QUALITY EFFICIENCY GROWTH

Annual Report 2024

SPECIALISTS IN UK LOGISTICS REAL ESTATE

We are the UK's largest listed investor in high-quality logistics real estate and we also control the UK's largest logistics-focused land platform for development.

We are ideally placed to capture the opportunities created by the long-term structural growth in UK logistics, driven by changes in the way we live and work and our clients' focus on optimising supply chains, increasing efficiencies and improving sustainability performance.

Our Manager

Our Manager, Tritax Management LLP, specialises in investing in mission-critical supply chain real estate, which is aligned with the structural trends shaping the economy. It has deep expertise in the sector, built up over more than 25 years, and provides a full service to the Company. The Manager creates additional value through its proactive and entrepreneurial approach enabling it to identify and pursue new opportunities.

Strategic report

Governance

Financial statements

Financial Highlights

Operating profit[1]
£265.3m +37.3% ↑
(2023: £193.2m)

Adjusted earnings per share (EPS)[2] **A**
8.91p +15.0% ↑
(2023: 7.75p)

Adjusted earnings per share (EPS, excluding additional DMA income)[3] **A**
8.05p +3.9% ↑
(2023: 7.75p)

IFRS earnings per share
19.67p +428.8% ↑
(2023: 3.72p)

Dividend per share (DPS)
7.66p +4.9% ↑
(2023: 7.30p)

Total Accounting Return **A**
9.0% +6.8pts ↑
(2023: 2.2%)

EPRA cost ratio[4] (including vacancy costs) **A**
13.6% +0.5pts ↑
(2023: 13.1%)

Contracted annual rent roll **A**
£313.5m +39.1% ↑
(2023: £225.3m)

EPRA Net Tangible Assets (NTA) per share **A**
185.56p +4.7% ↑
(2023: 177.15p)

IFRS net asset value per share
184.12p +5.1% ↑
(2023: 175.13p)

Portfolio value[5]
£6.55bn +30.2% ↑
(2023: £5.03bn)

Loan to value (LTV) **A**
28.8% -2.8pts ↓
(2023: 31.6%)

Operational Highlights

Estimated rental value (ERV) growth
5.4%
like-for-like ERV growth, supporting valuation growth (2023: 6.9%).

Record logistics portfolio rental reversion
27.9%
£79.2 million of portfolio rental reversion and vacancy, of which 79% has the potential to be captured by 2027.

Asset disposals
£306.2 million
£181.2 million of non-strategic assets and £125.0 million of logistics assets exchanged or sold at a blended 3.3% premium to book value.

A – Alternative Performance Measure

1. Operating profit before changes in fair value and other adjustments.
2. See Note 15 to the financial statements for reconciliation.
3. The anticipated run rate for development management income is £3.0–5.0 million per annum over the medium term. We classify income above this as "additional" development management income, which can be highly variable over time. We therefore present a calculation of Adjusted EPS that excludes additional development management income. £23.0 million of development management income is included in the 8.91 pence Adjusted EPS in 2024. In 2023, £nil of development management income was included in the 7.75 pence Adjusted earnings per share and 2024 Adjusted EPS becomes 8.05 pence when excluding additional development management income.
4. This measure was added in for the first time in 2023 as it is believed to be a key measure to enable meaningful measurement of the changes in a company's operating costs.
5. The portfolio value includes the Group's investment assets and development assets, land assets held at cost, the Group's share of joint venture assets and other property assets.

This report provides alternative performance measures ("APMs") which are not defined or specified under the requirements of International Financial Reporting Standards. We believe these APMs provide readers with important additional information on our business. Further explanation of APMs and why we use them is set out in the notes to the EPRA and other key performance indicators.

WE ARE EXPERTS IN UK LOGISTICS REAL ESTATE

We are experts in UK logistics real estate, providing millions of sq ft of high-quality, sustainable logistics real estate space each year. We proactively manage our 100+ assets – from small to big boxes – using our sector specialism and deep market insights to stay ahead of trends and meet our clients' evolving needs. Our approach is personal and hands on, focused on leaving positive long-term legacies.

Navigating our strategic framework

As outlined below, our purpose frames our commitment to being a sustainable business and how we deliver value for stakeholders

Our purpose

Creating critical infrastructure to accommodate the future

Via our Strategy > See page 10 → **with sustainability embedded** > See pages 46 to 52

for the benefit of our multiple and diverse stakeholders > See pages 68 to 69

Market and trends

Enduring positive structural drivers support the occupier market, which has constrained supply of modern best-in-class real estate

Shifting consumer behaviour | **Evolving supply chain** | **Drive for sustainability** > See pages 20 to 21

Business model

> See page 11

Our differentiated approach enables us to capture market opportunities and deliver performance for all our stakeholders

Our competitive advantages

How we create value

Our portfolio | Our relationships | Our proactive approach

Growing the value we create

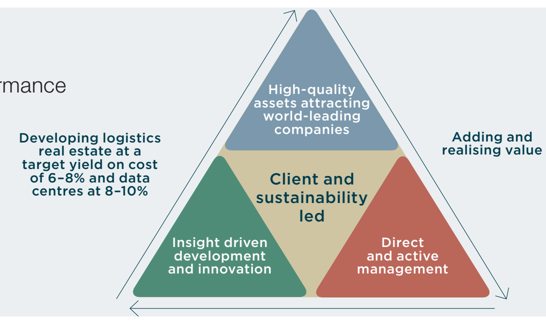
High-quality assets | Financial returns | Societal impact

How we generate returns

Strategic priorities

Our clear strategic priorities frame how we are optimising performance

> See page 10



#1

UK's largest logistics portfolio and development platform

c.42 million sq ft

High-quality logistics space under management

100+

Assets across the UK

c.37 million sq ft

Potential new space through development of land portfolio

Portfolio

Investment

Our investment portfolio, which we believe to be the highest quality in the UK, underpins resilient and growing income which in turn supports our progressive dividend.

> **See pages 16 to 17**

Development

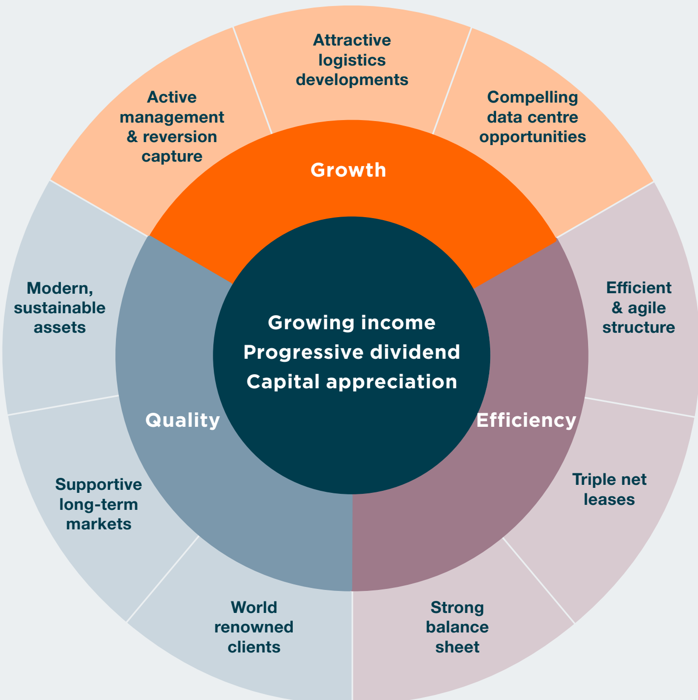
Our development portfolio provides brand new logistics real estate assets at attractive return levels. Held capital efficiently under long-dated options, the land we control provides the potential to more than double our rental income.

> **See pages 18 to 19**

Investment case

Tritax Big Box is dedicated to investing in and developing high-quality logistics assets in the UK. We offer investors a sustainable blend of long-term growing income and capital growth.

> **See pages 6 to 7**



Key performance indicators (KPIs)

> **See pages 42 to 43**

The KPIs we use to track our strategic progress are:

1. Adjusted earnings per share

2. Dividend per share

3. Total expense ratio

4. Total Accounting Return (TAR)

5. EPRA Net Tangible Assets (NTA) per share

6. Loan to value (LTV) ratio

7. Weighted average unexpired lease term (WAULT)

8. Global Real Estate Sustainability Benchmark (GRESB) score

A TRANSFORMATIONAL YEAR

In 2024, we made significant progress across all our strategic priorities. The acquisition of UK Commercial Property REIT Limited (UKCM) expanded our client offering and strengthened our presence in key urban logistics markets. At the same time, we accelerated contracted rent growth through capturing portfolio rental reversion, active asset management and strong leasing activity within our development pipeline.

"A transformational year with significant strategic progress and excellent operational performance."

We also successfully executed asset disposals at the top end of our guidance and ahead of book values, enabling us to recycle capital into accretive growth opportunities. We enter 2025 with an outstanding portfolio, exceptional clients, the UK's largest logistics development land platform and substantial opportunities for further growth, including the expansion into data centres.

Maximising value and income growth from the UKCM acquisition

Since we acquired UKCM in May 2024 we have completed the integration process and are firmly on track to realise the benefits we expected. UKCM added £1.2 billion of assets to our portfolio, including £740 million of logistics assets with strong income growth potential, including an embedded 39% reversion, which we have already begun to capture. The quality of the logistics assets within the portfolio was reflected in 3.9% ERV growth and a 5.8% uplift in asset values since June 2024. We have also made excellent progress in divesting, ahead of their market value at the time of the acquisition, nearly 40% of UKCM's non-strategic assets, with £94.4 million of disposals completed by the year end, a further £86.8 million exchanged post year end and a further approximate £177.4 million under offer. We are seeing encouraging levels of interest in the remaining non-strategic assets and are confident of divesting them within 24 months from the date of the acquisition as planned.

Multi-year and inherent opportunities to drive earnings and dividend growth

We operate in a highly attractive market, underpinned by strong structural drivers of occupier demand. Businesses are increasingly nearshoring to build shorter, more resilient supply chains; optimising efficiencies and economies of scale to protect margins; and leveraging automation to mitigate rising employment costs. The Board believes improving sustainability performance, as reflected in our very strong GRESB ratings, positively impacts the Company's performance, with our Clients preferring modern buildings that can both reduce costs and provide attractive and safe working environments for their employees.

At the same time, we have clear and significant opportunities to drive earnings and dividend growth from prospects inherent within our business, capitalising on our investment, asset management and development expertise.

There are three distinct elements embedded within our business that offer multi-year opportunities to drive earnings and dividend growth:

- capture the record rental reversion in the investment portfolio and secure lettings for vacant space, which together have the potential to increase rental income by 27.9% or £79.2 million of which 79% has the potential to be captured by 2027;
- construct additional best-in-class logistics assets from our development platform which can more than double our current rental income over the longer term and, for 2025, targets a yield on costs of towards the top end of our 6-8% range, and;
- deliver data centre development opportunities, including our first at Manor Farm, Heathrow, which is expected to deliver exceptional returns for shareholders and a potential 8-10% yield on cost.

"Power-first" approach delivering significant opportunities in data centres

Post our year end, we announced the acquisition of a site at Manor Farm, Heathrow. Subject to planning, this provides us with the opportunity to develop one of Europe's largest and highest-quality data centres, subject to planning permissions, which we believe will be attractive to the world's largest data centre operators. Crucially the Manager, having adopted a "power first" approach, has secured contracted and accelerated power delivery of 147 MW to the site using pre-existing grid connection agreements, 107 MW of which will be provided in H2 2027 and 40 MW in 2029. The anticipated yield on cost from Phase 1 is approximately 9.3%, complementing the returns within our logistics development pipeline. Phase 2, leveraging the investment in Phase 1, has the potential for an even higher yield on cost.

Ongoing investment by the Manager in its capabilities

We have previously noted the Manager's strong track record of adding skills and experience to support our growth. In 2023 and 2024, it strengthened the asset management team to maximise performance of our urban logistics assets and deepen relationships with our expanded client base. Additionally, the Manager led the way in establishing a dedicated power infrastructure and data centre team, helping to future-proof our existing assets and development pipeline, while also unlocking new opportunities in the data centre market for us.

This is driven by the Manager's entrepreneurial culture and agile approach which supports the exploration of new ideas and opportunities by speculatively investing in specialist resource. This is a key advantage of our externally managed structure, with the Manager absorbing the cost of identifying and incubating new opportunities – such as data centres, where Tritax Big Box now holds a first right of refusal. While recognising these qualities, the Board continues to provide constructive challenge to the Manager to ensure the best interests of the Company's shareholders.

Performance and dividends

The quality of our investment portfolio and continued growth in income through our asset management and development programmes enabled us to deliver record headline earnings in 2024. Excluding additional DMA income in the year, Adjusted EPS was 3.9% higher at 8.05 pence, supporting a covered total dividend of 7.66 pence per share, up 4.9% on 2023.

Carefully managing the balance sheet and deploying our resources to implement our strategy remain a major focus. A reduced LTV of 28.8% benefitted from improving asset valuations and UKCM's lower gearing at the point of acquisition. We also continue to have significant headroom in our debt facilities, allowing us to be opportunistic in the market. Our development programme remains highly flexible, with limited financial commitments, so we can adapt quickly to any changes in market conditions.

Outlook: well positioned for growth with multiple opportunities to deploy capital accretively

Client engagement across both our standing portfolio and development schemes remains high. Clients are renewing on existing space and market take-up volumes are healthy, with the potential to increase in 2025. Corporates continue to evolve their supply chains in response to the ongoing supportive structural trends, albeit decision making is taking time.

New supply remains disciplined and speculative space under construction is at similar levels to 12-months ago. As was the case in 2024, speculative completions will be front loaded which will impact the quarter-by-quarter trajectory of vacancy. Overall, however, this gives us confidence in the scope for further rental growth, particularly in locations or building size bands where supply remains restricted.

Framed by these dynamics, our business has three clear multi-year growth drivers.

First, our portfolio is highly reversionary, with market rental growth in 2024 enhancing this opportunity further. The capture of this reversion over time helps drives net rental income and in turn earnings growth. With 20.9% of the portfolio subject to lease events in 2025, we expect to see a further increase in the rate of like for like rental growth translate into higher net rental income.

Our second growth driver is our targeted and client-led development activity, both speculative and build to suit, with the potential to add £306 million of rental income over time. Despite a tighter market for build to suit opportunities in 2024, we signed £11.1 million of pre-let agreements. We aim to keep our level of capex and development starts at a similar level to 2024. We expect to deliver an increase in development yield on cost, potentially towards the upper end of our 6-8% guidance, based upon the mix of schemes in the pipeline, stable construction costs and continuing attractive levels of market rental growth.

And finally, exciting opportunities in data centres have the potential to deliver exceptional returns for the Company. We look to progress Manor Farm over the course of 2025, with the securing of planning consent, the first major milestone.

2024 has been a transformational year with the successful integration of the UKCM portfolio, the asset management opportunities it creates and the disposal of associated non-core assets. Supported by our strong balance sheet we enter 2025 well positioned with three powerful growth drivers in our business: capturing record rental reversion, advancing our highly attractive logistics development pipeline, and leveraging opportunities to develop data centres.

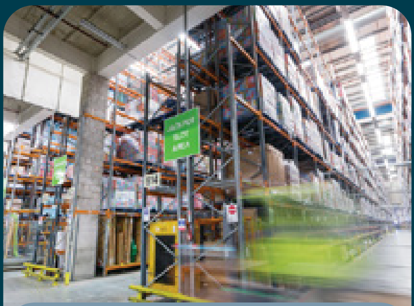
Aubrey Adams
Independent Chair, Tritax Big Box REIT plc
27 February 2025

POSITIONED FOR MULTI-YEAR GROWTH

Tritax Big Box is dedicated to investing in and developing high-quality logistics assets in the UK. We aim to offer investors a sustainable blend of long-term income and capital growth.

Our investment case is built on quality, efficiency and growth

"Our investment case is founded on our strategic choices, our expertise and our focus on quality, efficiency and growth, which have positioned us well to deliver multi-year growth."



Quality

Our market-leading portfolio has high-quality, modern assets, with strong sustainability performance, situated in mission-critical, well-connected locations, let to renowned and ambitious global companies.

This quality underpins the attractive and resilient income characteristics of our portfolio.

Efficiency

A combination of our efficient external management structure and triple net leases ensures we efficiently convert rental income into earnings for Shareholders. Our structure also allows us to be agile adapting to changes in our market and capturing opportunities. This is all underpinned by a strong and efficient balance sheet.

Growth

Our platform has three clear growth drivers, comprising the capture of the record reversion within the portfolio, an attractive and capital efficient development platform and the implementation of a "power-first" data centre pipeline.

QUALITY EFFICIENCY GROWTH

Our deep sector expertise, entrepreneurial mindset and established track record underpin our collaboration with clients. Working together, we deliver and manage thoughtfully designed real estate, tailored to their long-term ambitions, which supports long-term income and capital growth for our shareholders.

Petrina Austin
Partner, Head of Asset Management

Asset management: big box

Using Tesco's lease expiry in December 2023 as a catalyst, we deployed c.£10 million of capex to refurbish our 300,000 sq ft asset at Stakehill, near Manchester. As well as showcasing our active management approach, the project highlights the flexibility and longevity of our logistics buildings, which tend to have low capex requirements to modernise in order to capture current market demands.

Enhancements for our clients

- Modernised building, originally constructed in 1988, with upgraded cladding and new solar PV scheme supporting EPC rating enhancement to A+ from B.
- Location certainty through to 2039.

Benefits for the Company

Secured a new 15-year lease (with no break) to a leading UK brewer, and a 38% uplift in rental income with five-yearly rent reviews linked to the higher of market rents or CPI. In addition to securing a strong new client for the portfolio, the refurbishment secured an attractive yield on cost.

Increase in passing rent

+38%

Tom Stanton
Senior Asset Manager

Asset management: urban logistics

Our strategic decision to complement our investment portfolio with a greater element of urban logistics was first implemented through the acquisition of Junction 6 Electric Avenue, Birmingham, a 384,000 sq ft urban logistics estate. We have used the full suite of our capabilities to improve our clients' experience and to accelerate the capture of higher rental income.

Enhancements for our clients

- Substantial improvement of the look and feel of the estate, supporting staff attraction and retention.
- Advanced plans to convert the existing gatehouse into an F&B outlet, increasing the site's attractiveness and adding valuable amenity.
- Investment in improving EPC metrics, with 53% of the assets now rated B, versus 14% at acquisition.

Benefits for the Company

The completed initiatives demonstrate our successful blueprint for our asset management which we are rolling out across other urban logistics assets within the portfolio, particularly those acquired through UKCM. Since acquisition, we have increased overall rental income on the estate by 46%. With passing rents on the estate of £8.11 psf versus an ERV of £10.64, there is further potential rental income to capture.

Increase in rental income

+46%

"Working collaboratively with the Tritax Big Box team on a challenging brief, we were not only able to meet tough timescales but also exceed operational KPIs ahead of schedule with the use of 80+ robots, a mezzanine floor and a high-tech conveyor system. This is a showcase site for us, and the blueprint for future sites that will support our growth strategy in the UK."

Tom Parker, EMEA Property Director, DP World

Bjorn Hobart
Partner, Investment Director

Capital recycling: UKCM assets

Following the completion of the UKCM acquisition in May 2024, our intention was to integrate quickly the logistics portfolio and sell the non-logistics ("non-strategic") component of the portfolio, aiming to fully exit from the £475 million position within a target of two years.

Benefits for the Company

Despite a challenging investment market backdrop, we have made excellent progress so far, selling £181.2 million of non-strategic assets at a 2.8% premium to their December 2023 valuation, and with a further £177.4 million under offer.

In addition to securing a high-quality and highly reversionary urban logistics portfolio, the disposal of UKCM non-strategic assets will continue to fund higher-returning growth opportunities, such as our development pipeline (offering a 6–8% yield on cost) or potential data centre opportunities (offering an 8–10% yield on cost).

Non-strategic asset disposals

£181.2 million

Jonathan Wallis
Director, Head of Northampton Office

Development: Kettering

The progress we made at our c.1 million sq ft asset at Kettering is an excellent example of how we develop high-quality logistics buildings to support our renowned, global clients as well as deliver growth and attractive returns to our shareholders.

