | 6,884,951           | 13                         |
| C            | 6,867,041           | 15                         |
| D            | 2,626,555           | 6                          |
| E            | 343,248             | 1                          |
| <b>Total</b> | <b>28,127,285</b>   | <b>54</b>                  |

# Green building certifications

We aim for all of our new developments and acquisitions to have green building certifications to meet our high ESG investment standards. We require a minimum of BREEAM Very Good for new developments and seek to acquire new logistics space with the same standard.

At the end of 2020, 43% of the portfolio floorspace is certified to BREEAM (11.9m sq ft). Of this 11% is rated Excellent and 32% Very Good. This has increased from 42% in 2019, adding 2.1m sq ft of BREEAM certified floorspace to the portfolio.

**BREEAM Certification by Floor Area (sq ft)**



| BREEAM Certification Floor Area (Sq ft) |                   |
|---|-------------------|
| Excellent                               | 3,018,945         |
| Very Good                               | 8,974,654         |
| <b>Total</b>                            | <b>11,993,598</b> |



# Social indicators

# Community investment

We engage with and assist the local communities that surround our assets and developments. We are focused on supporting issues that are important to them, such as skills and employment, childhood literacy, sport, social welfare and emergency relief. For example, we have a three-year partnership with Schoolreaders, a national charity that provides reading and literacy support for primary schoolchildren across England. Specifically, we fund Schoolreaders volunteers in the schools that surround all 50 of our investment assets and development sites.

Similarly, the Manager has a 3-year partnership with XLP, a London based charity supporting disadvantaged young people. The Manager provides 1 day of paid volunteering time each year and provides a limited match funding contribution towards charitable fundraising undertaken by staff. In 2020, staff of the Manager raised just under £13,000.

We also create Vision Statements for the communities in which our new developments are located. We provide a Community and Business Liaison Officer to act as a local point of contact to engage stakeholders throughout the development and develop local community investment initiatives. We further developed this to create a Social Value Charter in 2020, which sets our objectives to further drive community investment as well as support the creation of new employment opportunities and training programmes.

| Inputs                 | 2020           |
|------------------------|----------------|
| Cash                   | £19,500        |
| Value of time          | £870           |
| In kind                | £0             |
| Time (hours)           | 58             |
| Outputs                |                |
| Facilitated cash       | £35,000        |
| Numbers reached        | 375            |
| <b>Total donations</b> | <b>£53,509</b> |

# Social value in action

## Social Value at Littlebrook, Dartford

The development at Littlebrook delivered £8.2m of social value in 2020.

This has been primarily driven by over 20% of the supply chain spend being with organisations within 30 miles of site, but also includes support for local skills and employment, community investment and environmental improvements:

- 6 apprentices employed on site and 20 training weeks for staff
- Partnership with Leigh University Technology College (UTC) to promote careers in construction and support the college with curriculum activities
- 29 tonnes of wood donated for reuse by the local community
- Support for local animal rescue centre, Spirits Rest, with volunteers clearing vegetation and creating an apiary and wildflower habitat
- 25 hours of volunteering given to the community and a £5,000 donation for Christmas food hampers



## Supporting childhood literacy with Schoolreaders

Schoolreaders has a network of volunteers across the country who provide one-to-one reading support for schoolchildren in a school every week, helping reading fluency, comprehension, and enjoyment.

The charity aims for all children to leave primary school able to read well. Good literacy at the point of leaving primary school is the cornerstone of success in secondary education and in later life.

Schoolreaders has seen a huge surge in new volunteers signing up to help since the first lockdown. 1,000 new volunteers have signed up, which means that once they are up and running in schools, a further 10,000 children can be supported with their reading each week.





# The Manager



# The Manager

Tritax Group is the Manager for Tritax Big Box, and is responsible for setting and delivering the sustainability strategy.

The Manager has implemented a responsible business plan to minimise its operational impact and provide low carbon services to Big Box. It is accredited in ISO 14001 for the environmental management of the Funds and has a strong commitment to attracting and retaining talent.

Tritax Big Box has a Management Engagement Committee that oversees the relationship between the Manager and the Company. The Chairman of the MEC meets with the Manager regularly to review the relationship. The Board receives regular updates on the recruitment, training and development of the staff of the Manager, and through this close engagement is able to ensure the correct resource and employee management policies are in place for the effective management of the Fund.