Enhancement for our clients

- Collaboration with the client meant we could accommodate a range of its requirements, including a very large unit built to BREEAM Excellent rating with net zero carbon status in construction.
- Incorporated leading wellbeing facilities, including trim trail and on-site gym, to aid staff attraction and retention.

Benefits for the Company

We secured a pre-let of c.1 million sq ft to a global leader in e-commerce, highlighting the attractiveness of the location, its flexibility as a site and the strength of our reputation working with sophisticated clients. The letting is expected to deliver an attractive yield on cost of c.7% and, together with the leases with Iron Mountain and Greggs, means the Kettering scheme is now fully let.

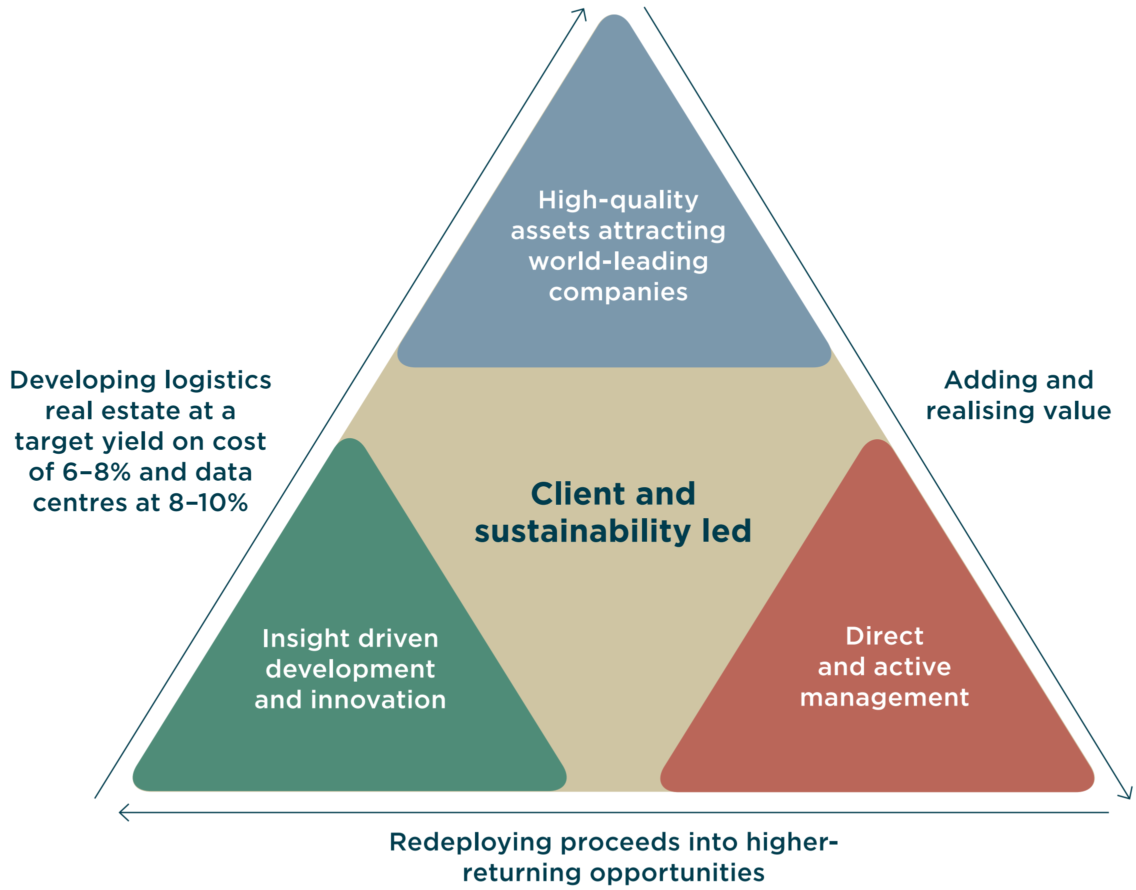
Pre-let to global e-commerce leader

1 million sq ft

ALIGNED TO LONG-TERM STRUCTURAL GROWTH

We have a clear and compelling strategy designed to capture the significant opportunities our market creates, underpinned by a disciplined approach to capital allocation and emphasis on delivering the performance benefits of sustainability, which is intrinsic to each element of our strategy.

Our strategy



Underpinned by a disciplined approach to capital allocation and leveraging the benefits of sustainability

Underpinning our strategy is a disciplined approach to capital, where we aim to maximise returns to Shareholders while minimising risk. By evaluating the Group's existing assets and identifying ways to maximise and then realise value, we will effectively recycle capital to support the Group's objectives, using debt appropriately and potentially raising additional capital when it is in Shareholders' interests.

The Group's commitment to sustainability forms an intrinsic and overarching part of our strategy that informs of all of our decision making. We believe a focus on sustainability both preserves and creates value and supports overall business performance.

> See pages 46 to 52

BUILDING ON OUR ADVANTAGE

We own, actively manage and develop logistics real estate in strategic locations across the UK, let to clients that include some of the world's largest companies. In doing so, we look to deliver attractive total returns for Shareholders.

Our competitive advantages

Focused approach

Our Manager is focused solely on the logistics and supply chain-related market, giving it unrivalled knowledge and understanding of the sector and strong, long-standing relationships with market participants. This gives us privileged access to opportunities, often off-market, enabling us to secure better returns for Shareholders.

Agile and entrepreneurial culture

Our Manager's culture is agile and entrepreneurial, allowing us to move rapidly to secure the best opportunities and capitalise on client demand for quality logistics warehouses.

Powerful insights and a combined platform

The scale of our portfolio and our closeness to our clients give us a competitive edge, by providing highly valuable insights into future demand and occupier requirements.

Combining an investment portfolio and development platform in the same Group gives us significant advantages when leveraging these insights, so we can reduce risk and enhance returns for shareholders. For example, we draw on client insights from our proactive asset management work to inform our development programme, while our development operation meets new space requirements for existing clients.

Integrated approach to sustainability

We believe our deep and applied understanding of current and future sustainability requirements is increasingly a key competitive advantage. As our clients seek ways to improve their own sustainability performance our ability to design and construct best-in-class buildings at the cutting edge of sustainability performance both helps secure new leases and ensures asset longevity and relevance within our investment portfolio.

How we create value

Unrivalled portfolio

Our focused and high-quality investment portfolio and our extensive development pipeline provide significant opportunity to create value.

Strong client relationships

We pride ourselves on deep and long-term relationships with our clients, who choose us as a key partner in delivering their supply chain solutions. These relationships create value for our shareholders and clients.

Hands on and proactive

We are a hands-on and proactive business which constantly seeks opportunities to create value. By being close both to our clients and assets we can identify opportunities and risks and respond accordingly.

Growing the value we create

High-quality buildings for our clients

We own and create high-quality buildings that are critically important to the supply chain operations of our clients, often playing a central role in supporting their business needs and growth ambitions.

Long-term income and capital growth for our Shareholders

We aim to generate attractive long-term income and capital growth for our Shareholders. In 2024, we declared dividends totalling 7.66 pence per share and delivered a 3.9% increase in Adjusted EPS (excluding additional DMA income).

Economic and social impact for society and communities

Our buildings benefit local communities more generally. They have strong sustainability credentials (see page 48), helping to minimise their environmental impact, and they also support significant employment in their local areas during construction and in operation.

How we generate returns

We generate returns through the rent we receive from our clients and from profits associated with our portfolio. We have a low and transparent cost base, with an EPRA cost ratio in 2024 of 12.6% (excluding vacancy costs), efficiently converting the rent we receive into income for shareholders.

We invoice rents quarterly in advance and have an impressive record of rent collection, ensuring the Group has strong and predictable cash flows. The Manager's fee, which is our largest single administrative cost, is calculated as a percentage of the Group's EPRA Net Tangible Assets (see page 44), providing direct and transparent alignment between shareholders' interests and the Manager.

OUR MANAGER

We are managed by Tritax Management LLP (Tritax), a specialist investor in mission-critical supply chain real estate.

Tritax manages both publicly listed and private market products that aim to deliver sustainable income and capital growth for investors. Across these funds and products, it oversees c.42 million sq ft of high-quality logistics properties. These are strategically located across the UK and Europe and align with the structural trends shaping the future economy.

Gained over 25-plus years, Tritax has deep sector expertise. Its in-house team comprises more than 60 people, whose skill-sets span disciplines such as investment, asset management, development, sustainability, power, finance, research and more.

The Manager's headcount working on Tritax Big Box comprises people both from Tritax Management LLP and Tritax Big Box Developments.

Working at Tritax

At Tritax, people are valued for their different skills and perspectives and are supported by a collaborative culture that encourages innovation, ambition and personal development.

As part of the Tritax team, people benefit from:

- **Purpose-driven work:** We aim to create long-term value by investing in a carefully curated, high-quality portfolio of sustainable supply chain real assets that outperform their sector. Rigorous sustainability analysis is integrated into every decision, and we collaborate with our stakeholders to deliver real assets that create long-term value for clients, investors and communities.
- **Inclusive and supportive culture:** As a relationship-driven business, we know that people are key to our success. We value diverse skills and views and encourage people to take on new opportunities and learn new skills.
- **Professional growth opportunities:** We're invested in each other's success. We hold regular "lunch and learn" meetings to share knowledge with each other. We also provide mentoring and skills building, offering people training opportunities to meet their individual needs.
- **Commitment to local communities:** We want to have a positive social impact where we own or are developing assets, and focus our social impact investment on education and skills development. Through the Tritax Social Impact Foundation everyone is encouraged to give their time to support fundraising events like the LandAid SleepOut and XLP marathon walk, and to take part in mentoring and volunteering opportunities.

Tritax continues to invest in its team and capabilities

Tritax is committed to fostering a collaborative and high-performing workplace. By combining purpose, innovation, and a people-first culture, Tritax continues to attract top talent and deliver on its ambition to create long-term value for clients, investors and communities.

Tritax Management has deep sector experience and an entrepreneurial culture...

Sector expertise

27 years

Average senior leadership experience

Entrepreneurial mindset and broad range of skills

- Investment
- Sustainability
- Research
- Data centres
- Logistics development
- Property management
- Power
- Analytics
- Asset management
- Investor relations

...supported by ongoing investment in an engaged team...

Net Promoter Score (NPS): A market research metric that rates the likelihood that employees recommend the Company as a good place to work; in 2024 Tritax achieved a score of 39 (10–30 is generally recognised as a good score, with 50+ considered excellent).

Headcount dedicated to Tritax Big Box

2024	**77**
2019	45

Employee engagement score*

2024	**80%**
2021	75%

* The annual employee engagement survey (which began in 2021) is completed by employees of Tritax Management LLP only and does not include equity partners or Tritax Big Box Developments.

...all delivered to Tritax Big Box cost effectively.

Effective management fee

2024	**0.58%**
2019	0.66%

> "As a relationship-driven business, we know that people are key to our success. We value diverse skills and views and encourage people to take on new opportunities and learn new skills."

SPACES IN HIGH-QUALITY BUILDINGS

In line with our purpose, we work closely with our clients to deliver the space they need to succeed. Modern and prime logistics buildings occupy a critical position within our clients' supply chain and must meet a broader range of requirements.

"Building performance, clean energy and fleet transition are top of mind for many clients, as they look to enhance the sustainability of their operations."

Petrina Austin
Head of Asset Management, Tritax Big Box REIT plc

HOW WE ARE PERFORMING

Our first-class client focus

In line with our purpose, the Manager's team works in partnership with our clients to deliver the space they need to succeed and ensure our buildings maximise their operational effectiveness. We undertake extensive research to understand and help develop our clients' supply chain networks. This direct and relationship-based approach helps to future-proof our buildings for our clients and to grow income and capital values for Shareholders.

How our assets meet client needs

The right size
With the UK's largest investment and land portfolios, we can provide clients with a range of building sizes from urban/last mile to large "mega" boxes optimised to suit their requirements. This range of sizes enables us to offer an end-to-end solution across our clients' supply chain networks.

Sustainable
Our clients are increasingly looking to occupy sustainable assets. 80% of our investment portfolio has an EPC grade of B or above and we continue to invest in ESG initiatives, such as on-site renewable energy generation. Our development activity includes our commitment to net zero carbon in construction. Increasingly, sustainability is a point of competitive differentiation which we are well placed to take advantage of.

Modern
Our investment portfolio has an average building age of 10 years and our development activity creates a long-term pipeline of state-of-the-art buildings, to meet the requirements of market-leading occupiers and provide a continual process of portfolio renewal.

Well located
Our investment and land assets are in strategically important logistics locations where our clients want to be. These assets benefit from strong transport infrastructure and suitable power and labour supplies.

Innovative
The scale and flexibility of our buildings make them suitable for a wide range of clients to install the latest technology, including highly automated and robotic stocking and retrieval systems, which improve efficiencies and reduce costs.

Supply chain

Workplace
Providing a safe workspace with an increasing component of office and collaborative working spaces and higher levels of amenities such as cafés, restaurants and gyms.

Technology and maintenance
Greater requirements for high levels of automation, supported by power and digital infrastructure, sensors and smart building technology, increasing overall central network visibility of inventory.

Labour
Clients frequently note access to a high-quality local labour market as one of their greatest requirements. Choice of location and ways to enhance the overall employee proposition are now being factored into new logistics buildings.

Carbon performance
Clients are now focused on achieving their Paris-aligned performance pathways, increasing scrutiny of whole life carbon emissions from supply chains and logistics buildings.

Biodiversity and wellbeing
Focus on increasing local biodiversity and measures that improve general employee wellbeing, such as green and active spaces and wildlife habitats.

Operations
Clients are seeking highly efficient buildings with high-quality floors and greater loading requirements combined with increased roof height, appropriate access, yard space and parking to help support efficient operations.

Social impact and partnerships
Clients must increasingly consider their social impact, and how they can utilise local supply chains and support employee and community engagement.

Energy generation and use
Access to significant amounts of affordable, reliable and increasingly decarbonised power is a central requirement for clients to support greater automation and electrification of vehicle fleets.

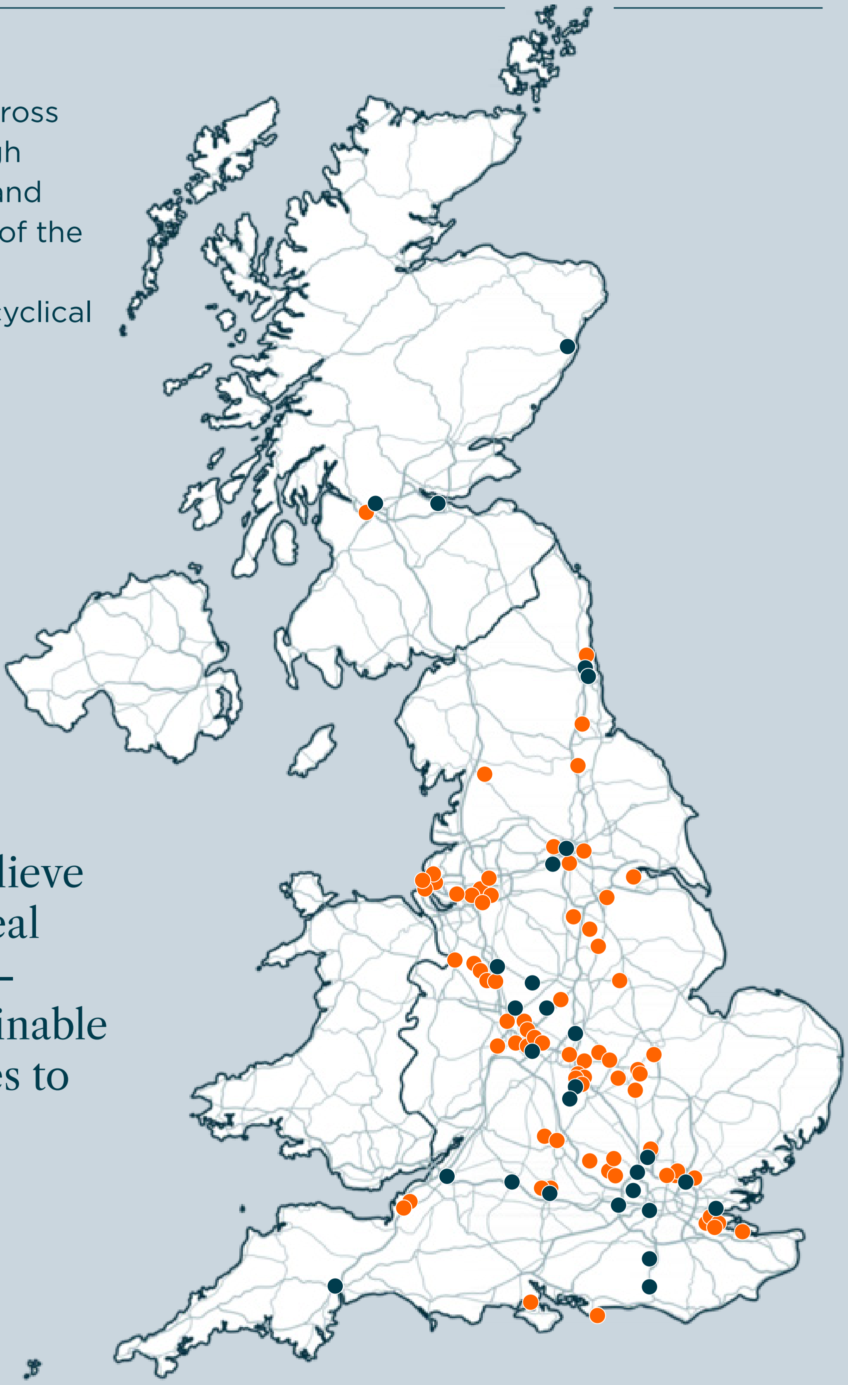
OUR PORTFOLIO

Our portfolio comprises our standing investments and development land (primarily held under long-dated options). These assets are in strategically important logistics locations across the UK, with easy access to transport infrastructure, a skilled workforce, and suitable power and data connectivity. This makes them highly attractive to current and potential clients.

Diversified by client and sector

Our portfolio is let to 128 clients across 102 logistics assets, providing a high degree of diversification by client and sector. These clients include some of the world's largest companies and are weighted towards defensive, non-cyclical or high-growth sectors, helping to reduce our risk.

- Investment portfolio
- UKCM logistics assets



"We have built what we believe is the UK's best logistics real estate portfolio, with high-quality, modern and sustainable buildings, let on long leases to strong clients."

UKCM contribution at acquisition

UKCM contracted rent (logistics) at acquisition

£34.5 million

UKCM embedded rental reversion (logistics) at acquisition

39% (£13.4 million)

UKCM logistics space under management added at acquisition

4.4m sq ft

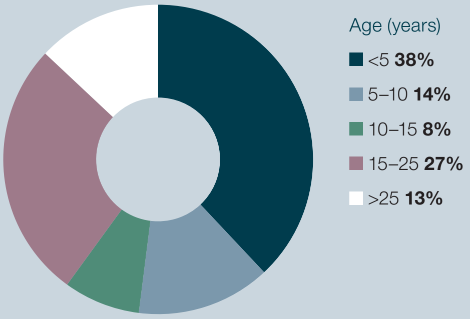
A portfolio that reflects our strategy

The investment portfolio is weighted towards assets that deliver resilient and growing income.

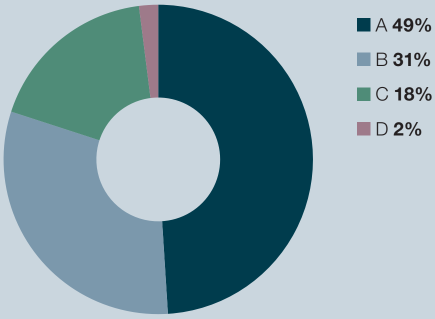
The majority of these are Foundation assets (i.e. those which provide long-term and secure income from high-quality occupiers), complemented by a smaller proportion of Value Add assets (i.e. those which offer further upside potential through our active approach to management, such as renewing leases, adding extensions and enhancing environmental performance).

Our assets are primarily 'big boxes' but we are increasingly adding smaller assets to the portfolio, including through our development programme. This broadens our client offer and gives us scope for more regular asset management.

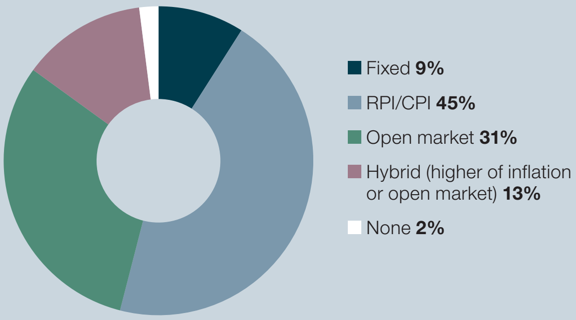
Modern buildings...



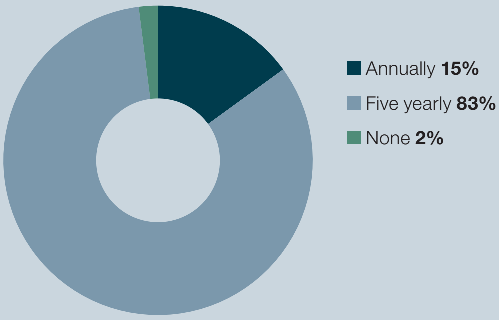
...with high EPC ratings...



...attractive blend of review types...



...and frequency



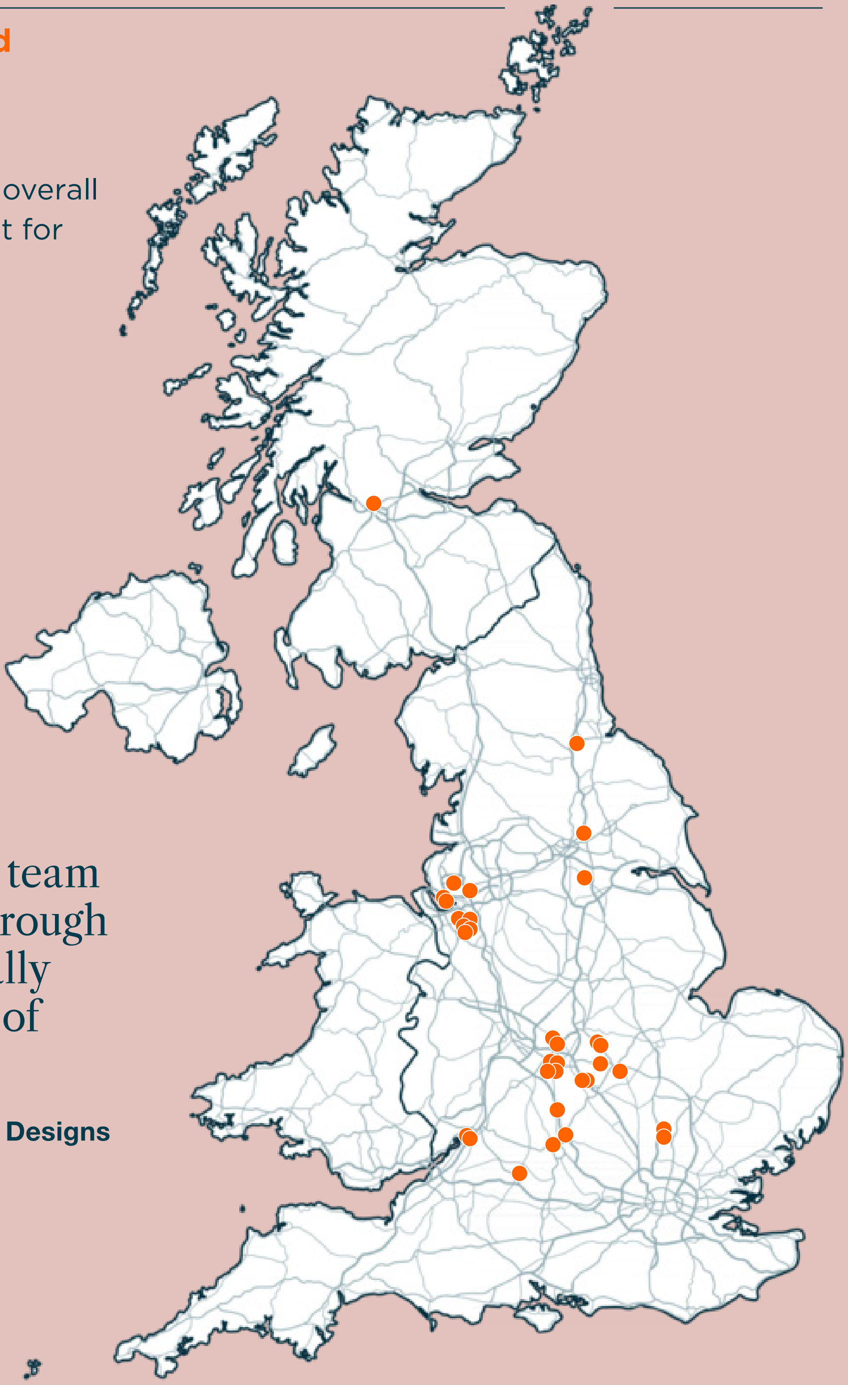
OUR DEVELOPMENT PORTFOLIO

Through long-dated, capital efficient options, we control the UK's largest land portfolio for logistics development. The development portfolio comprises sites across the UK which between them have the potential over the long term to deliver c.37.2 million sq ft of high-quality new logistics space, enabling us to more than double our existing investment portfolio.

Insight driven development and innovation

Development complements our investment portfolio by enhancing overall returns, as we target a yield on cost for new logistics assets of 6–8%, while carefully managing risk.

Strategic land and development portfolio



"I almost felt as though the team at Tritax held our hand through the whole journey and really involved us at every stage of the build."

Rif Lalani, Managing Director, Bentley Designs

Added to passing rent from 2024 development completions

£7.4 million

Potential rental income from 2024 development starts

£14.4 million

2024 average yield on cost for development lettings

7.1%

Development pipeline of growth opportunities

	Current development pipeline	Near-term development pipeline		Future consent pipeline
Timing	Development under construction (including Let)	Potential starts within the next 12 months	Potential starts in the following 12–24 months	Longer-term land held under option
Size	1.9 million sq ft	1.9 million sq ft	3.8 million sq ft	30.9 million sq ft
Rent potential	£21.8 million	£21 million	£33 million	£248 million

Potential to deliver 2-3 million sq ft per annum of development starts over the next 10 years

Developing a portfolio that reflects our strategy and supports our clients

We work with renowned global brands and companies at the start of their growth journey, using our first-hand understanding of the supply chain so we can create the space they need to succeed, now and in the future.

We continued to make excellent progress with the development programme in 2024. We reached practical completion on 1.7 million sq ft of developments in the year, with the potential to add a total of £16.2 million to passing rent. We have a further 1.8 million sq ft under construction, which has the potential to add £17.0 million to annual passing rents.

Development Management Agreements (DMAs) deliver a high-return, capital light source of profit

Our development programme mainly creates investment assets, but we sometimes develop assets for freehold sale via a Development Management Agreement (DMA) to accelerate profit. Under a DMA, we manage development for a fee and/or profit share without owning the site or completed asset. DMAs provide high returns with minimal capital investment.

In 2024, we pre-sold 0.4 million sq ft at Oxford and began building for Siemens Healthineers. We also secured a 0.3 million sq ft DMA with Greggs, set to start in 2025. DMA income reached £23.0 million in 2024 (2023: £nil), with a £10.0 million target for 2025.

Manor Farm – Heathrow: Up to 147 MW data centre scheme in a critical London location

Leveraging our expertise via a decisive move into power and data centres

Tritax Management LLP has secured fast-tracked power access in key London areas. It acquired a site at Manor Farm, Heathrow to develop a 147 MW data centre, one of the UK's largest. This included a 50% stake in a joint venture with a leading European renewable energy company to secure the necessary power capacity and deploy the associated power infrastructure. With a 9.3% yield and over 40% profit on costs, the project could see its 107 MW Phase 1 completed by H2 2027, pending planning and pre-let. Tritax Big Box also secured first refusal on future data centre opportunities, including a 1 GW power pipeline.

One of the UK's largest data centre opportunities

147 MW

Prime London site adjacent to Heathrow airport

74 acres

Phase 1 expected yield on cost

9.3%

LONG-TERM STRUCTURAL DRIVERS CONTINUE TO SUPPORT THE SECTOR

Structural trends

Shifting consumer behaviour

Consumers want fast, flexible and ever more convenient ways to make purchases. This continues to drive strong growth in e-commerce, with online-only and traditional bricks and mortar (now omni-channel) retailers building out their networks to facilitate this.

Meanwhile, our increasingly digital world is driving greater demand for access to, and storage of, data.

Evolving supply chain

Companies continue to review their operations and adjust their supply chain in response. Additional resilience is now a priority, alongside optimising for efficiency, productivity and cost. Occupiers continue to pursue a variety of solutions, including holding more stock, diversifying their supplier base, investing in UK facilities, and improving supply chain visibility.

Drive for sustainability

Organisations are increasingly driven by their decarbonisation and sustainability objectives. Adaptation of their business models is leading to an increased focus on the role of logistics buildings in reducing carbon emissions, cutting energy use, and increasing employee and community engagement. Modern logistics buildings have enhanced sustainability performance, better staff facilities and are often designed with green space, biodiversity, and outdoor amenities in mind.

Real estate impact

E-commerce/ omni-channel retail
- Consolidation/ automation
- Network realignment
- High-quality, modern buildings

Digitalisation
- Last-mile delivery
- Data centre demand
- Increased power requirements

Increased resilience
- Higher stock volumes
- Supply chain visibility/ technology

Greater efficiency
- Increased automation
- Larger buildings

Decarbonisation
- Low carbon buildings performance
- Renewable energy
- Sustainable transport

Employee attraction and wellbeing
- Improved amenities
- Skilled labour
- Healthy and engaged workforce

Tritax Big Box strategy

Focus on:
- Location, power and labour
- High-quality, mission-critical, modern logistics and data centre facilities

Long-term structural drivers support our sector

As detailed opposite, three structural trends are underpinning demand for high-quality, mission-critical, modern logistics real estate and data centre facilities. Specifically:

- **shifting consumer behaviour;**
- **evolving supply chain; and**
- **drive for sustainability.**

Combined, these drivers mean that not only is location and access to skilled labour vital, but provision and resilience of power supply is increasingly in focus as energy needs increase.

Diverse demand continues to underpin market activity

Occupational demand remains healthy with 21.3 million sq ft of take up in 2024 (2023: 22.1 million sq ft)[1]. We continue to see high levels of engagement across both standing assets and new space resulting in strong renewal rates alongside continuing demand for new buildings.

Leading companies continue to invest for the future driven by growing revenues and improving margins. Supply chains are a multi-year area of focus with the potential to contribute to both improved financial performance (lowering the cost to serve, facilitating new revenue streams etc.) and enhanced business resilience. High-quality real estate that can support modern day, technology led supply chain requirements is therefore seen by many as core to future operations. This is leading to sustained and diverse demand from companies across all sectors.

2024 saw new space account for 61% of demand, of which newly developed speculative space contributed 39% (2023: 25%)[1]. This highlights the ongoing trend towards high-quality, technically capable buildings that support improved productivity and efficiency facilitated by increased use of automation and advancing technologies. The East Midlands, the UK's most important big box logistics market, remained the most active, accounting for 34% of take up across the UK[1]. 11.5 million sq ft was under offer at year end (2023: 11.1 million sq ft)[1] and our own occupier hub continues to see high levels of enquiries.

Manufacturers remained prominent, contributing 25% of demand in 2024[1], as they continue to build resilience, diversify their supplier base and improve supply chain visibility. Many still expect to hold more stock onshore, with 29% of manufacturers suggesting, in our occupier survey delivered in partnership with Savills, that they plan to do so over the next three years.

Retailers accounted for 28% of take up[1]; most were omni-channel businesses evolving their supply chains to meet shifting consumer needs. Online-only retailers returned to the market through the second half of the year, with our 1.0 million sq ft letting at Kettering accounting for the majority of 2024 take up. We expect to see further activity in 2025 from both online-only retailers and parcel carriers.

3PLs were less active in the market than in the previous year but still accounted for 23% of demand in 2024[1], underpinned by several large lettings. Leading 3PLs were part of the shift towards higher quality, often newer, space that can facilitate operational shifts such as adopting more building level automation; consolidating into larger units; decarbonising supply chains; and providing a better working environment, including improved amenities to help attract and retain staff.

Reduced supply contributed to well-balanced market fundamentals

New supply of logistics space declined markedly year on year with 14.7 million sq ft of completions (2023: 30.3 million sq ft). Completions were heavily front-loaded with 9.5 million sq ft delivered in the first quarter[1].

Space under construction at Q4 2024, however, picked up year on year to 26.0 million sq ft (2023: 21.4 million sq ft)[1]. Importantly, the increase is almost entirely from an uptick in "build to suit" activity. The speculative pipeline stands at 12.8 million sq ft (2023: 12.3 million sq ft)[1]. Much of this is concentrated in a handful of geographic locations with a significant proportion scheduled to complete early in 2025.

Well-located supply is typically constrained by factors such as land availability, planning and power. This makes our strategically located land portfolio a particularly attractive attribute of our business. It is held through capital efficient option agreements (which link our land purchase price to prevailing open market value, less a prescribed discount). This enables us to deliver on our 6-8% yield on cost development guidance.

Vacancy increased from 5.1% at Q4 2023 to 5.6% at Q4 2024 but was flat across the second half of the year[1]. Overall, market fundamentals remain well balanced but nuanced, as local market dynamics are diverse with significant differences at both a regional and sub-market level.

Strong rental growth in 2024

2024 has seen strong rental growth at both a headline and portfolio level. Prime headline logistics rents increased across all regions by between 25p and 50p (ex-Inner London where they held flat)[1]. Headline prime rents reported by CBRE reflect the top tier of rent for buildings of the highest quality and specifications in the best locations. MSCI ERV data, which better reflects portfolio-wide performance and a broader mix of buildings, shows UK distribution warehouse ERVs grew by 5.3% in 2024 (2023: 7.1%).

Logistics real estate capital market activity increasing

Big box logistics transaction activity totalled £3.1 billion in 2024, with a further £4.9 billion of multi-let and urban deals[2]. Significant pools of global capital continue to look to access the market. Two of the largest deals completed late in the year were, for example, by new entrants to the UK logistics sector.

Prime market pricing for logistics buildings in the East Midlands remains at 5.25%[1]. Deal activity has continued to evidence market pricing with a significant pool of prospective purchasers for high-quality, prime product.

Investor interest in the sector remains high with prospective purchasers underwriting further rental growth on top of repriced yields. As a result, logistics pricing continues to look attractive despite ongoing uncertainty in global capital markets. The composition of returns also continues to appeal to investors with ongoing rental growth underpinning the scope for further income growth. Moreover, many buildings continue to have reversionary potential given the healthy market rental growth that leases often fail to capture fully.

Record level of data centre demand

London remains the largest data centre market in Europe with 1,141MW in operation across an estimated 135 data centres[3]. 2024 take up in London totalled 116MW which exceeded new supply (65MW) for the third consecutive year[1]. Strong demand and low availability have resulted in rental rates increasing. Providers are, however, having to develop data centres in areas further afield to meet growing demand given the severe land and power constraints that exist in London.

With the same planning designation as logistics buildings, data centres have become an additional source of demand, further constraining the supply of land for logistics real estate. Furthermore, in September 2024, UK data centres were designated as Critical National Infrastructure: strengthening industry resilience, regulatory support and reinforcing the UK as an attractive destination for data centre users.

1. CBRE.
2. DTRE, "Big Box Logistics Occupier and capital markets report", January 2025.
3. Cushman & Wakefield, "EMEA Data Centre H2 2024 Update", February 2025.

DELIVERING OUR STRATEGIC PRIORITIES

"Our strategy has three clear interlinked components that aim to deliver sustainable income, capital growth and robust performance through the economic cycle."

Colin Godfrey
Chief Executive Officer, Tritax Big Box REIT plc

Consistent and successful strategy

Our strategy has three clear interlinked components that aim to deliver sustainable income and capital growth, robust performance through the economic cycle and an attractive and progressive dividend, while ensuring we meet our wider responsibilities and carefully manage risk.

The components of the strategy are:

1. **High-quality assets attracting world-leading clients**
– delivering long-term, resilient and growing income.

2. **Direct and active management**
– protecting, adding and realising value.

3. **Insight driven development and innovation**
– creating value, future-proofing and capturing occupier demand.

Sustainability is intrinsic to each of these elements and is a key enabler of business performance. Information on how we implemented the strategy during the period, including our sustainability initiatives, is set out in the following sections.

Our total portfolio comprises:

- The **investment portfolio**. These are logistics assets with a lease or agreement for lease in place. We believe our investment portfolio is the strongest in the UK in terms of asset quality, client financial covenant strength and lease length.
- The **development portfolio**. This comprises land, options over land and buildings under construction, generating best-in-class logistics assets for the investment portfolio (see *Insight-driven development and innovation* section below).
- **Non-strategic assets**. These are modern, high-quality non-logistics assets acquired with UKCM, which we are divesting to provide funding for higher-returning logistics opportunities, particularly our logistics development programme.

1. High-quality assets attracting world-leading clients

Investment portfolio and non-strategic assets[1] – key figures

Total portfolio value
– investment portfolio
£5.77bn 14.7%
(2023: £5.03bn)

Total portfolio value
– non-strategic assets
£0.39bn

Number of investment assets
– investment portfolio
102 30.8%
(2023: 78)

Number of investment assets
– non-strategic assets
14

Gross lettable area
– investment portfolio
41.8m sq ft 17.4%
(2023: 35.6m sq ft)

Gross lettable area
– non-strategic assets
1.5m sq ft

Portfolio estimated rental value
– investment portfolio
£362.9m 31.0%
(2023: £277.0m)

Portfolio estimated rental value
– non-strategic assets
£32.5m

Like-for-like ERV growth
– investment portfolio
5.4% -1.5pts
(2023: 6.9%)

Portfolio vacancy
– investment portfolio
5.8% 3.3pts
(2023: 2.5%)

Portfolio vacancy
– non-strategic assets
4.3%

Total portfolio vacancy
5.7% 3.2pts
(2023: 2.5%)

WAULT
– investment portfolio
10.6yrs -0.8yrs
(2023: 11.4yrs)

WAULT
– non-strategic assets
7.3yrs

Our priorities for 2024

We set the following priorities for 2024 in relation to the investment portfolio:

Priority	Progress
Evaluate the overall composition of the portfolio, identifying assets for potential disposals and informing our asset management and investment activities.	We continued to optimise the portfolio, identifying further assets to divest so we can recycle the capital into higher-returning opportunities. The UKCM non-strategic assets were a particular focus, as we fully assessed each and determined which were ready for sale and which would benefit from asset management to maximise their value. See the Direct and active management section for more information on our successful disposal programme in 2024.
Evaluate the balance between larger and smaller assets, with a view to selectively increasing our weighting to urban logistics.	While the portfolio remains focused on big boxes, we increased our weighting to urban logistics primarily through the UKCM acquisition. We also added further smaller units to the investment portfolio through development completions.
Continue to closely monitor client financial performance.	We continue to monitor our clients' performance as a standard part of our asset management process. See *Direct and active management* for more information.

1. No comparative available as UKCM acquired during 2024. Portfolio value only relates to investment portfolio only and excludes development related assets.

1. High-quality assets attracting world-leading clients continued

Resilient portfolio with embedded opportunities for value creation

The investment portfolio is split between:

- foundation assets, which provide attractive, lower-risk and resilient long-term income; and
- value-add assets, which offer opportunities for capital or income growth through asset management.

Assets can move between these categories, as our asset management turns value-add assets into foundation, or as foundation assets become value-add, for example as a lease nears expiry.

At 31 December 2024, our total portfolio comprised:

Investment portfolio	% of GAV
Foundation assets	57.9%
Value-add assets	30.2%
Total investment portfolio	88.1%
Development portfolio	5.8%
Non-strategic assets	6.1%
Total portfolio	**100.0%**

At the year end, the total portfolio value was £6.55 billion (31 December 2023: £5.03 billion), with the increase primarily due to the addition of the UKCM assets. The total portfolio capital value increase was 2.8% higher, with asset values steadily improving, generated from further development gains, the benefits of our active asset management and 5.4% like-for-like ERV growth over the year. When including the net gain made on the acquisition of UKCM, the capital value increase is 3.7% over the year.