# Employee engagement, wellbeing and benefits

The Manager is focused on ensuring all employees are engaged and supported. It conducts regular polls to understand employee views. For example, a Social Sub-Committee was established with the purpose of supporting staff well-being initiatives. The Committee surveys employees to understand what employee wellbeing initiatives and benefits employees would support. As a result of these surveys, the Manager now provides its employees with a number of non-salary benefits to support staff wellbeing, including free yoga and exercise classes, Cycle to Work Scheme, seminars on topics such as mental health and unconscious bias training. The Manager provides a series of health and well-being initiatives for employees, such as a recreation and dining space, and standing desks. During 2020, it organised a step challenge for colleagues and a series of other initiatives to encourage staff well-being, which has been of particular importance in 2020 in light of Covid-19.

The Manager has an Employee Assistance Programme (EAP), which is a confidential employee benefit designed to help employees deal with personal and professional problems that could be affecting employees home life or work life, health and general wellbeing. The EAP service provides a complete support network that offers expert advice and compassionate guidance 24/7, covering a wide range of issues. We strongly believe in providing an EAP service that offers not only reactive support when someone needs it but also proactive and preventative support to deliver the best possible outcomes.

All employees are paid market salaries which are reviewed as part of the performance appraisals. All employees are awarded a discretionary bonus based on personal and company performance. Employees receive ordinary shares in the Company as part of their discretionary bonus. In addition, to further encourage alignment between staff and the performance of the Company, employees receive ordinary shares in the Company. The employees own these shares, subject to a 12-month selling restriction.

We encourage an open feedback culture and encourage staff to share their views on both a formal and informal basis. As the workforce of the Manager increases, we are introducing more formal feedback mechanisms, such as the introduction of a formal third party staff satisfaction survey in early 2021.

# Employees and diversity

The Manager is committed to providing a working environment that is welcoming, inclusive, respectful and is free from discrimination.

It is in the Manager's best interest, those of all who work in it, and the funds it manages, to ensure that the human resources, talents and skills available throughout the community are considered when employment opportunities arise, and that our workforce reflects and represents our society.

At the end of 2020, the Manager employed 47 permanent staff. All staff have received training on unconscious bias in support of its objective to ensure a diverse and inclusive workplace.

In addition, the Social Sub-Committee has developed a range of social events that celebrate the diversity of employees and support a more inclusive workplace.

The Manager tracks and reports on the diversity of its staff and discloses these indicators annually.

## Diversity for the Manager and its staff and the Board of Directors for Tritax Big Box

| GRI code | EPRA code     | Indicator                 | Metric                            | Scope   | 2019  | 2020   |
|----------|---------------|---------------------------|-----------------------------------|---|---|--|
|          |               | Total number of employees | Total number                      | Direct employees of the Manager                   | 42  | 47   |
| 405-1 a  | Diversity-Emp | Gender and age diversity  | Percentage of female employees    | Direct employees of the Manager                   | 53%   | 47%  |
| 405-1 b  | Diversity-Emp | Gender and age diversity  | Percentage of female employees    | Highest Governing Body (The Tritax Big Box Board) | 25%   | 33%  |
| 405-1 b  | Diversity-Emp | Gender and age diversity  | Age group<br>U-30<br>30-50<br>50+ | Direct employees of the Manager                   | U-25: 2<br>25-35: 14<br>36-45: 13<br>46-55: 8<br>56+: 3 | U-25: 2<br>25-35: 14<br>36-45: 16<br>46-55: 10<br>56+: 3 |
| 405-1 a  | Diversity-Emp | Gender and age diversity  | Age group<br>U-30<br>30-50<br>50+ | Highest Governing Body (The Tritax Big Box Board) | 50+: 4  | 50+: 4   |
| 405-2    | Diversity-Pay | Gender pay ratio          | Ratio of Female Pay to Male Pay   | Direct employees of the Manager                   | 42%   | 43%  |

# Professional development

The Manager has high retention rates across its employee base with an average staff tenure of over 10 years. Each employee, including part-time staff and contractors, have a bespoke training plan that is created in conjunction with their line manager and details the training required to fulfil their job role. All staff are supported in their professional development, with their professional accreditations and annual CPD forming part of each employees' bespoke training and development plan.

All employees are also provided with annual and semi-annual performance appraisals, which inform any further training needs and ensure that employees are supported in meeting their objectives.

While the Manager has a small employee base, it supports and develops staff of all levels as required.