As discussed in the direct and active management section, at the date of this report we have exchanged or completed contracts to divest £181.2 million of non-strategic assets. Post completion of these disposals, the non-strategic assets will reduce to a pro-forma 4.0% of total GAV.

A broad and well-located client offering

While big boxes make up most of our investment portfolio, over recent years our investment strategy and development programme have increased the range of building sizes we can offer our clients. This allows us to meet our client needs for 'first-mile' mission-critical logistics assets through to 'last-mile' urban delivery units. UKCM has further broadened the portfolio, adding 4.2 million sq ft of logistics space, primarily in "last-mile" urban locations across 19 estates.

At the year end, the investment portfolio contained the following mix of building sizes:

Investment portfolio	**Contracted rent 31 December 2024**	Contracted rent 31 December 2023
<100k sq ft	**11.0%**	1.7%
100–250k sq ft	**10.7%**	9.7%
250–500k sq ft	**28.9%**	31.5%
>500k sq ft	**49.4%**	57.1%

The investment portfolio is well diversified geographically, with a good balance of exposure to key logistics locations in the South East, the Midlands and the North of England:

Investment portfolio locations by market value	**31 December 2024**	31 December 2023
South East	**35.9%**	34.2%
South West	**3.0%**	2.7%
East Midlands	**14.3%**	13.7%
West Midlands	**22.3%**	21.0%
North East	**16.0%**	18.5%
North West	**6.8%**	8.5%
Scotland	**1.7%**	1.3%

Secure client base underpins income generation

The Group's diversified client base includes some of the world's most-important companies, with 64.5% being part of groups included in major stock market indices, such as the DAX 30, FTSE All Share, SBF 120, NYSE and S&P 500.

The number of logistics clients increased from 61 to 128 during the year, as the UKCM acquisition further diversified our client base. The occupiers of the acquired assets include major corporations, such as existing Group clients Ocado, Iron Mountain and GXO, as well as a range of smaller businesses. This offers us greater scope to engage with clients and meet their evolving needs through new developments or any vacancy that may arise over time.

The table below lists the Group's top 10 clients across the investment portfolio:

Client	% of contracted annual rent
Amazon	15.5%
Morrisons	4.4%
Iron Mountain	4.4%
The Co-Operative Group	4.0%
Tesco	3.3%
B&Q	3.1%
Argos	2.9%
Ocado	2.7%
Marks & Spencer	2.6%
Bosch	2.0%

Upward-only rent reviews provide attractive income growth

Most of our logistics leases benefit from upward-only rent reviews. Of total contracted rents for logistics assets:

- 15.1% are reviewed annually; and
- 83.3% are reviewed in five-yearly cycles, with the timings staggered, so there are reviews taking place each year.

The table below shows the rent review types across the total portfolio at the year end:

Rent review type	% of rent roll at 31 December 2024	% of rent roll at 31 December 2023
Fixed uplifts	**9.4%**	8.7%
RPI/CPI linked	**45.0%**	49.0%
Open market	**31.1%**	29.9%
Hybrid (higher of inflation or open market)	**12.9%**	12.4%
Not reviewed	**1.6%**	—

Logistics leases with inflation-linked reviews specify minimum and maximum rental growth, which average 1.6% and 3.6% respectively. In tandem with fixed rent reviews, this provides certainty on the minimum rental increases the portfolio will generate each year.

We supplement this through open market and hybrid rent reviews, which can capture uncapped market rental growth, and other forms of active management to increase rental income. Approximately 82.0% of contracted rent from the UKCM logistics assets is subject to either hybrid or open market review, which is another attractive feature of its portfolio. This has increased our weighting to these types of rent reviews to 44.1% across the portfolio.

Due to the balance of open market and inflation-linked rent reviews, and the growing rental reversion in the portfolio (see below), we remain positive about continuing to deliver attractive, long-term income growth from our investment assets. Information on rent reviews in the period can be found in the *Direct and active management* section below.

Increasing ERVs and record rental reversion provide significant opportunity to grow rental income

At each valuation date, the valuer independently assesses the estimated rental value (ERV) of each asset in the investment portfolio. This is the rent the property would be expected to secure through an open-market letting at that date.

At 31 December 2024, the investment portfolio ERV was £362.9 million (31 December 2023: £277.0 million), which is £79.2 million or 27.9% (31 December 2023: 23.0%) above the contracted rent. The increase in the ERV reflects the addition of the UKCM logistics assets and the like-for-like ERV growth in the investment portfolio of 5.4% during the year. We have opportunities to capture this reversionary potential through open-market rent reviews, lease renewals, new leases or lease regears.

In addition to capturing reversion, we can grow income through filling vacancy in the investment portfolio, which stood at 5.8% at the year end (31 December 2023: 2.5%). The increase is part driven by the consolidation of the UKCM assets which has a naturally higher vacancy level and three speculatively developed buildings that reached practical completion in November / December 2024. As our business has evolved, including both a higher amount of shorter leased urban logistics and an element of speculative development, we expect to maintain a level of available to let buildings to capture demand in the market.

To assist in understanding our portfolio reversion, and the likely timing and quantum of its capture, we have provided additional disclosure in the tables below. These outline the split between review type and frequency over the next three years.

Vacancy and outstanding reviews

	Contracted rent (£m)	% of passing rent	ERV (£m)
Vacancy	—	n/a	20.3
Outstanding reviews from prior periods*	6.7	2.4%	8.7
Total	**6.7**	**2.4%**	**29.0**

* Rent for overdue reviews is accrued and recognised within rental income at a level that is reasonably expected to be achieved on settlement.

Rent reviews and expiries*

		2025			2026			2027		
Review type	Frequency	Rent (£m)	% of passing	ERV (£m)	Rent (£m)	% of passing	ERV (£m)	Rent (£m)	% of passing	ERV (£m)
Indexation	Annual	32.5	10.4	38.4	32.5	10.4	38.4	32.5	10.4	38.4
	5-yearly	8.2	2.6	9.6	26.7	8.5	33.2	17.6	5.6	22.6
OMR/hybrid	Annual	—	—	—	—	—	—	—	—	—
	5-yearly	9.7	3.1	12.6	24.2	7.7	32.3	17.7	5.6	20.9
Fixed	Annual	10.4	3.3	10.4	7.2	2.3	6.7	7.0	2.2	6.4
	5-yearly	—	—	—	8.5	2.7	9.2	6.5	2.1	8.5
Total rent reviews		**60.8**	**19.4**	**71.0**	**99.1**	**31.6**	**119.8**	**81.3**	**25.9**	**96.8**
Lease expiries		10.7	3.4	15.1	9.7	3.1	13.6	15.5	5.0	18.5
Total lease events in year		**71.5**	**22.8**	**86.1**	**108.8**	**34.7**	**133.4**	**96.8**	**30.9**	**115.3**

* Includes both non-strategic and logistics assets.

1. High-quality assets attracting world-leading clients continued

Long leases enhance income security

At the year end, the investment portfolio's WAULT was 10.6 years (2023: 11.4 years), with the foundation assets having a WAULT of 13.6 years (2023: 15.0 years).

Of total investment portfolio rents:

- 23.4% is generated by leases with 15 or more years to run; and
- 25.2% comes from leases expiring in the next five years, providing near-term opportunities to capture the growing reversion within the portfolio.

UKCM's logistics portfolio had a WAULT of 6.7 years on acquisition, creating opportunities to capture the reversionary potential of these assets over the coming years.

Full repairing and insuring ("triple net") leases result in high conversion of gross to net rental income

Most of our logistics asset leases are full repairing and insuring (FRI), equivalent to "triple net" leases in the United States. This means our clients are responsible for property maintenance during the lease term and for dilapidations at the end of the lease. This minimises our irrecoverable property costs, which resulted in 98.2% conversion of gross to net rental income for the year. Rotating the UKCM non-strategic assets into FRI leases on new logistics assets should deliver further direct property cost savings over the medium term, in addition to the immediate cost savings from the combination (see the *Financial Review* for more information).

Portfolio quality reinforced by strong sustainability characteristics

EPC ratings are a key benchmark for both investors and occupiers and we are continuing to work with our clients and consultants to improve the EPC ratings of our buildings where possible. We are also constructing all our new developments to a minimum standard of EPC A and BREEAM Excellent.

At 31 December 2024, 98% of the investment portfolio had an EPC rating of C or above (31 December 2023: 97%). The movement reflected our continued progress with improving EPC ratings through asset management, and the addition of the UKCM logistics assets. At the year end, all assets certified or expected to be certified by BREEAM (50%) had a rating of Very Good or above (31 December 2023: 51%).

Our priorities for 2025

In 2025, our priorities for the investment portfolio are to continue to:

- optimise our portfolio and recycle capital into higher-returning opportunities; and
- allocate capital to income-generating assets that meet our return criteria and enhance our portfolio, for example by further diversifying our assets geographically or broadening our client offering.

Butternut Box, Blyth

2. Direct and active management

Completed disposals
(gross proceeds)
£140.4m -57.1%
(2023: £327.0m)

Completed disposals
(area)
0.6m sq ft -80.0%
(2023: 3.0m sq ft)

Completed disposals
(contracted rent)
£7.6m -46.1%
(2023: £14.1m)

Acquisitions
(consideration)
£1,262.9m
(2023: £108.0m)

Acquisitions
6.4m sq ft
(2023: 0.5m sq ft)

Portfolio subject to rent review in year
26.7% 7.7pts
(2023: 19.0%)

Proportion of portfolio reviewed
24.4% 1.9pts
(2023: 22.5%)

Contracted rent uplifts – reviews and lease events
£11.9m 142.9%
(2023: £4.9m)

Contracted rent uplifts – reviews and lease events
12.5% 2.9pts
(2023: 9.6%)

EPRA like-for-like rental growth
3.9% 0.3pts
(2023: 3.6%)

Change in contracted rent from lease expiries/new lettings
-£0.3m
(2023: £0.0m)

Our priorities for 2024

We set the following priorities for 2024 in relation to active management:

Priority	Progress
Seek to dispose of £100–200 million of assets, subject to market conditions and opportunities within the investment market, in line with our ongoing approach to capital rotation.	The UKCM acquisition has provided us with non-strategic assets, which we are successfully divesting, with £181.2 million of disposals, representing 38% of non-strategic assets, exchanged or completed so far. We also continue to optimise our investment portfolio and recycle capital, with £125.0 million of logistics disposals. Total disposals were therefore £306.2 million[1].
Implement our asset management plans, with a particular focus on recently acquired urban logistics assets with significant reversionary potential.	We have made excellent progress with our asset management plans, including capturing rental reversion in our existing urban logistics assets and UKCM assets, through lease events and rent reviews. In total, our asset management activities added £11.6 million to contracted rents during the year.
Enhance our sustainability performance, including a programme to determine viable projects and costs for works to achieve net zero carbon.	We have continued to achieve market-leading sustainability performance. Our work in the year included commissioning a platform to enable us to analyse projects to improve EPC ratings and update asset by asset decarbonisation pathways. See enhancing sustainability through integration, engagement and active management for more information.

1. £306.2 million when including transactions which had exchanged but not yet completed as at the date of publication.

2. Direct and active management continued

Realising value and recycling capital through disposals

Capital recycling is a key part of our business model. We have deliberately constructed the portfolio to ensure it contains highly attractive assets with good liquidity, enabling us to sell when we choose, reinvest the proceeds into higher-returning opportunities – such as our development pipeline – and thereby improve the quality and returns prospects for the overall portfolio.

We constantly review the portfolio, to identify assets where:

1. we have completed our asset management plans and maximised value;
2. the asset's investment characteristics no longer fit our desired portfolio profile; or
3. the asset's future performance may be below others' in the portfolio or have more risk attached to it.

We identify assets for disposal by analysing the associated risk and return profile. Risk criteria we consider include age, location, covenant strength, geographic and client concentration, rental income profile, energy and carbon performance and the opportunity for rental growth. We analyse the potential return expectations based on our asset management plans, view of rental growth, capex requirements and any marketing void and client incentive, in addition to considering further sustainability performance enhancements.

We also look closely at the capital market conditions, to establish whether we are acting at the correct point in the market cycle. We continually profile the most active buyers to establish their desired income profile, coupled with their transactional experience and credibility, to ensure we engage with purchasers with high execution abilities.

When we completed the UKCM combination in May 2024, our plan was to divest the non-strategic assets within 24 months. We have made excellent progress since then, exchanging or completing contracts to dispose of seven assets for a total of £181.2 million to date (representing 38% of the non-strategic assets), with a further approximate £177.4 million under offer and high levels of interest in the balance of these assets. We therefore remain confident of being able to exit the position within our planned timeframe.

These disposals reflect a blended NIY of 6.2%, a 2.8% premium to the assets' 31 December 2023 book value.

While the UKCM non-strategic assets are the main focus of our disposal programme, we remain highly disciplined in reviewing the logistics investment portfolio and identifying assets for divestment, as well as being opportunistic when we receive attractive proposals. In 2024, we exchanged on the sale of a 755k sq ft asset at Doncaster (let to Next) and sold a 388k sq ft asset at Crewe (let to AO.com) for total consideration of £125.0 million. This represented a blended NIY of 5.0% and a 4.1% premium to their book value at 31 December 2023.

Overall, the disposal activity noted above, which totals £306.2 million of assets exchanged or completed, has been conducted at a blended 3.3% average premium to book values.

Acquiring investments with asset management potential and a broader client offering

We continue to look for investments that can generate accretive total returns, support our income growth and broaden our client offering. This forms part of our ongoing portfolio optimisation and complements our development activity by typically offering lower risk and more immediate income.

In January 2024, we completed the acquisition of a 479k sq ft cold store building in Castlewood, a key East Midlands location. The property is let to Co-Op on a lease with 7.7 years remaining on purchase and 2.7 years to the next rent review at which point the rent is reviewed to the equivalent of 2.5% per annum compounded for the previous five year term. The purchase price of £46.0 million equates to a NIY of 5.75% and a reversionary yield of 7.3%.

Post period, in January 2025, we acquired a 627k sq ft cold-store building in Haydock, a core North West location, for £74.3 million. The property is let to Sainsbury's as its principal North West hub. Under the lease there is c.13 years unexpired term with a client break in c.8 years. The rent is reviewed on an uncapped basis to RPI every five years. The purchase price reflects a 6.0% NIY which, based on current and expected RPI growth rates, should create a running yield of 7.0% in 2028.

Growing and lengthening income through rent reviews and lease events

Through our active management approach we are making good progress in leveraging the rental reversion opportunity, growing income by £11.6 million through 70 initiatives, such as lettings, lease re-gears and rent reviews.

In 2024, 26.7% (19.0% in 2023) of the investment portfolio was due for a rent review (excluding the UKCM logistics assets). We completed 33 reviews in the year, including three open-market or hybrid reviews that were outstanding from 2023, with the table below showing the strong rental uplifts from the open-market reviews concluded.

EPRA like-for-like rental growth in 2024 was 3.9% (2023: 3.6%).

2024 settled rent reviews and lease events

	Number	% of contracted rent	Growth in passing rent	Absolute rent uplift (£m)
Index linked	14	18.1%	7.7%	4.1
Open market/hybrid	15	4.0%	34.6%	4.1
Fixed	4	2.3%	2.9%	0.2
Total rent reviews	**33**	**24.4%**	**11.7%**	**8.4**
Lease events (comprising lease renewals and extensions)	25	7.7%	15.1%	3.5
Total for all rent reviews and lease events	58	**32.1%**	**12.5%**	**11.9**

Significant lease events during the year included agreeing:

- a new 15-year agreement for lease with a leading UK brewer at the Stakehill asset formerly occupied by Tesco, where we achieved vacant possession upon lease expiry in December 2023. The agreement for lease was signed with a rental increase of 38.1% against the passing rent at the point Tesco vacated, resulting in a significant rise in the asset's valuation. Our refurbishment prior to the letting included a solar PV scheme, which helped increase the EPC from B to A+ and provides additional income to us through a power purchase agreement;
- a five-year lease extension at L'Oreal, Trafford Park, Manchester, at a new record rent for Trafford Park of £8.50 psf. The rental uplift was c.£400k pa or 22.1%; and
- a reversionary lease renewal for a 15-year term with Next on the Doncaster asset, creating significant value add prior to the asset's disposal (see above).

Across our urban logistics assets we completed 32 lease events across new lettings, rent reviews and lease renewals. Significant uplifts through rent reviews and asset management were achieved at Ventura Park Radlett, Newton's Court Dartford, and Emerald Park Bristol delivering between 35% and 75% increases in rent. Our improvements to the multi-let estates include a pilot project at J6 Birmingham, to enhance signage, amenities such as food and beverage outlets, landscaping incorporating outside seating areas, and increased security provisions. We have identified the potential on some estates, such as Rugby and Kettering, to add multi-use games areas and running circuits.

We are particularly focused on capturing the reversionary potential of the logistics assets acquired from UKCM, having developed a comprehensive asset management plan as part of our due diligence, identifying short, medium and long-term initiatives and their potential impact on income and capital values. We have continued to refine our business plans for each asset and made good progress with implementing them. By the year end, we had completed 18 asset management initiatives, adding approximately £3.1 million to contracted rents of the acquired UKCM logistics assets.

Enhancing ESG performance through integration, engagement and active management

By working in partnership with our clients on sustainability initiatives, we can increase rental income and capital values, while helping them to progress their own ESG targets. We have therefore integrated sustainability considerations throughout the investment lifecycle, as well as our management of the Group's supply chain and engagement with our clients.

Our overall objective is to achieve market-leading ESG performance, with a focus on practical action. Data is integral to maximising our effectiveness, ensuring we are tracking our performance and continuing to add value to our buildings through proactive asset management and innovation.

Our ESG strategy has four themes, as set out below. Our achievements in 2024 in relation to actively managing our portfolio included:

- **Sustainable buildings:** We have continued to refine our integration of ESG criteria into the investment process, including engaging with our advisers to understand how ESG factors are influencing transactions in the market. We utilised our updated ESG due diligence template to support the acquisition of UKCM and to integrate its assets into our ESG programme.
- **Climate and carbon:** We engaged Mace Consulting to build a bespoke interactive technology platform for us, which is allowing us to refine our net zero pathway into a timetabled and costed programme at both portfolio and asset levels. We have begun entering our asset-level plans and will be able to model and interrogate the impact of initiatives on the EPC rating and net zero carbon pathway for that asset, as well as the associated cost. We can then analyse the best point to begin works, such as a lease extension proposal or a potential void, integrate the initiatives into the business plan for the asset and use the information to support client negotiations and inform our portfolio management strategy and disposal decisions.

  The decarbonisation platform can also incorporate analysis of power resilience on an asset-by-asset basis. This will enable us to consider if assets may be constrained if clients require more power in future, for example due to increased use of electric vehicles or automation. The platform enables us to model the impact of adding solar generation capacity or the potential for additional supply via the Grid.

  In addition, we undertook a climate risk assessment of the entire expanded portfolio, to understand the impact of climate change to the real estate we own to enable us to identify risk and consider appropriate mitigation strategies. We disclose further details relating to climate risk, including Task Force on Climate-Related Disclosures (TCFD), subsequently in our Annual Report.

Royal Mail, Leeds

2. Direct and active management continued

Enhancing ESG performance through integration, engagement and active management continued

- **Natural capital:** We continue to identify and implement biodiversity improvements across our standing assets, as well as generating wellbeing benefits through initiatives such as landscaping and exercise facilities at our urban logistics assets.
- **People and communities:** We have put in place a new five-year social impact strategy for the Group, with a focus on improving educational outcomes and opportunities for young people. We are seeking to reach 250,000 young people over five years, by continuing to support the Schoolreaders charity and working with organisations such as The King's Trust and the charity Education and Employers. The strategy is overseen by the Tritax Social Impact Foundation, which was established in 2023 to be a centre of excellence and governance and to help us deliver and measure impact.

Our strong ESG performance continues to be reflected in the Group's external ratings. GRESB awarded us four Green Stars (out of a maximum of five) for the fourth consecutive year and an overall score of 85/100. Tritax Big Box Developments, the development arm of the Group, was awarded five Green Stars and scored 99/100, ranking it first in its peer group. It also achieved Global Sector Leader and Global Listed Sector Leader status in the Industrial category, and Regional Sector Leader and Regional Listed Sector Leader status in the Industrial and Europe categories. The Group retained its EPRA sBPR Gold Level certification, which recognises best practice in corporate ESG disclosures, and further improved its Sustainalytics score from 7.6 to 6.4 (Negligible Risk), as well as receiving the Region and Industry Top Rated badges.

Resourcing our asset management team for success

During 2024, the number of leases under management increased from around 90 to approximately 300. The Manager has continued its investment in its dedicated Big Box team, adding asset management expertise from other parts of the Manager, from UKCM's former manager and through direct recruitment. The asset management team has been further complemented with additional property management, development and ESG resource. The Manager's investment supports our hands-on approach to asset management, including building strong relationships with clients, understanding their supply chain and business plans, and identifying opportunities through regular engagement.

To ensure each client has a single point of contact for all the assets it occupies, we have split the asset management team by skillset, resulting in dedicated teams for single-let big boxes, urban logistics, newly developed assets and the remaining non-strategic assets. This also enables swifter execution of initiatives common to a type of asset, such as estate improvement works on our urban logistics parks, which can enable financial savings through efficiencies and economies of scale.

Continuing to digitalise our processes

In addition to the decarbonisation platform described above, we continue to invest in digitalisation to support our asset management programme. Initiatives in 2024 included:

- a new client engagement platform, to ensure our asset managers have easy access to key information on all our clients, are well informed ahead of meetings and asset inspections, and can shape bespoke asset management proposals. Information on the platform will include clients' financial accounts, supply chain information, ESG targets, and records of our client interactions;
- an app-based inspection report system, so our on-site intelligence gathering is quickly and efficiently shared with the wider team; and
- further developments to our asset business plan modelling system and enhanced reporting. The modelling system holds millions of data points incorporating legal, financial, development, specification, operational and ESG information. This enables our reporting to be more holistic and consider the portfolio-level impact of an individual asset initiative.

Monitoring client performance

We closely monitor all clients' financial performance and covenant strength each month. The analysis includes an INCANS score, which is driven by the clients' financial results, aged debt, late filings and other indicators. We also track performance over time, so we can work with clients to proactively address any potential issues. The new client engagement platform enables our team to instantly see the latest financial score for each client.

Our priorities for 2025

Our asset management priorities for the year ahead are to continue to:

- rotate out of non-strategic UKCM assets in line with our ambition to completely exit from this position within two years of the acquisition completion in May 2024;
- capture the significant rental reversion within the investment portfolio, with a focus on delivery of open market reviews scheduled in the year, and ensure we maximise the potential of the recently acquired UKCM assets; and
- develop our client insights to identify further opportunities to create incremental value through our active and hands-on approach to management.

3. Insight driven development and innovation

Development completions

1.7m sq ft -22.7%

(2023: 2.2m sq ft)

Development completions let

0.8m sq ft -57.9%

(2023: 1.9m sq ft)

Development completions let
(£m added to passing rent)

£7.4m -45.6%

(2023: £13.6m)

Development starts

1.9m sq ft 11.8%

(2023: 1.7m sq ft)

Of which DMA starts[1]: **0.4 million sq ft**

Development starts ERV

£14.4m -7.7%

(2023: £15.6m)

Development lettings

1.0m sq ft 11.1%

(2023: 0.9m sq ft)

Development lettings

£11.1m 42.3%

(2023: £7.8m)

Average yield on cost for development lettings

7.1% 0.4pts

(2023: 6.7%)

Planning consents secured

1.2m sq ft 33.3%

(2023: 0.9m sq ft)

Total planning consented land at the year end

5.3m sq ft -15.9%

(2023: 6.3m sq ft)

1. £23 million of associated development management income.

Our priorities for 2024

We set the following priorities for 2024 in relation to development:

Priority	Progress
Commence construction on approximately 2–3 million sq ft of new developments, subject to changes in the macroeconomic backdrop, in a range of building sizes and with an average targeted yield on cost of c.7.0%.	Given increased macroeconomic and political uncertainty in 2024, we began construction on 1.9 million sq ft of developments. This included a 0.4 million sq ft unit in Oxford we have pre-sold to Siemens Healthineers under a DMA contract, enabling accelerated delivery of the rest of the site by opening up the infrastructure and utilities.
Secure a blend of pre-lets and lettings of speculatively constructed assets.	Despite the aforementioned uncertainty, we continued to make excellent progress. 79% of 2024 starts were either pre-let or pre-sold by the year end, including one of the largest pre-lets across the market during 2024. We secured £11.3 million of contracted rent on 2024 development starts, with a further £3.2 million under offer.
Progress planning consents and ensure sufficient consented land is in a credible delivery state to support our long-term development activity, and aim to replenish land once developed.	We secured 1.2 million sq ft of new planning consents, with an additional 11.1 million sq ft awaiting determination. In aggregate, we have 5.3 million sq ft of land with planning consent.
Continue to develop our low-carbon baseline specification and work towards embodied and whole-life carbon performance targets.	Our low-carbon baseline specification is used on each project and we continue to update it to reflect the evolving market. We are also progressing towards our embodied carbon target and undertake whole-life performance analysis where we know who will occupy the asset being developed and how they will use it.

3. Insight driven development and innovation continued

A carefully considered and low-risk approach to development

Development complements our investment portfolio by enhancing overall returns, as we target a yield on cost for new logistics assets of 6–8%, while carefully managing risk. We expect our 2025 development starts to achieve the top end of our 6–8% yield on cost range.

We control the UK's largest land portfolio for logistics development. It has the potential to deliver approximately 37.2 million sq ft of new space through developments, which could more than double our contracted rent roll. The pipeline is diversified geographically in prime locations and is highly flexible, enabling us to match our clients' requirements from urban or last mile assets to mega boxes. Once built and let these developments become investment assets for us.

We hold most of the land portfolio through long-dated options. These are capital efficient and reduce risk, as we typically only buy the land once we have received planning consent. This provides control over the quantum and timing of our purchases. The options include a typical 15–20% discount to prevailing land prices and additionally we can offset much of the site's planning and infrastructure costs against the purchase price. This means we typically secure an attractive development profit on drawdown and are insulated from the impact of changing land values over the longer term.

Another significant benefit of holding land under long-dated options is the flexibility it gives us to adjust our development activity upwards or downwards to match prevailing market conditions. This helps us to ensure the delivery of new space is optimised to drive performance.

Given the current position in the market cycle, we are seeing opportunities to acquire sites with planning consent already in place and vendors who are motivated to sell. We will consider these opportunities where they will support delivery of our development objectives and offer attractive returns.

Our Investment Policy limits land and development exposure to 15% of GAV, including a maximum exposure to speculative development of 5% of GAV. At the year end we remained well within these limits:

- land and development exposure was 5.8% of GAV; and
- speculative exposure (based on aggregated costs) was 3.4%.

Continued development progress in 2024

We continued to make excellent progress with the development programme in 2024. The level of construction starts, lettings and planning consents achieved is outlined above.

In addition, we reached practical completion on 1.7 million sq ft of developments in the year, with the potential to add a total of £16.2 million to passing rent. Of this new space, approximately 47% was pre-let or let during construction and 53% was unlet at the year end. The unlet space comprised three speculatively developed assets which commenced construction in 2023 and reached practical completion in November and December 2024. The location is strong and we are seeing good levels of interest from potential occupiers.

A controlled level of speculative development is an important part of our development programme, as it enables us to meet the needs of clients with short-term requirements for new space. We take a very calculated and measured approach to speculative development and only proceed in locations where we have a clear indication of occupier demand. Since our acquisition of our development platform, we have let 69% of speculative space prior to completion. We allow for up to 12 months' void period when appraising speculative development opportunities.

We place a very high priority on health and safety, and in 2024, we implemented several new measures for assessment, reporting, and review. We continue to make health and safety performance a key consideration in selecting contractors for our construction projects.

The UK's largest land portfolio for logistics development

We categorise our development portfolio as follows, based on the timing of opportunities:

1. **Current development pipeline** – assets under construction, which are either pre-let, let during construction or speculative developments. The Group owns these sites.
2. **Near-term development pipeline** – sites with planning consent received or submitted, and where we aim to begin construction in the next three years. The Group will own some of these sites, with others held under option and either pending planning consent or where we have achieved outline planning but have yet to acquire the land.
3. **Future development pipeline** – longer-term land opportunities, which are principally held under option, and which are typically progressing through the planning process.

1. Current development pipeline – assets under construction

At 31 December 2024, the Group had the following assets in the current development pipeline. The total estimated cost to complete is £101.2 million and the assets have the potential to add £21.8 million to annual passing rents.

	Costs to completion					
	H1 2025 £m	H2 2025 £m	H1 2026 £m	Total £m	Total sq ft m	Contractual rent/ERV £m
Current speculative	24.0	0.5	0.3	**24.8**	0.7	5.7
Current let, pre-let or pre-sold	24.6	44.8	7.0	**76.4**	1.2	16.1
Total	**48.6**	**45.3**	**7.3**	**101.2**	**1.9**	**21.8**

2. Near-term development pipeline – construction expected to commence in the next 12 to 36 months

At the year end, the near-term development pipeline consisted of land capable of accommodating 5.7 million sq ft of logistics space and delivering £53.7 million of annual rent. Of this:

- 4.3 million sq ft relates to land with planning consent; and
- 0.3 million sq ft relates to sites where we have submitted a planning application.

As at 31 December 2024, the Group was awaiting decisions on planning applications totalling 11.1 million sq ft.

The table below presents the near-term development pipeline at the year end. Movements in the figures are driven by construction starting (which will move space to the current development pipeline), or changes in our view on the likely timing of starts, resulting in movements between the two categories below. The ERVs in the table are based on current market rents and therefore assume no further rental growth before the schemes become income producing.

	Total sq ft m	Current book value £m	Estimated cost to completion (uncommitted) £m	ERV £m
Potential starts in the next 12 months	1.9	49.4	207.3	20.9
Potential starts in the following 24 months	3.8	67.5	418.3	32.8
	5.7	**116.9**	**625.6**	**53.7**

3. Future development pipeline

The future development pipeline is predominantly controlled under longer-term option agreements. Most option agreements contain an extension clause, allowing us to extend the option expiry date where necessary.

The future development pipeline has sites at various stages of the planning process, with multiple sites being currently promoted through local plans. We have continued to replenish the pipeline by securing options over new sites.

At 31 December 2024, the future development pipeline comprised 1,539 net acres with the potential to support up to 30.9 million sq ft of development and generate around £247.7 million of contracted rent, assuming no future market rental growth.

Development Management Agreements

While our development programme primarily creates assets for the investment portfolio, we occasionally work with a client to develop an asset for freehold sale to them, where this may help us to gain planning, open up a site and accelerate our profit capture. We undertake these freehold sales through a Development Management Agreement (DMA), under which we manage the development of an asset in return for a fee and/or profit share. The Group does not own the site during construction or the completed investment and DMAs are therefore excluded from our asset portfolio. DMAs deliver a high-return, capital light but variable source of profit, which we can recycle into other development or investment activity.

Included with the DMA categorisation are pre-sales, where we sell land, or a project, prior to commencement of construction. In 2024, we pre-sold 0.4 million sq ft at Oxford and commenced construction of a unit for Siemens Healthineers. We also exchanged contracts with Greggs for a 0.3 million sq ft DMA which will commence construction in early 2025, following receipt of planning consent in November 2024.

The Group recorded £23.0 million of DMA income in 2024 (2023: £nil) and our guidance for 2025 is £10.0 million. The treatment and impact of DMA income is further discussed in the *Financial Review*.

Leveraging our expertise into power and data centres

Adopting a "power first" approach, Tritax Management has secured accelerated access to significant quantities of power in key locations around London. Shortly after the period end, we announced that we had acquired a site at Manor Farm, Heathrow, along with a 50% stake in a joint venture with a European leader in renewable energy to develop a 147 MW data centre. This has the potential to deliver one of the UK's largest data centres in a prime London location and deliver exceptional returns for the Company's shareholders including a 9.3% yield on cost and a profit on cost of over 40%.

Critically, by undertaking a power first strategy, we can deliver the 107 MW Phase 1 at Manor Farm significantly quicker than by applying for power today. As such, subject to planning and securing a pre-let, Phase 1 could be completed and income producing as early as H2 2027. In addition, Tritax Big Box has secured a right of first refusal over future data centre opportunities identified by Tritax Management, including a potential 1 GW of power pipeline.

Enhancing ESG through our development activities

ESG is a core element of our approach to development. Our progress in the year included:

- **Sustainable buildings:** We have introduced a low-carbon baseline development specification, which we use for each project and regularly update to reflect market evolution. We have also progressed our approach to delivering our embodied carbon target of 400kg CO_2e per m^2, including engaging with industry-leading suppliers to understand how key construction materials are transitioning to lower carbon emissions and beginning trials of different specifications of lower-carbon concrete. The embodied carbon target for each project is incorporated into the main building contract, with financial penalties for non-performance. The weighted average embodied carbon intensity performance for 2024 was 287kg CO_2e per m^2. Our overall carbon performance assessment for each product includes analysis of the use of low-carbon and recycled materials. During 2024, the average recycled content of steel frames used in our development projects was 34%.
- **Natural capital:** New biodiversity net gain (BNG) regulations for developments came into force at the start of 2024. The regulations apply a mandatory 10% biodiversity uplift for new development projects, with developers having the option of providing biodiversity uplifts either on-site or off-site. BNG analysis already forms part of our development process for each site, and we are examining ways to effectively deliver this across the portfolio.

Our priorities for 2025

Our priorities for the year ahead for the development programme are to:

- commence construction on new developments consistent with our level of activity in 2024, subject to changes in the macroeconomic backdrop, with an average targeted yield on cost towards the upper end of our 6–8% guidance range;
- secure a blend of pre-lets and lettings of speculatively constructed assets;
- progress planning applications and ensure sufficient consented land is in a credible delivery state to support our long-term development activity; and
- aim to replenish land once developed, including considering acquiring land with existing planning consents.

AN EXCEPTIONAL YEAR FOR THE COMPANY

"There are three distinct elements embedded within our business that offer multi-year opportunities to drive earnings and dividend growth."

Frankie Whitehead
Chief Financial Officer, Tritax Big Box REIT plc

Our priorities for 2024

We set the following priorities for 2024 in relation to our financial performance and balance sheet:

Priority	Progress
Maintain the Group's strong balance sheet and liquidity and keep the LTV within guidance of 30% to 35%.	Our LTV reduced to 28.8% at the year end (31 December 2023: 31.6%), largely reflecting UKCM's low LTV of 14.2% on acquisition.
Target further growth in income and Adjusted earnings and therefore enhance the dividend on a sustainable basis.	We increased net rental income and adjusted earnings per share excluding additional DMA income by 24.3% and 3.9% respectively, supporting an 4.9% increase in the total dividend in respect of 2024.
Continue to monitor the inherent shorter-term risks brought by the macroeconomic environment, with a view to providing the business with financial flexibility around the financing of its strategy.	We monitored the financial markets during the year and concluded that our current debt facilities remained appropriate and that our asset disposal programme gave us sufficient flexibility to finance our strategy.

Overview

The combination with UKCM completed on 16 May 2024, resulting in an approximate 7.5-month impact to the Statement of Comprehensive Income and full consolidation of all assets and liabilities within the Statement of Financial Position.

The Group delivered strong financial performance in 2024. Net rental income increased by 24.3%, reflecting the contribution of UKCM, development completions and rent reviews, less the impact of asset disposals in the prior year. The Group also recognised £23.0 million of DMA income in the year (2023: £nil).

Adjusted EPS grew by 15.0% to 8.91 pence (2023: 7.75 pence), which was a record performance for the Group. This resulted from the income growth described above, noting the increase in shares in issue as a result of the UKCM combination (see below). Adjusted EPS excluding additional DMA income grew by 3.9% to 8.05 pence (2023: 7.75 pence) (see note 15 for the calculation).

The key constituents of Adjusted EPS growth in the year are shown in the table below:

	Pence
Adjusted EPS in 2023	7.75
Net revenue:	
– Investment asset rental growth	0.31
– Development completions	0.36
– Acquisitions	0.30
– UKCM Merger Impact[1]	0.45
– Net disposals	(0.35)
Administrative expenses	(0.21)
Net finance costs	(0.82)
Other	0.08
DMA	0.18
Adjusted EPS in 2024 (exc. additional DMA)	**8.05**
Additional DMA	0.86
Adjusted EPS in 2024	**8.91**

The total dividend for the year is 7.66 pence per share (2023: 7.30 pence), an increase of 4.9% and in line with the Group's dividend policy.

The EPRA NTA per share at 31 December 2024 increased by 4.7% to 185.56 pence (31 December 2023: 177.15 pence), with growth driven by the £243.7 million change in fair value of investment properties.

The business remains soundly financed, as UKCM's comparatively low gearing and our portfolio valuation growth helped to reduce the Group's LTV to 28.8% (31 December 2023: 31.6%). We were pleased that Moody's Ratings upgraded the Company's credit rating outlook to Baa1 (positive) from Baa1 (stable) and reaffirmed its long-term corporate credit rating during the year.

Acquisition of UKCM

The all-share acquisition of UKCM was completed by a Scheme of Arrangement on 16 May 2024 through the issue of 576.9 million new shares, at a price of 166.9 pence per share. This reflected consideration paid of £962.9 million, at an exchange ratio of 0.444 new ordinary shares in the Company for every UKCM share held, based on an NTA for NTA approach. The fair value of the net assets acquired was £1,047.6 million, as set out below.

The difference between the total consideration paid of £962.9 million and the fair value of the net assets acquired of £1,030.7 million, net of acquisition costs, was a net gain on acquisition of £67.8 million. The transaction has been accounted for as an asset acquisition, resulting in these assets and liabilities initially being accounted for in the balance sheet at fair value.

The consideration paid in shares of the company has been allocated across the net assets acquired by fair valuing the debt acquired, fair valuing working capital acquired (given the short term nature of the amounts these values have been taken to represent cost), fair valuing cash acquired (being the principal amount) with the remaining consideration being allocated across the investment properties acquired (refer to note 17 and 26).

The property assets were subsequently revalued at 30 June 2024, in line with the Group's accounting policy, and the gain was therefore recognised within changes in fair value of investment property during the period. Please also see note 37 to the financial statements.

Acquisition of UKCM

	£m
Assets and liabilities acquired:	
Investment property fair value	1,216.9
Discount to cost on acquisition	(67.8)
Investment property recognised at cost	1,149.1
Cash	26.7
Third party debt	(169.6)
Other net assets	(26.4)
Acquisition costs	(16.9)
Consideration paid – shares	**962.9**

Presentation of financial information

The financial information is prepared under IFRS. The Group's subsidiaries are consolidated at 100% and its interests in joint ventures are equity accounted for.

The Board continues to see Adjusted EPS[2] as the most relevant measure when assessing dividend distributions. Adjusted EPS is based on EPRA's Best Practices Recommendations and, in addition, excludes items considered to be exceptional, not in the ordinary course of business or not supported by recurring cash flows.

1. Includes the dilution effect from the share issued in relation to the acquisition of UKCM.
2. Excluding additional development management agreement income.

Financial results

Net rental income

Net rental income grew by 24.3% to £276.0 million (2023: £222.1 million). Contracted annual rent at the year end was £313.5 million (31 December 2023: £225.3 million), with the movement reconciled below. The annual passing rent at the year end was £296.8 million (31 December 2023: £217.0 million). EPRA like-for-like rental growth was 3.9%.

Contracted annual rent

	£m
As at 31 December 2023	225.3
Development lettings	11.2
Rental reviews and asset management	15.4
Lease expiry	(3.8)
UKCM acquisition	70.3
Other asset acquisitions	2.8
Disposals	(7.7)
As at 31 December 2024	**313.5**

Other operating income – Development Management Agreement (DMA) income

As described in the *Insight driven development and innovation* section, the Group earns DMA income from managing developments for third parties or pre-selling developments to owner-occupiers. This is an attractive and profitable activity as the third party typically funds the development, resulting in a high return on capital for us. We include DMA income within Adjusted earnings as it is supported by cash flows.