The Manager supports the leadership development of its employees, regularly promoting employees to senior positions. In 2020, as part of its leadership development, the Manager expanded the Partnership and welcomed five new Partners, all of whom were promoted internally. The Manager also supported graduate training for two employees to complete their professional accreditations in Company Secretariat and Finance.

The Manager supports the professional accreditation of junior employees in attaining their professional qualifications to ensure succession planning and nurture talent.

## Training and development for the Manager and its staff

| GRI code | EPR code     | Indicator                         | Metric                  | Scope                           | 2019 | 2020 |
|----------|--------------|-----------------------------------|-------------------------|---------------------------------|------|------|
| 404-1    | Emp-Training | Employee training and development | Average hours           | Direct employees of the Manager | 5    | 7    |
| 404-3    | Emp-Dev      | Employee performance appraisals   | Percentage of employees | Direct employees of the Manager | 100% | 100% |
| 401-1    | Emp-Turnover | New hires                         | Total number            | Direct employees of the Manager | 13   | 11   |
| 401-1    | Emp-Turnover | Turnover                          | Total number            |                                 | 5    | 2    |
| 401-1    | Emp-Turnover | Turnover rate                     | Rate                    | Direct employees of the Manager | 11%  | 14%  |

# Health and safety

Tritax has a health and safety policy that covers all employees and contractors. We aim to have zero health and safety incidents for our employees, our customers and our contractors and the Chief Operating Officer has ultimate responsibility for overseeing health and safety for the Manager and its employees.

While our customers have ultimate responsibility for health and safety on the buildings they occupy, Tritax carries out annual fire safety checks in line with our insurance responsibilities. We have had no incidents in 2020.

The Manager assesses its workplace health and safety on an annual basis, employing a health and safety consultant to carry out audits, ensure the emergency response procedures are up to date, and to train relevant colleagues to ensure this is managed day to day.

We require our contractors to be active members of Considerate Constructors, which has high health and safety standards, including onsite registration, induction training for workers, and monitoring and evaluating procedures.

Health and safety incidents are monitored using the RIDDOR system.

During 2020, we ensured that all activities adhered with Covid-19 restrictions, for office workers through the Manager and for contractors on development sites. With careful management, such as onsite temperature checks and socially distanced transport, all development sites remained open during 2020.

## Health and safety performance for Tritax Big Box portfolio and the Head Office of the Manager

| GRI code | EPRA code | Indicator                           | Metric                            | Scope                           | 2019 | 2020 |
|----------|-----------|-------------------------------------|-----------------------------------|---------------------------------|------|------|
| 403-2    | H&S-Emp   | Employee health and safety          | Injury rate                       | Direct employees of the Manager | 0    | 0    |
| 403-2    | H&S-Emp   | Employee health and safety          | Absentee rate                     | Direct employees of the Manager | 2.5% | 0    |
| 403-2    | H&S-Emp   | Employee health and safety          | Number of work related fatalities | Direct employees of the Manager | 0    | 0    |
| 416-1    | H&S-Asset | Asset health and safety assessments | Percentage of assets              | Tritax Big Box portfolio        | 100% | 100% |
| 416-2    | H&S Comp  | Asset health and safety compliance  | Number of incidents               | Tritax Big Box portfolio        | 100% | 100% |



# Governance indicators

# Governance

| GRI code | EPRA code | Indicator  | Metric               | Scope                       | 2020  |
|----------|-----------|--|----------------------|-----------------------------|---|
| 102-22   | Gov-Board | Composition of the highest governance body                       | Total number         | The Board of Tritax Big Box | <p>1. No executive board members, the Board is fully independent<br/>                     2. 5 Independent non-executive board members<br/>                     3. Average tenure = 3 years 9 months<br/>                     4. Board member Alastair Hughes is a member of British Land Sustainability Executive Committee, and Karen Whitworth is a member of the Tesco Sustainability Committee</p> <p><b>For further information, refer to pages 96-97 of the Tritax Big Box 2020 Annual Report and Accounts.</b></p>  |
| 102-24   | Gov-Selec | Process for nominating and selecting the highest governance body | Narrative on process | The Board of Tritax Big Box | <p>The Nomination Committee is responsible for the selection of the Board members. The Committee's role is to review the size, structure and composition of the Board, including succession planning, and to ensure that it has the right mix of skills, experience and knowledge to enable the Company to fulfil its strategic objectives. The Committee is also responsible for making recommendations for new appointments to the Board and for reviewing the performance and terms of engagement for the existing Directors.</p> <p><b>For further information, refer to pages 98-99 of the Tritax Big Box 2020 Annual Report and Accounts.</b></p> |
| 102-25   | Gov-Col   | Process for managing conflicts of interest                       | Narrative on process | The Board of Tritax Big Box | <p>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.</p> <p>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.</p> <p><b>For further information, refer to page 93 of the Tritax Big Box 2019 Annual Report and Accounts.</b></p>  |

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.