However, DMA income is more variable than property rental income and its timing can affect our earnings from period to period. In 2023, the Group recognised no DMA income due to a timing delay on a project. This project subsequently contributed to the £23.0 million of DMA income we recorded in 2024 and we currently expect DMA income of at least £10.0 million in 2025.

Over the medium-term, we expect the run rate for DMA income to be £3.0-5.0 million per year. To aid comparability across periods and to give us a recurring earnings figure to base our dividend on, we also calculate Adjusted earnings excluding DMA income above this run rate (see profit and earnings below). The additional DMA income is then available to be recycled into further opportunities across our development pipeline and/or other investment opportunities.

Administrative and other expenses

Administrative and other expenses, which include all the operational costs of running the Group, were £33.7 million (2023: £28.9 million). The Investment Management fee for the year was £24.6 million (2023: £22.0 million), reflecting the increased capital base following the UKCM acquisition.

The EPRA Cost Ratio (including vacancy cost) increased to 13.6% due to increased vacancy levels (2023: 13.1%). The EPRA Cost Ratio (excluding vacancy cost) reduced to 12.6% (2023: 13.1%).

We have delivered administrative cost synergies through the acquisition of UKCM, driven by a proportionately lower investment management fee and savings across other corporate overheads.

These savings contributed to 2024 earnings growth and we expect to generate further savings from operational and financial synergies in the medium term as we fully exit from the UKCM non-strategic assets and recycle capital into higher returning opportunities.

Operating profit

Operating profit before changes in fair value and other adjustments was £265.3 million (2023: £193.2 million).

Share-based payment charge and contingent consideration

Following the Group's acquisition of Tritax Big Box Developments ("TBBD" and formerly known as Tritax Symmetry) in 2019, senior members of the TBBD team became B and C shareholders in Tritax Big Box Developments Holdings Limited. The Group extinguished these shares in August 2023, and as a result no share-based payment or contingent consideration charges have been expensed in 2024 (2023: £2.9 million and £0.4 million respectively). In 2023, we recognised an early extinguishment charge in the Statement of Comprehensive Income of £21.1 million.

Financing costs

Net financing costs for the year were £63.5 million (2023: £44.9 million), excluding the loss in the fair value of interest rate derivatives of £5.3 million (2023: £11.2 million loss). The weighted average cost of debt at the year end was 3.05% (31 December 2023: 2.93%), with 93% of the Group's drawn debt being either fixed rate or covered by interest rate caps (see hedging policy below) (31 December 2023: 96%).

The movement in net financing costs reflects the higher average cost of debt and the increase in average drawn debt throughout the year to £1,921.9 million (2023: £1,629.2 million), which included the notional drawn amounts of the debt facilities acquired with UKCM totalling £200.0 million (see below). We capitalised £6.0 million of interest expense (2023: £4.6 million), reflecting the capital deployed into active development projects in the period.

The interest cover ratio, calculated as operating profit before changes in fair value and other adjustments divided by net finance expenses, was 4.4x[1] (2023: 4.3x). The net debt to EBITDA ratio was 7.3x[2] (31 December 2023: 8.2x).

Tax

The Group has continued to comply with its obligations as a UK REIT and is exempt from corporation tax on its property rental business.

A tax charge of £0.3 million arose in the year (2023: £0.6 million) on profits not in relation to property rental business.

Profit and earnings

Profit before tax was £445.8 million (2023: £70.6 million), with the increase primarily reflecting higher operating profit before changes in fair value and other adjustments, alongside stronger valuations for the Group's investment property. Basic EPS was 19.67 pence (2023: 3.72 pence). Basic EPRA EPS, which excludes the impact of property valuation movements but for FY23 included the one-off early extinguishment charge, was 8.93 pence (2023: 6.55 pence, restated).

Adjusted EPS for the year was 8.91 pence (2023: 7.75 pence) with the supporting calculation located in note 15 to the accounts. The metric we see as closest to recurring earnings is Adjusted EPS excluding DMA income above the anticipated run-rate, which was 8.05 pence for 2024 (2023: 7.75 pence).

Dividends

We aim to deliver an attractive and progressive dividend. The Board's policy is for the first three quarterly dividends to each represent 25% of the previous full-year dividend, with the fourth-quarter dividend determining any progression. The aim is to achieve an overall pay-out ratio in excess of 90% of Adjusted earnings (excluding additional DMA).

1. Calculated on a pro-forma basis inclusive of a full 12 months contribution from UKCM.
2. Calculated on a pro-forma basis inclusive of a full 12 months contribution from UKCM, adding back the fair value gain recognised on the acquisition of UKCM.

The Board has declared the following interim dividends in respect of 2024:

Declared	Amount per share	In respect of three months to	Paid/to be paid
2 May 2024	1.825p	31 March 2024	7 June 2024
7 August 2024	1.825p	30 June 2024	6 September 2024
10 October 2024	1.825p	30 September 2024	27 November 2024
28 February 2025	2.185p	31 December 2024	28 March 2025
Total dividend for 2024	**7.660p**		

The total dividend of 7.66 pence was 4.9% up on the 7.30 pence paid in respect of 2023. The pay-out ratio was 95% of Adjusted EPS.

The cash cost of the dividends in relation to the year was £174.9 million (2023: £135.6 million), with the increase reflecting the new shares issued to acquire UKCM (see *equity issuance* below), which were eligible to receive all of the interim dividends paid in respect of this financial year.

Portfolio valuation

For assets that are leased, pre-leased or under construction, the Group has appointed CBRE and JLL to independently value a select group of assets. These assets are recognised in the Group Statement of Financial Position at fair value. Colliers independently values all owned and optioned land. Land options and any other property assets are recognised at cost, less amortisation or impairment charges under IFRS.

The share of joint ventures comprises 50% interests in two sites at Middlewich and Northampton, relating to land and land options. These two sites are equity accounted for and appear as a single line item in the Statement of Comprehensive Income and Statement of Financial Position.

The total portfolio value at 31 December 2024 was £6.55 billion (31 December 2023: £5.03 billion), including the Group's share of joint ventures:

	31 December 2024 £m	31 December 2023 £m
Investment properties	**5,929.4**	4,843.7
Other property assets	**1.7**	2.3
Land options (at cost)	**148.8**	157.4
Share of joint ventures	**24.4**	24.7
Financial assets	**3.2**	2.22
Assets held for sale	**440.4**	—
Portfolio value	**6,547.9**	5,030.4

The gain recognised on revaluation of the Group's investment properties was £243.7 million (2023: £38.1 million), which includes the gain recognised on acquisition of UKCM. The investment portfolio equivalent yield at the year end was 5.7% (31 December 2023: 5.6%). The growth in portfolio value over the year is due to the UKCM portfolio acquisition (contributing £1.2 billion at the time of purchase) and was supplemented by gains recognised from asset management along with further growth in ERVs, which were 5.4% higher over the year.

Capital expenditure

Capital expenditure into developments was £221.7 million in 2024 (2023: £191.3 million). The acquisition of the UKCM portfolio added £1,149.1 million and was funded via a share for share exchange. Excluding the UKCM portfolio, total capex was £285.3 million in the year, with its deployment focused on development. The Group acquired one standing asset for £47.7 million in 2024.

Embedded value within land options

Under IFRS, land options are recognised at cost and subject to impairment review. As at 31 December 2024, the Group's investment in land options totalled £148.8 million (31 December 2023: £157.4 million). We continue to progress strategic land through the planning process. During the year we transferred £21.9 million of land held under option to assets under construction.

As the land under option approaches the point of receiving planning consent, any associated risk should reduce and the fair value should increase. When calculating EPRA NTA, the Group therefore makes a fair value mark-to-market adjustment for land options. At the year end, the fair value of land options was £18.0 million greater than costs expended to date (31 December 2023: £26.5 million greater).

Net assets

The EPRA NTA per share at 31 December 2024 was 185.56 pence (31 December 2023: 177.15 pence). The table below reconciles the movement during the year:

	Pence
As at 31 December 2023	177.15
Operating profit	8.16
Investment assets	4.78
Development assets	2.64
Land options	(0.34)
UKCM acquisition	0.35
Dividends paid	(7.05)
Other	(0.13)
As at 31 December 2024	**185.56**

The Total Accounting Return for 2024, which is the change in EPRA NTA plus dividends paid, was 9.0% (2023: 2.2%).

Debt capital

At 31 December 2024, the Group had the following borrowings:

Lender	Maturity	Loan commitment £m	Amount drawn at 31 December 2024 £m
Loan notes			
2.625% Bonds 2026	Dec 2026	250.0	250.0
2.86% Loan notes 2028	Feb 2028	250.0	250.0
2.98% Loan notes 2030	Feb 2030	150.0	150.0
3.125% Bonds 2031	Dec 2031	250.0	250.0
1.5% Green Bonds 2033	Nov 2033	250.0	250.0
Bank borrowings			
RCF (syndicate of seven banks)	Oct 2029	500.0	257.0
RCF (syndicate of six banks)	Jun 2026	300.0	99.0
Helaba	Jul 2028	50.9	50.9
PGIM Real Estate Finance	Mar 2027	90.0	90.0
Canada Life	Apr 2029	72.0	72.0
Barclays RCF	July 2026	75.0	0.0
Barclays term loan	July 2026	75.0	75.0
Barings Real Estate Advisers	Apr 2027	100.0	100.0
Barings Real Estate Advisers	Feb 2031	100.0	100.0
Total		**2,512.9**	**1,993.9**

Financial results continued

There were no changes to the Group's existing banking arrangements during the year, other than exercising a one-year extension option on the £500.0 million RCF, which now expires in October 2029.

The Group acquired the following facilities through the UKCM transaction:

- a £150.0 million revolving credit facility with Barclays Bank, which was due to mature in January 2026 and carried a margin of 1.90% above SONIA;
- a £100.0 million term loan with Barings Real Estate Advisers, at a fixed interest rate of 3.03% per annum. The loan matures in April 2027 and was fully drawn at the year end; and
- a second £100.0 million term loan with Barings Real Estate Advisers, at a fixed rate of 2.72% per annum. The loan matures in February 2031 and was also fully drawn at 31 December 2024.

In July 2024, we refinanced the £150.0 million Barclays RCF via entry into a new £150.0 million two-year facility, split between a £75.0 million term loan and a £75.0 million RCF. The revised facility is provided on an unsecured basis, so all previous security was released, and the margin was reduced and brought into line with the Company's corporate RCF pricing. The facility has two separate one-year extension options available, which subject to lender consent, could extend the maturity of the facility to 2028.

We also amended the security pool for the loans with Barings. These are now secured on logistics assets that we intend to hold for the long term, allowing us to freely dispose of the non-strategic assets previously used as security.

Interest rates and hedging

Of the Group's drawn debt as at 31 December 2024, 80% was at fixed interest rates (2023: 80%). For the majority of its variable rate debt, the Group uses interest rate caps which run coterminous with the respective loan and protect the Group from significant increases in interest rates. As a result, the Group had either fixed or capped rates on 93% of its drawn debt at the year end (31 December 2023: 96%). The weighted average cost of borrowing at 31 December 2024 was 3.05% (31 December 2023: 2.93%).

Debt maturity

At the year end, the Group's debt had an average maturity of 4.5 years (31 December 2023: 5.2 years). Following the refinancing of the Barclays RCF in July 2024, the Group has no debt maturing prior to mid-2026.

Loan to value (LTV)

The Group has a conservative leverage policy. At the year end, the LTV was 28.8% (31 December 2023: 31.6%), with the reduction largely reflecting the benefit of UKCM's low LTV of 14.2% on acquisition.

Net debt and operating cash flow

Net debt at the year end was £1,883.3 million (31 December 2023: £1,590.3 million), comprising £1,963.9 million of gross debt less £80.6 million of cash (31 December 2023: £1,626.7 million gross debt, £36.4 million cash).

Net operating cash flow was £195.4 million for the year (2023: £185.4 million).

Equity issuance

In relation to the all-share combination with UKCM, the Company issued 576,939,134 new ordinary shares to UKCM's shareholders. These shares were admitted to trading on 17 May 2024. Following this, the Company had 2,480,677,459 ordinary shares in issue at 31 December 2024, an increase of 30.3% in the year.

Priorities for 2025

Our financial priorities for the year ahead are to:

- maintain the Group's strong balance sheet and liquidity, and keep the LTV below 35%;
- continue to rotate capital into higher-returning opportunities;
- deliver further growth in income, Adjusted earnings and dividends.

Going concern

We continue to have a healthy liquidity position, with strong levels of rent collection, a favourable debt maturity profile and debt costs which are substantially fixed or hedged.

The Directors have reviewed our current and projected financial position over a five-year period, making reasonable assumptions about our future operational performance. Various forms of sensitivity analysis have been performed, in particular regarding the financial performance of our clients and expectations over lease renewals, along with assumptions over future liquidity and particularly around debt refinancing events. As at 31 December 2024, our property values would have to fall by more than 50% before our loan covenants are breached at the corporate level.

At the year end, we had £519.0 million of undrawn commitments under our senior debt facilities and £80.6 million of cash, of which £101.2 million (see note 35) was committed under various development and purchase contracts. The Group had also exchanged to dispose of a big box investment asset for £78.4 million at the year end date. Our loan to value ratio stood at 28.8%, with the debt portfolio having an average maturity term of approximately 4.5 years.

As at the date of approval of this report, we had substantial headroom within our financial loan covenants. Our financial covenants have been complied with for all loans throughout the period and up to the date of approval of these financial statements. As a result, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future, which is considered to be to 28 February 2026.

We consolidate guidance provided throughout this report for the financial year 2025 into the table below:

Aspect	Guidance
Portfolio rental reversion capture	Potential opportunity to capture 79% by 2027
Logistics – FY25 development capex	£200-250 million
Logistics – FY25 development yield on cost	Targeting 7-8% for FY25 logistics development starts
Data centre – FY25 development capex	Up to £100 million
Data centre – FY25 development yield on cost	Targeting 9.3% for Manor Farm Phase 1
DMA income	£10.0 million in 2025. Expected run rate of £3.0-5.0 million per year thereafter, although we will guide accordingly
Disposals FY25	Targeting £350-450 million, with £166 million already exchanged/completed in FY25
LTV	Below 35%

Credit rating

The Group has a Baa1 (positive) long-term credit rating from Moody's Investor Services, which was upgraded from Baa1 (stable) during the financial year, reflecting the growing scale of the business along with strong credit ratios.

Alternative Investment Fund Manager (AIFM)

The Manager is authorised and regulated by the Financial Conduct Authority as a full-scope AIFM. The Manager is therefore authorised to provide services to the Group and the Group benefits from the rigorous reporting and ongoing compliance applicable to AIFMs in the UK.

As part of this regulatory process, Langham Hall UK Depositary LLP (Langham Hall) is responsible for cash monitoring, asset verification and oversight of the Company and the Manager. In performing its function, Langham Hall conducts a quarterly review during which it monitors and verifies all new acquisitions, share issues, loan facilities and other key events, together with shareholder distributions, the quarterly management accounts, bank reconciliations and the Company's general controls and processes. Langham Hall provides a written report of its findings to the Company and to the Manager, and to date it has not identified any issues. The Company therefore benefits from a continuous real-time audit check on its processes and controls.

Post balance sheet activity

In January 2025, the Company announced it had purchased a 74-acre site at Heathrow, London within the Slough Availability Zone, a key FLAP-D prime EMEA data centre location (the "Manor Farm site"), for £70.0 million.

Simultaneously, the Company acquired a 50% share in a joint venture with a leading European renewable and low carbon energy power generator. The JV enables accelerated power delivery to the Manor Farm site using pre-existing grid connection agreements.

In connection with these arrangements, the Company has entered into a development management agreement with Tritax Management pursuant to which Tritax Management has been appointed to provide development management and technical services, including pursuing planning, overseeing construction, pre-letting services, technical electricity expertise and overseeing the technical aspects of the Company's role in the JV and all power related elements.

In January 2025, the Company acquired a 627k sq ft asset in Haydock, a core North West location, for £74.3 million.

In January and February 2025, the Company sold or exchanged to sell £86.8 million of non-strategic assets and £79.0 million of logistics investment assets.

Frankie Whitehead
Chief Financial Officer, Tritax Big Box REIT plc
27 February 2025

STAKEHOLDER QUESTIONS

Colin Godfrey
Chief Executive Officer, Tritax Big Box REIT plc

What are you most excited about regarding the Company's growth opportunity?

The future of TBBR is exciting due to three main growth levers: capturing rental reversion, developing new logistics assets, and investing in data centres.

First, rental reversion involves capturing the difference between current market rents and existing lease rents, driving earnings' growth with minimal capital. The assets acquired through UKCM are particularly reversionary, with rents approximately 40% below market levels.

Second, the development pipeline enables TBBR to construct new, best-in-class logistics assets at attractive yields. This year's construction starts target a 7–8% yield on cost, compared to prime logistics yields of 5.25%. The scale and flexibility of the development pipeline is unique to TBBR.

Finally, our 'power-first' data centre strategy, which we recently announced, focuses on securing power critical to data centre operators, identifying land sites, and progressing planning. Data centres are particularly exciting given the exceptional returns on offer and the strong structural demand drivers. Manor Farm in London is the first opportunity, potentially one of the largest data centres in the UK, and is expected to deliver a 9.3% yield on cost for Phase 1.

> "What makes the future of the Company so exciting is the breadth and extent of the growth opportunities we have as a business."

Aubrey Adams
Independent Chair, Tritax Big Box REIT plc

How did the Board get comfortable with the Manor Farm data centre opportunity?

The Board's role is to scrutinise the Manager's performance and ensure it operates in shareholders' best interests. Over the past four years, a separate team within the Manager explored opportunities in power, including gigafactories and hydrogen plants. The Manager has significantly invested in power knowledge, capabilities, and team. This knowledge has converged with real estate investors' growing interest in data centres.

Under the Investment Management Agreement, the Manager was not obligated to offer data centres to Tritax Big Box and could seek alternative funding. However, both the Executive Committee and the Board believed it was in shareholders' interests to evaluate these opportunities due to the compelling returns. Recognising the related party nature of these investments, the Board took extensive steps to scrutinise and conduct due diligence on all aspects of the transaction, taking independent advice from CBRE, PwC, Ashurst, and Burges Salmon, and a "fair and reasonable" opinion from Jefferies. This confirmed that shareholders were accessing a compelling investment opportunity in an off-market transaction at below-market pricing, which has the potential to deliver exceptional returns to shareholders.

Frankie Whitehead
Chief Financial Officer, Tritax Big Box REIT plc

How do you plan to fund the Company's growth programme?

Firstly, our balance sheet is in great shape. We have low leverage through various and largely fixed or hedged debt capital market instruments and no significant near-term maturities.

In addition, we have a range of additional funding sources we can access at the appropriate time and subject to wider capital market conditions, to fund our growth. This includes accretively rotating capital through asset disposals, as we have successfully demonstrated over several years, potentially partnering with third-party capital providers through joint ventures and, if and when the Board deem it in Shareholders' interest raising incremental equity.

Petrina Austin
Head of Asset Management, Tritax Big Box REIT plc

What is currently at the front of clients' minds?

No two clients are alike, and we spend extensive time understanding their specific needs. A common theme is how real estate can improve employee wellbeing, engagement, and retention. With labour becoming scarce, amenities like restaurants, cafés, games rooms, and outside spaces help clients stand out in the competition for the recruitment of talent.

In addition, recent National Insurance changes and increasing employment costs are leading clients to automate their warehouses to reduce costs. This enhances our business as large, modern real estate maximises automation benefits. We also discuss energy efficiency with clients, helping reduce costs and carbon emissions. All our larger buildings have proposals to increase solar PV coverage, and we are also assessing and installing solar PV schemes across more of our smaller units. This provides cheaper, lower-carbon power for clients and generates attractive returns, enhancing asset value.

Bjorn Hobart
Investment Director, Tritax Big Box REIT plc

How are the Company's capital recycling ambitions progressing?