For more information on the company's governance, see pages 57-93 of the 2020 Annual Report and Accounts.

# Notes to the report

## **Tritax Big Box 2020 Sustainability Disclosures**

Tritax Big Box is committed to reporting fully and transparently on its ESG activities. The Group is aligned with the EPRA sustainability best practice reporting guidelines.

This document details the reporting principles set out by Tritax to determine the data it reports on, the 2019 disclosures against these indicators and provides explanatory notes relating to this data.

## **Organisational boundaries, control and reporting structure**

Tritax Big Box REIT is the UK's leading investment company focused on larger scale logistics real estate. We invest in and actively manage existing income-producing assets, land suitable for Big Box development and pre-let forward funded developments.

Tritax's has a total of £3.94bn AUM and 100% of this investment portfolio is included within the defined organisational boundary.

Tritax takes an operational control boundary approach as defined by the GHG Protocol. This approach has been selected as it reflects the areas where it has full authority to introduce and implement operating policies.

The operations of our tenants are excluded as they have responsibility for the procurement of utilities and services, covering energy, waste and water; Tritax does not have the ability to control the use of these resources or implement operating policies.

## **Reporting boundary**

Tritax Big Box reports all areas of operational control, this includes the supply of electricity for car park lighting for a selected number of assets, and water for landscaping purposes. This relates to two assets within the portfolio covering 779,602sqm (3%) of the total floor area of the Tritax Big Box fund. These assets are Harlow and Stoke-on-Trent.

In 2019, Tritax has reported absolute performance for energy and water consumption for areas under the landlord's operational control. 2019 is the base year for reporting on energy and water consumption and therefore no like-for-like data is available for comparison.

Tritax does not supply any energy and water on behalf of its tenants, nor does it provide any waste management services. Tritax tenants are encouraged to share their operational consumption so that we can understand the whole building consumption of the assets under management. Where tenant data is shared, Tritax determines an intensity indicator using square foot floor space for the whole building. However, this is not made publicly available.

## **Disclosure of head office**

Tritax Big Box is an externally managed REIT – managed by Tritax Management LLP (The Manager or Tritax Group) - and therefore

does not have a Head Office or staff. However, the Manager reports on its Social and Governance indicators as indirect performance for Tritax Big Box.

## **Coverage**

As at 31 December 2020, Tritax owns 59 logistics assets totalling 28,127,285 sq ft. 100% of assets within the organisational boundary are reported on for energy and water consumption. Tritax's operational control relates to the provision of electricity and water for external services. This covers the two assets where Tritax Big Box has operational control over car park lighting and water for landscaping purposes as described in the reporting boundary.

Tritax obtains full data disclosure for assets within its operational control. All data is reported is obtained through the managing agent with no estimation of data.

## **Normalisation**

As well as reporting on absolute data for the identified KPIs, normalising the data enables better comparison for changing portfolios.

Energy and water data supplied relate to car parking lighting and landscape irrigation. As these are external services a floor area normalisation is not used. For social KPIs, FTE is the intensity ratio used. For health and safety indicators, number of hours and days worked is used as the denominator.

## **Segmental analysis**

Tritax Big Box solely owns logistics assets in the UK. Reporting is carried out in accordance with this at a Fund level.

## **Reporting periods and base year**

Tritax Big Box's reporting period runs from 1st January-31st December. Tritax Big Box has reported on its ESG performance for the first time in 2019. This therefore forms the base year for reporting for the Fund.

## **Third party assurance**

Tritax Big Box ESG data, aligned with EPRA sPBR, has been checked by BDO LLP in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

The full audit statement can be found on pages 89-93 of the 2020 Annual Report and Accounts.

[https://www.tritaxbigbox.co.uk/media/z0qdgifs/tritax\\_bbox\\_ar2020.pdf](https://www.tritaxbigbox.co.uk/media/z0qdgifs/tritax_bbox_ar2020.pdf)

Third party checks of the environmental data is carried out by Tritax's Property Manager, Colliers, using the ZeroTrace data management system.