Overall, we disposed of £306 million of assets this year, with these transactions agreed above their book values. This included £181 million of non-strategic UKCM assets, achieved in just eight months, reaching the upper end of our £150–200 million guidance. These milestones are part of our ongoing portfolio optimisation and capital recycling strategy.

We will continue to rotate out of non-strategic assets or those with completed asset management programmes, deploying capital into higher-returning opportunities where our expertise adds value. The progress in 2023 and 2024 highlights the quality of our real estate and the attractiveness of logistics to investors.

Charlie Withers
Development Director, Tritax Big Box REIT plc

How is speculative development affecting vacancy at the moment?

Since 2022, increased speculative development has put upward pressure on market vacancy rates, but take-up levels are healthy, and these rates trended downwards in Q4 2024. Though there are regional variances, prime locations with strong transport links still attract clients; with secondary sites typically facing longer void periods. New supply has slowed over the past 12 months, while demand has remained stable, contributing to ongoing confidence in prospects for development going forwards.

We develop modern, sustainable assets in mission-critical locations for which we see enduring levels of demand. The structure of land options within our development portfolio provides flexibility in construction starts and supports our confidence in delivering assets at a 6–8% yield on cost.

Henry Stratton
Head of Research, Tritax Big Box REIT plc

What's happening in occupational markets?

At 21.3m sq ft, take-up in 2024 was consistent with the prior year. Leading companies across all sectors continue to perform well and are investing in the evolution of their logistics networks. This is resulting in diverse demand across manufacturing, retail and 3PLs.

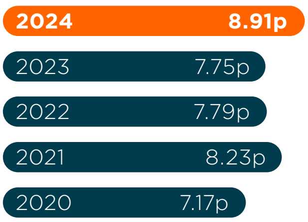
Development completions have reduced from the pandemic era and speculative space under construction is flat year on year. This has resulted in 5-6% vacancy, which has driven further rental growth.

With the structural drivers of occupational demand remaining strong – evolving consumer behaviours, supply chain resilience, efficiency gains and sustainability – the outlook is positive.

MEASURING OUR PERFORMANCE

Our objective is to deliver attractive, low-risk returns to Shareholders, by executing the Group's Investment Policy and operational strategy. Set out below are the key performance indicators we use to track our progress. For a more detailed explanation of performance, please refer to the Manager's Report.

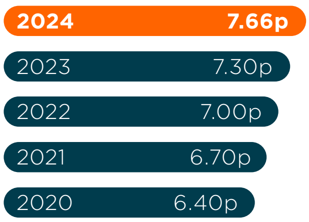
1. Adjusted earnings per share



8.91p

per share for the year to 31 December 2024 (2023: 7.75p)

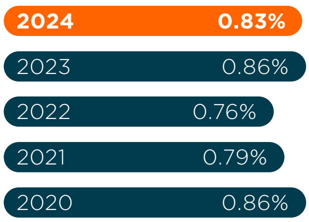
2. Dividend per share



7.66p

per share for the year to 31 December 2024 (2023: 7.30p)

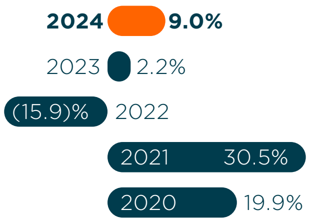
3. Total Expense Ratio



0.83%

at 31 December 2024 (31 December 2023: 0.86%)

4. Total Accounting Return (TAR)



9.0%

for the year to 31 December 2024 (2023: 2.2%)

Relevance to strategy

The Adjusted EPS reflects our ability to generate earnings from our portfolio, which ultimately underpins our dividend payments.

The dividend reflects our ability to deliver a low-risk but growing income stream from our portfolio and is a key element of our TAR.

This is a key measure of our operational performance. Keeping costs low supports our ambition to maximise returns for Shareholders.

TAR calculates the change in the EPRA Net Tangible Assets (EPRA NTA) over the period plus dividends paid. It measures the ultimate outcome of our strategy, which is to deliver value to our shareholders through our portfolio and to deliver a secure and growing income stream.

5. EPRA NTA per share[1]

2024	**185.56p**
2023	177.15p
2022	180.37p
2021	220.60p
2020	175.61p

185.56p

at 31 December 2024
(31 December 2023: 177.15p)

6. Loan to value ratio (LTV)

2024	**28.8%**
2023	31.6%
2022	31.2%
2021	23.5%
2020	30.0%

28.8%

at 31 December 2024
(31 December 2023: 31.6%)

7. Weighted average unexpired lease term (WAULT)

2024	**10.3 years**
2023	11.4 years
2022	12.6 years
2021	13.0 years
2020	13.8 years

10.3 years

at 31 December 2024
(31 December 2023: 11.4 years)

8. Global Real Estate Sustainability Benchmark (GRESB) score

2024	**85/100**
2023	85/100
2022	83/100
2021	81/100
2020	72/100

85/100[2]

and four Green Star rating in 2024

99/100

and five Green Star rating for developments in 2024

and the GRESB 2024 Regional Listed Sector Leader and Regional Sector Leader for Europe, and Global Listed Sector Leader and Global Sector Leader, all for the Industrial sector.

Relevance to strategy

The EPRA NTA reflects our ability to grow the portfolio and to add value to it throughout the lifecycle of our assets.

1. EPRA NTA is calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA). We use these alternative metrics as they provide a transparent and consistent basis to enable comparison between European property companies.

The LTV measures the prudence of our financing strategy, balancing the potential amplification of returns and portfolio diversification that come with using debt against the need to successfully manage risk.

The WAULT is a key measure of the quality of our portfolio. Long lease terms underpin the security of our income stream.

The GRESB score reflects the sustainability of our assets and how well we are managing ESG risks and opportunities. Sustainable assets protect us against climate change and help our clients to operate efficiently.

2. GRESB changed its scoring methodology in 2024 and the result is not directly comparable to previous years.

MEASURING OUR PERFORMANCE

The table below shows additional performance measures, calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA). We provide these measures to aid comparison with other European real estate businesses.

> **For a full reconciliation of all EPRA performance measures, please see the Notes to the EPRA and other key performance indicators.**

1. EPRA Earnings (diluted)	**2. EPRA Net Tangible Assets**	**3. EPRA Net Reinstatement Value (NRV)**	**4. EPRA Net Disposal Value (NDV)**
See note 15.	See note 31.		
2024 £202.3m/8.93p	**2024 £4.6bn/185.56p**	**2024 £5.0bn/203.51p**	**2024 £4.8bn/192.60p**
2023 £113.1m/6.01p	2023 £3.4bn/177.15p	2023 £3.7bn/195.19p	2023 £3.5bn/183.95p
2022 £144.8m/7.66p	2022 £3.4bn/180.37p	2022 £3.8bn/201.17p	2022 £3.6bn/192.18p
2021 £131.2m/7.47p	2021 £4.2bn/222.60p	2021 £4.5bn/242.84p	2021 £4.1bn/219.27p
2020 £105.5m/6.17p	2020 £3.0bn/175.61p	2020 £3.3bn/193.41p	2020 £2.9bn/166.36p
£202.3m/ 8.93p per share (2023 restated: £123.3m/ 6.55p per share)	**£4.6bn/ 185.56p per share** as at 31 December 2024 (31 December 2023: £3.4bn/177.15p per share)	**£5.0bn/ 203.51p per share** as at 31 December 2024 (31 December 2023: £3.7bn/195.19p per share)	**£4.8bn/ 192.60p per share** as at 31 December 2024 (31 December 2023: £3,501.9m/183.95p per share)
Purpose			
A key measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	Assumes that entities never sell assets and aims to represent the value required to rebuild the entity.	Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

5. EPRA Net Initial Yield (NIY)

2024	4.26%
2023	4.15%
2022	4.19%
2021	3.56%
2020	4.18%

4.26%
as at 31 December 2024 (31 December 2023: 4.15%)

Purpose

This measure should make it easier for investors to judge for themselves how the valuations of two portfolios compare.

6. EPRA "topped-up" NIY

2024	4.61%
2023	4.60%
2022	4.39%
2021	3.75%
2020	4.38%

4.61%
as at 31 December 2024 (31 December 2023: 4.60%)

Purpose

This measure should make it easier for investors to judge for themselves how the valuations of two portfolios compare.

7. EPRA Vacancy

2024	5.7%
2023	2.5%
2022	2.1%
2021	0.0%
2020	0.0%

5.7%
as at 31 December 2024 (31 December 2023: 2.5%)

Purpose

A "pure" (%) measure of investment property space that is vacant, based on ERV.

8. EPRA Cost Ratio

2024	13.6%
2023*	13.1%
2022*	15.7%
2021*	13.9%
2020*	14.2%

13.6%
including vacancy costs (2023: 13.1%)

12.6%
excluding vacancy costs (2023: 13.1%)

Purpose

A key measure to enable meaningful measurement of the changes in a company's operating costs.

* No vacancy costs to include.

9. EPRA LTV

2024	30.1%
2023	33.3%
2022	32.9%

30.1%
(31 December 2023: 33.3%)

Purpose

A key shareholder-gearing metric to determine the percentage of debt comparing to the appraised value of the properties.

DRIVING PERFORMANCE THROUGH ESG INTEGRATION

ESG integration
We aim to create value through integration of our ESG targets and strategy across the investment lifecycle from portfolio management to development management to asset management.

What ESG means to us
ESG performance is now shaping asset liquidity and value across the market. Our focus is on delivering the best sustainable buildings for our occupiers which we believe will deliver improved financial outcomes, reduced risks and enhanced long-term value.

Our stakeholders
Our ESG strategy addresses the priorities of our key stakeholders including our Shareholders, our occupiers, our communities and our supply chain. We recently completed a double materiality assessment to better understand these stakeholder priorities.

Our approach
We are data and evidence led, driven by a granular understanding of our assets.

ESG integration

Our four pillar focus

1

Sustainable buildings

To deliver sustainable buildings through portfolio, development, and asset management.

4

People and communities

To create value and positive impact for people and communities.

2

Climate and carbon

To achieve net zero carbon and manage physical climate risks.

3

Natural capital

To enhance nature and biodiversity across our assets under management and development.

A year of transition

The acquisition of the UKCM portfolio of assets was a significant milestone for the Company and led to a full review of asset-level ESG performance post transaction.

In addition, the Company appointed Mace consulting to help us develop decarbonisation plans for every single logistics asset in the portfolio and appointed CBRE to undertake a physical climate risk review of the entire portfolio. These two workstreams will help ensure that each asset in the portfolio is physically resilient and is able to decarbonise in line with the Company's decarbonisation targets, and investors', occupiers', and policy makers' expectations.

Our 2024 progress and updated 2025 ESG targets are set out from pages 48 to 50, and our current performance against ESG benchmarks and rating agencies is outlined below.

2024 in numbers

EPC B or above (investment portfolio) 80% (2023: 80%)	**Solar PV capacity installed** 24.3 MWp (2023: 17.4 MWp)	**Weighted average portfolio energy intensity** 11.6 kWh/sq ft (2023: 15.9 kWh/sq ft)
BREEAM VG or above (investment portfolio) 50% (2023: 51%)	**Solar PV pipeline** 25.2 MWp (2023: 20.0 MWp)	**Weighted average portfolio carbon intensity** 2.4 kg CO_2e/sq ft (2023: 3.0 kg CO_2e/sq ft)
EPC target for new developments A (2023: A)	**Weighted average upfront embodied carbon (building-only)** 286.8 kg CO_2e/m^2 (2023: 364.6 kg CO_2e/m^2)	**Number of young people positively impacted** 23,390 (2023: 500)
BREEAM target for new developments Excellent (2023: Excellent)	**Assets leased to occupiers with NZC targets (investment portfolio)** 77.5%	**Pilot TNFD project** Ongoing

Sustainable buildings Climate and carbon People and communities Natural capital

Market-leading benchmark performance

We continue to improve our scoring against the leading sustainability and ESG benchmarks, demonstrating our underlying performance.

Sustainalytics 6.4 (Negligible risk)	**MSCI*** AA rating	**ISS** Prime status (C)	**GRESB** 85/100 (standing) and 99/100 (developments)	**EPRA** sBPR Gold award	**CDP** B rating
Awarded the Global Top 50 Badge for our improved score.	As of 2024, Tritax Big Box REIT plc retained its MSCI rating of AA.	Retained our Prime status.	Recognised as Global Sector Leader for our new developments submission.	Retained the award for the fourth straight year.	Retained our B rating for the CDP Climate Change questionnaire.

PERFORMANCE AGAINST OUR TARGETS

The tables below set out progress made against our ESG targets and KPIs, along with a new set of 2025 ESG targets which reflect the Company's progressive ambitions and priorities.

2024 targets

Pillar	2024 targets	2024 KPIs	Performance against 2024 targets
Sustainable buildings	100% of all asset due diligence uses Tritax ESG due diligence framework	% utilisation of enhanced ESG due diligence framework	• 100%
	Produce and implement low-carbon baseline development specification on all new projects	Production and % utilisation of low-carbon specification	• Low carbon specification utilised – 100%.
		% circularity certified materials	• Summary of low-carbon and recycled materials produced by Ridge & Partners for each development project as part of the embodied carbon performance assessment. • The 2024 average recycled content of steel frames used in our new development projects equals 34%. • We have engaged with Tata Steel to understand the key construction materials transition to lower carbon emissions.
		Upfront embodied carbon: 400 $kgCO_2e/m^2$	• The embodied carbon target for each development project is incorporated into the main building contract with financial penalties for non performance. • 2024: 286.8 $kgCO_2e/m^2$ (building-only*1), 412 $kgCO_2e/m^2$ (whole site). • The methodology underpinning the embodied carbon calculation was updated to include the building only, which aligns with the UK Net Zero Carbon Building Standard.
		% projects undertaking a whole life performance analysis	• 100%
Climate and carbon	Produce and disclose updated net zero carbon pathways • Scope 1 and Scope 2 – 2025 • Scope 3 (construction) – 2030 • Scope 3 (remainder of material emissions) – 2040	Annual review of pathway and emissions	• During 2024, we commissioned Mace consulting to develop a decarbonisation platform which hosts all relevant asset-level ESG data and allows us to take our analysis and understanding of our decarbonisation roadmap to the next level of detail. • Updated asset-level preliminary decarbonisation pathways. Further technical due diligence ongoing.
		1.5°C Paris decarbonisation pathway alignment	• Our development platform has been developed to help facilitate this alignment.
		Alignment with Science Based Targets initiative ("SBTi") (or equivalent)	• Our decarbonisation platform has been developed utilising the science-based CRREM framework as a baseline equivalent to SBTi.
	Integrate physical climate risk mitigation across asset lifecycle	% climate risk incorporation into each asset management plan	• Updated climate risk assessment for the portfolio – 100%.
		Portfolio TCFD alignment	• Full TCFD alignment to be achieved with disclosure of 2024 occupier-related emissions in June 2025 (see TCFD section on pages 53 and 54).
	Reducing emissions against targets	Reduction in weighted average energy (kWh/sq ft) and carbon emissions ($kgCO_2e$/sq ft) intensity	• 2024: This will be disclosed in the 2025 half year results. • 2023*2: 11.6 kWh/sq ft, 2.4 $kgCO_2e$/sq ft. • 2022*2: 15.9 kWh/sq ft, 3.0 $kgCO_2e$/sq ft.

*1 We have updated our upfront embodied carbon calculation methodology to only include the building, in alignment with the UK Net Zero Carbon Building Standard. We have also included the whole site data for transparency.

*2 Data is collected annually in arrears and is principally occupier emissions.

Pillar	2024 targets	2024 KPIs	Performance against 2024 targets
Natural capital	Year-on-year annual increase in biodiversity for standing assets	% increase in biodiversity against 2022 baseline	• Discussions ongoing with landscape contractors for individual asset business plans (5 biodiversity projects completed in 2024 – see natural capital case study on page 52).
	Year-on-year increased provision of wellbeing enhancements to developments and standing assets	% increase in provision against 2022 baseline	• Ongoing provisions within plans for new developments and major refurbishment projects.
People and communities	Publish community investment structure	Set-up and operation of community investment structure	• Established the Tritax Social Impact Foundation. • Established the Company's 5-year social impact strategy. • We have partnered with The King's Trust and Education and Employers, along with Schoolreaders, to reach 250,000 young people over 5 years. Our aim is to educate, up-skill and open the minds of young people to new opportunities.
	Further integrate ESG criteria into supply chain procurement processes – upstream and downstream	% utilisation of due diligence framework for suppliers	• The Manager tendered for insurance brokerage on behalf of the Company, with ESG criteria forming an important part of the selection process.
	Continue support for key fund charity	Level of financial and non-financial contributions (£)	• During 2024, the Company funded a total of £236,660 including: • Schoolreaders – £36,000 which supported 600 children with literacy. • The Kings Trust – £90,000 to upskill and educate 240 young people per year. • Education and Employers – £50,000 over the last 5 months, educating young people about the logistics real estate industry. • Community Benefit Trust (CBT) (set up for each individual development project and funds the equivalent of 10p / sq ft of developed buildings to local community causes) – £56,043 to communities and people surrounding our new developments. • Peterborough Starlets (Girls Football U15 team) – £4,617 with goals and kit for their football matches.

2024 Performance against sustainability-linked loan KPIs

The table below outlines the Company's 2024 performance against each of the four sustainability-related KPIs included within its sustainability-linked loan.

KPI no.	KPI description	Baseline	2024 Performance
1	The proportion of Relevant Standing Assets with EPC Certificates rated 'B' or better.	78.0%	84.0%
2	The proportion of New Developments in respect of which Practical Completion has occurred rated "Very Good" or "Excellent" in the relevant BREEAM Reports.	100% rated at least "Very Good"	100% rated (or expected to achieve) at least "Very Good"[1]
3	The average upfront embodied carbon intensity for New Developments in respect of which Practical Completion has occurred.	452 $kgCO_2e/m^2$	412 $kgCO_2e/m^2$
4	The minimum biodiversity net gain for New Developments in respect of which Practical Completion has occurred.	0%	N/A – no development projects completed during the year were in scope of the mandatory biodiversity net gain policy introduced in England in 2024.

1. Where the final BREEAM certificates have not been received for developments completed during the year, we have received a letter of comfort from our BREEAM assessor confirming that the units are on track to achieve BREEAM Very Good or above.

2025 targets

New

Pillar	2025 targets	2025 KPIs	KPI Baseline as at 1 January 2025
Sustainable buildings	Produce and implement low-carbon baseline development specification on all new projects	100% of new development projects completed with EPC A rating	• 100%
		100% of Projects expected to achieve BREEAM Excellent upon completion	• 100%
		Upfront embodied carbon: 400 $kgCO_2e/m^2$	• 2024: 286.8 (building-only*1), 412 (whole site) • 2023: 364.6 (building-only*1), 462.2 (whole site)
	Improve EPC Ratings across the portfolio	% of assets rated EPC 'B' or above	• 2024: 80% (Investment Portfolio) • 2023: 80% • 2022: 78%
Climate and carbon	Increase solar PV capacity	MWp of solar PV capacity	• 2024: 24.3 MWp • 2023: 17.4MWp • 2022: 14.6 MWp
	Updated net zero carbon roadmap for every asset	100% production of completed net zero pathways for standing assets	• Preliminary asset level pathways produced.
		Operational implementation of new Tritax decarbonisation Platform	• Initial technical development of platform completed.
	Reducing emissions against targets	Reduction in weighted average energy (kWh/sq ft) and carbon emissions ($kgCO_2e$/sq ft) intensity	• 2023*2: 11.6 kWh/sq ft, 2.4 $kgCO_2e$/sq ft • 2022*2: 15.9 kWh/sq ft, 3.0 $kgCO_2e$/sq ft
	Review alignment with SBTi in line with our net zero carbon emissions targets: • Scope 1 and Scope 2 – 2025 • Scope 3 (construction) – 2030 • Scope 3 (remainder of material emissions) – 2040	Alignment with Science Based Targets initiative ("SBTi") (or equivalent)	• Our decarbonisation platform has been developed utilising the science-based CRREM framework as a baseline equivalent to SBTi.
		Scope 1 and Scope 2 net zero carbon emissions target review and assessment	• See SECR Table on page 65
	Integrate physical climate risk mitigation across asset lifecycle	Portfolio TCFD alignment	• Full TCFD alignment to be achieved with disclosure of 2024 occupier-related emissions in June 2025 (see TCFD section on pages 53 and 54)
Natural capital	Annual increase in biodiversity for standing assets	Delivery of 13 asset level biodiversity projects	• 2024: Projects Delivered 5. Forecasting 13 projects in scope for 2025
	Gain a better understanding on the scope of works required on standing and new developments for nature improvements	Completion of a pilot TNFD assessment	• Assessment has been instructed
People and communities	Deliver Community investment via the Community Benefit Fund (CBT) – 10p per sq ft of developments completed	Deployment of funds via the CBT	• 2024: £56,043
	Ongoing delivery of 5-year social impact plan	Number of young people helped per annum (target 50k)	• Since programme commencement from June 2024 – 23,390 young people helped
	Continue to engage with stakeholders across the portfolio	% of occupier energy and carbon emissions data coverage	• 2024: 87% energy coverage, 90% carbon emissions coverage
		Engagement with occupiers via satisfaction survey	• Annual occupier engagement survey completed in 2024
		Completion of client engagement platform	• Initial technical development of platform underway
		% of occupiers with net zero targets	• 2024: 77.5% (Investment portfolio)

*1 We have updated our upfront embodied carbon calculation methodology to only include the building, in alignment with the UK Net Zero Carbon Building Standard. We have also included the whole site data for transparency.

*2 Data is collected annually in arrears and is principally occupier emissions.

ESG IN ACTION

Our priority is the delivery of ESG performance through integration into our operational activities. We showcase here some good examples of ‘ESG in Action’.

Investment lifecycle integration

ESG isn’t just integrated, it is ingrained into our investment lifecycle. ESG performance is now impacting the liquidity and value of assets across the market.

We minimise downside risk and maximise upside opportunity at every stage of our investment lifecycle given the integration of ESG across our investment lifecycle from the championing of ESG by our Board to portfolio, development and asset management across our operations.

We analyse ESG factors during the due diligence and asset selection process using a template consisting of our key ESG criteria. For our development programme, we have a low-carbon baseline specification and an embodied carbon target to promote low-carbon construction. Our asset management programme is key to delivering our decarbonisation targets in collaboration with occupiers.

Portfolio management → **Development management** → **Asset management**

Net zero carbon

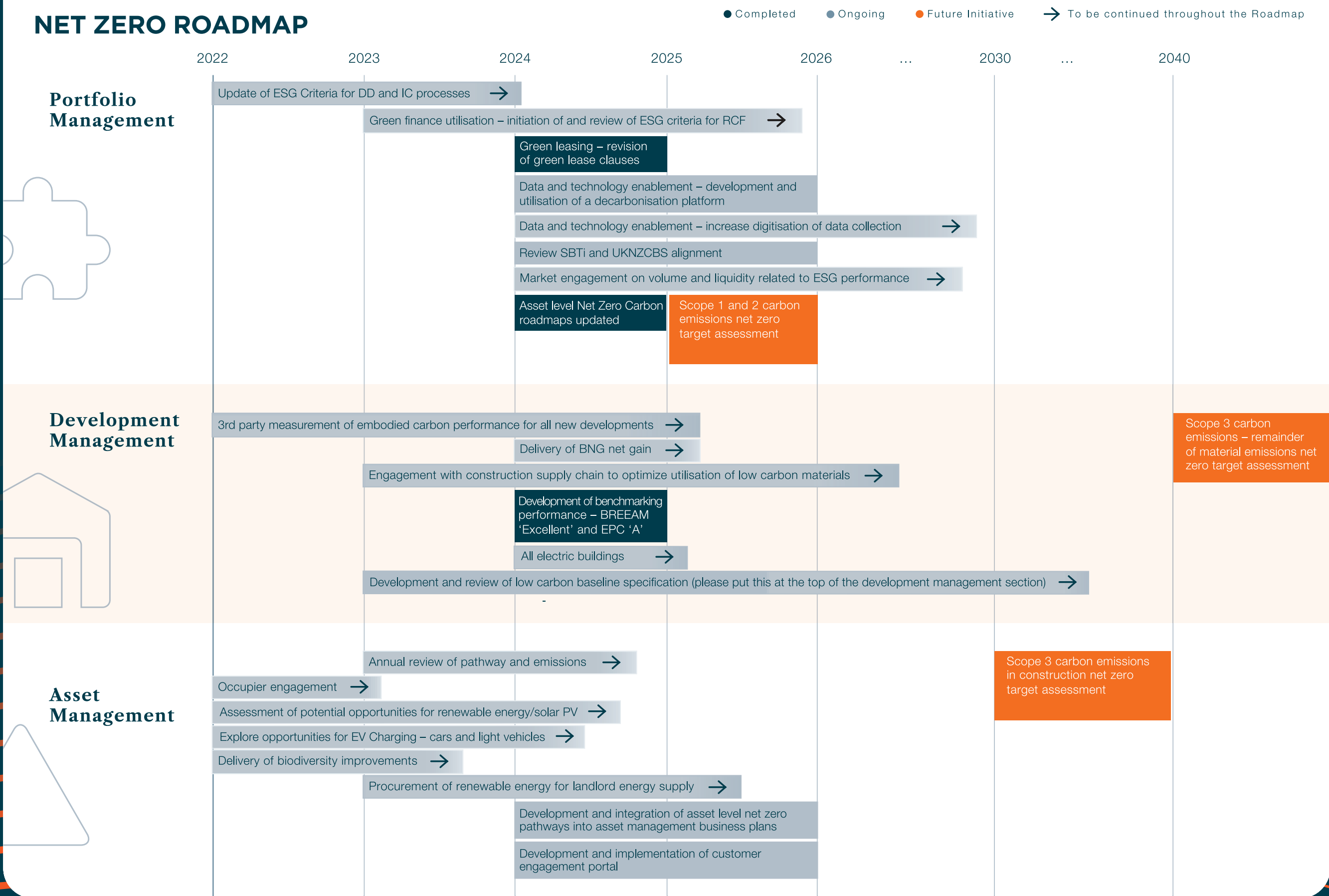
2024 progress

The Company has been analysing and aiming to reduce the carbon emissions associated with its standing assets and development portfolio for several years now, as per the timeline outlined below. Phase 1 of our decarbonisation platform implementation involved undertaking a desktop-based review of each asset in the portfolio and developing initial asset-level decarbonisation plans and was completed in December 2024.

2025 priorities

Our priority in 2025 will be to ensure that all asset business plans incorporate a set of decarbonisation measures which enable us to reduce operational carbon emissions while delivering on our asset management strategy.

NET ZERO ROADMAP



Sustainable buildings

Newark development

In June 2024, we commenced works to deliver a new 397,000 sq ft distribution centre in Newark. The building, which is expected to complete in Q2 2025, is targeting EPC A and BREEAM Excellent.

The building has solar panels with a total output of 557.6 kWp, and the roof loading capacity has been designed to allow future occupiers to install solar panels on 100% of the useable roof space.

Additional features include roof lights to maximise natural lighting, EV charging, rainwater and greywater harvesting systems, and LED lighting and air source heats pumps to further reduce operational carbon emissions.

The upfront embodied carbon based on the design stage is expected to produce 318kgCO_2eq/m^2, which is 20.5% less than the Company's target for new developments. The embodied carbon performance was positively impacted by the use of low-carbon steel. During 2024, we have engaged with the steel manufacturing sector to understand how we integrate more low-carbon steel into the programme.

Climate and carbon

Stakehill refurbishment

Our Stakehill refurbishment is a prime example of how we are working proactively to decarbonise our investment portfolio. The building, originally constructed in 1988, underwent a comprehensive nine month refurbishment programme to replace the entire cladding to the elevations and roof, whilst retaining the existing structure and floor slabs.

We installed roof lights for natural daylight alongside 3,022 PV panels with a generating output of 1.3 MWp saving an expected 151 tonnes of CO_2 per annum. We also installed LED lighting, a VRF system and an air source heat pump further improving the energy efficiency of the unit.

As a result, the EPC improved from a B to an A+ and the upfront embodied carbon achieved was 146 kgCO_2e/m^2, 64% less than our target for new developments.

People and communities

King's Trust/The King's Trust/Education and Employers/Schoolreaders

Working with our charity partners, we aim to empower young people, giving them the tools to shape their futures through education and opportunity.

Through our partnerships we reach young people from the most disadvantaged areas in the UK by improving their literacy skills, challenging career stereotypes within logistics and empowering students with knowledge and building their aspirations.

Natural capital

Biodiversity initiatives on standing assets

We have implemented biodiversity initiatives across several of our assets, including improvements to wildflower and meadow areas, the inclusion of bug hotels and additional bat boxes in Bicester, Aston Clinton and Kettering.

In addition, as part of our upgrade works at Junction 6, we have incorporated bug hotels within the signage designs along with wider improvements to the site due to be completed in 2025. This will form a blueprint to be rolled out across the Company's portfolio of urban logistics assets.

STATEMENT OF THE EXTENT OF CONSISTENCY WITH THE TCFD FRAMEWORK

We have prepared our annual climate-related financial disclosure consistent with the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations and recommended disclosures.

The Financial Conduct Authority "FCA" has made TCFD reporting mandatory for asset managers of a certain size, including the Company's Manager, under its Policy Statement "PS" 21/24.

Using Part 4 Section D of the TCFD annex titled "Asset Managers" as guidance, the Company has disclosed in alignment with 10 of the TCFD recommendations and partially in alignment with one recommendation while progressing towards future alignment.

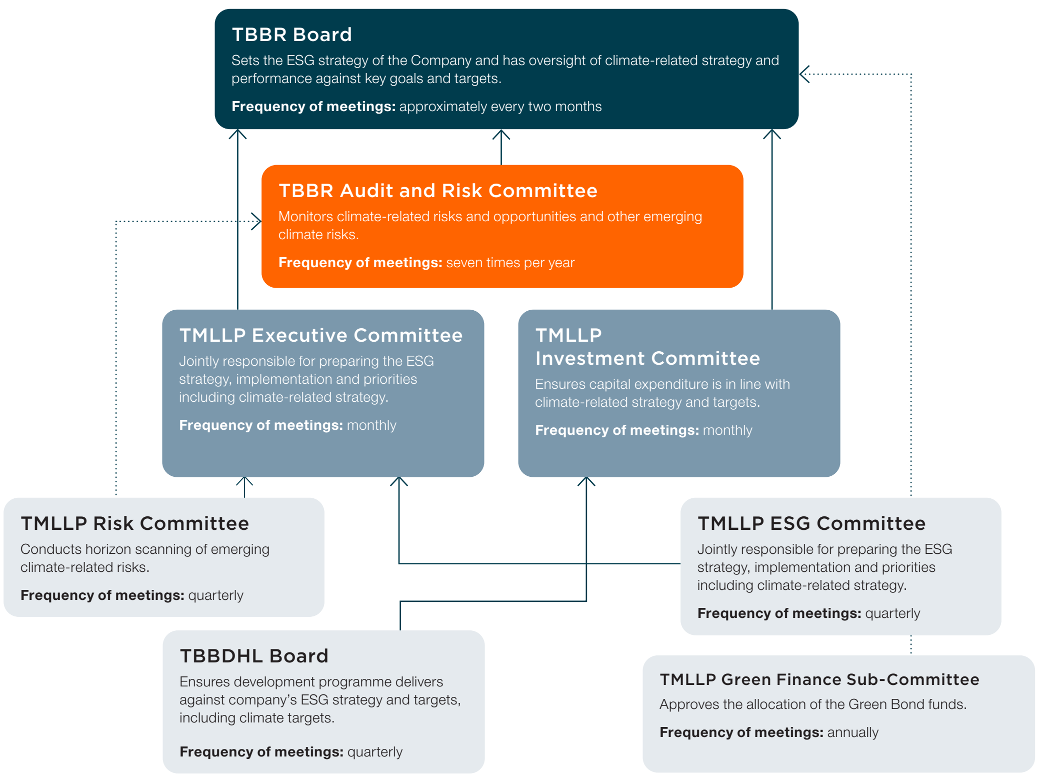
All climate-related financial disclosures can be found below, following the TCFD's four pillars. Where disclosures do not currently fully align with the TCFD recommendations, we provide a rationale for why and outline the steps being taken to make consistent disclosures in the future in the relevant sections below.

TCFD consistency table

Thematic area	Recommended disclosure	Consistency note	Signposting beyond TCFD report
Governance	Describe the Board's oversight of climate-related risks and opportunities.	Consistent	Corporate Governance Report on pages 78 to 166
	Describe management's role in assessing and managing climate-related risks and opportunities.	Consistent	Corporate Governance Report on pages 78 to 116
Strategy	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Consistent	
	Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning.	Consistent	
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Consistent	
Risk management	Describe the organisation's processes for identifying and assessing climate-related risks.	Consistent	
	Describe the organisation's processes for managing climate-related risks.	Consistent	Risk Management section
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	Consistent	Physical and transition risks are included as part of the Company's Principal Risks and Uncertainties section on pages 70 to 75
Metrics and targets	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Consistent	
	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions and the related risks.	Partially consistent – Data collection for our most significant Scope 3 emission source is currently in progress and will be included in our standalone TCFD Product Report in 2025.	Scope 1, Scope 2 and material Scope 3 emissions are disclosed in the SECR disclosure on pages 64 to 66 in addition to the Metrics and Targets table
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Consistent	The broader ESG targets, including net zero carbon targets, are disclosed in the ESG section on page 46

GOVERNANCE OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

Figure 1 Governance of ESG-related risks and opportunities



Key

TBBR = Tritax Big Box REIT plc/the Company

TMLLP = Tritax Management LLP/the Manager

TBBDHL = Tritax Big Box Development Holdings Limited (formerly known as Tritax Symmetry Holdings Limited)

GOVERNANCE

Board oversight of climate-related risks and opportunities

The Board of Directors of Tritax Big Box REIT plc is ultimately responsible for overseeing the Company's ESG strategy, including the identification and management of climate-related risks and opportunities. Climate change continues to be a material topic and a principal risk for the Company and will continue to be monitored in future years. As part of the Company's double materiality assessment, which it completed this year, climate change was identified as a material topic for the Company and its stakeholders.

The Manager's ESG Committee is responsible for monitoring trends, developments, risks and opportunities in relation to climate-related issues and any material changes are ultimately reported up to the Board through the Manager's ESG Director. The Board receives regular updates from the Manager's ESG Director regarding the Company's ESG performance, including initiatives related to climate change. These updates were provided quarterly in 2024 and covered several key climate-related metrics. Specifically, the metrics include annual tracking of energy and carbon intensity, building certifications across the portfolio, evaluation of ESG performance against industry ratings and benchmarks, and the integration of physical climate risk mitigation throughout the asset lifecycle. In addition to these updates, the Board is provided with other relevant briefings, such as market updates, regulatory developments, and feedback from investors and analysts. Progress reports on initiatives are also presented, detailing advancements in the ESG programme, including climate transition planning, renewable energy opportunities, and carbon risk analysis.

The Manager's ESG Director, Legal Counsel, Company Secretariat, and Risk and Compliance Officer monitor climate-related transition risks relating to legislation and regulation and update the Manager's Executive, ESG and Operations Committees and the Company's Audit and Risk Committee at least bi-annually on climate-related risks and opportunities facing the Company. This forms part of the Audit and Risk Committee's ongoing work on risk.

The Board undertakes a review of its ESG strategy once a year and the ESG Director conducts regular ESG reviews with Karen Whitworth, the Senior Independent Director. Karen is the Board's "ESG Champion" and regularly meets with the ESG Director to discuss ESG issues including climate-related risks and opportunities facing the Company.

The Company's Board actively considers climate-related issues when reviewing and guiding strategy, risk management policies, annual budgets, and business plans. The Board recognises the importance of maintaining the necessary skills and competencies to effectively oversee our climate and sustainability initiatives. Greenwashing training has been delivered to all of the Manager's and Tritax Big Box Development's employees to enhance knowledge on ESG matters and help to mitigate potential sustainability-related regulatory and reporting risks. The Company is committed to continuously identifying opportunities to enhance the competency of the Board and Committees.

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

The Manager has an ESG Committee which is jointly responsible with the Manager's Executive Committee for the delivery of the ESG strategy, including climate change and its associated risks and opportunities. The ESG Committee is chaired by the Head of Asset Management and Partner, Petrina Austin, who is ultimately responsible for climate change reporting and monitoring amongst the management team. The ESG Director is an integral member of the Committee with onward reporting to the Company's Board and to the Manager's Executive, ESG and Operations Committees. The ESG Committee also oversees the activities of three Sub-Committees which focus on different topics related to ESG – Property, Green Finance, and Social, Charity and Wellbeing.

The ESG Director is responsible for the assessment and management of climate-related risks and opportunities on a day-to-day basis, where appropriate engaging internal stakeholders (e.g. asset and property managers) or external parties (e.g. occupiers and investors) to support this effort. Monitoring of climate change issues is supplemented by executive briefings from specialist consultants and through the Company's membership of the Logistics Real Estate Sustainability Group, the UK Green Building Council ("UKGBC"), and participation in ESG-related investor working groups.

Climate-related risks and opportunities are embedded into the Manager's investment processes through technical due diligence assessments undertaken on each asset, which inform the investment decisions of the Company. Any specific risks and opportunities relating to climate change, such as flooding or solar capabilities, are reported to the Investment Committee. The portfolio-level physical and transition risk assessments have also been updated this year to ensure their accuracy and relevance to the current operations of our portfolio. During the reporting period, a third-party adviser was appointed to conduct a carbon risk analysis of all portfolio assets. This analysis aims to identify costed decarbonisation measures for each asset in the portfolio. The findings will be incorporated into our capital expenditure plans in due course and help us prioritise our decarbonisation efforts.

Tritax Big Box Development Limited undertakes project-specific and ongoing risk assessments which incorporate climate-related risks and opportunities into the planning for new developments and sites. The risks feed into the development risk register which is reported and reviewed by the Tritax Big Box Development Holdings Limited ("TBBDHL") Board which is a subsidiary of the Company.

The Manager's employees receive variable compensation which is linked to the Manager's overall performance and the individual's own performance. Employees and their line managers are encouraged to incorporate an ESG-related KPI relevant to their roles and responsibilities as part of the Manager's annual performance management cycle.

STRATEGY

Our analysis considers the potential impact of climate change on our operations and financial performance across short, medium, and long-term horizons. To date, the Company has not been exposed to any financially material climate-related risks, such as extreme weather events or regulatory changes related to carbon emissions.

Our analysis considers climate risks and opportunities across three time horizons; short term (up to 1 year), medium term (2-5 years) and long term (6-15 years). Descriptions of how time horizons are aligned to the Company's strategy and which data has supported our assessment of these climate-related risks and opportunities are set out in Table 1 below.

Table 1 Business 'time' horizons

Time horizons	Explanation for the choice of time frame	Climate data used to inform assessment of risk on our strategy and financial planning
Short term – up to 1 year	Aligned with going concern	Current climate datasets are used to assess level of risk exposure to the Company in the immediate future
Medium term – from 2 to 5 years	Aligned with viability period used for the Company's medium-term business plans and individual asset performance analysis	Climate projections for transition risks for the 2030s are used to understand the impact transition risks which may need to be addressed as part of our strategy Climate projections for physical risks for the 2025-2029 time horizon have been used to understand the impacts of acute (extreme weather event) physical risks
Long-term – from 6 to 15 years	Aligned with the usual hold period, WAULT and average lease term on new buildings	Climate projections for the 2040s to 2050s are used to inform the potential impact of longer-term risks and opportunities to the Company, enabling us to consider where actions may be required to mitigate and adapt to a changing climate

The transition risks were identified and tested against scenarios from the Network for Greening the Financial System ("NGFS"), whilst physical climate risks were assessed against the Intergovernmental Panel on Climate Change ("IPCC") Representative Concentration Pathway ("RCP") scenarios for atmospheric greenhouse gas ("GHG") emissions from the IPCC fifth round of assessment reporting (IPCC, AR5, 2014). These scenarios were selected because transition risks are generally expected to be most severe under a lower level of temperature rise, whereby the world transitions to a low carbon economy whereas physical risks are projected to be most severe under a high carbon world where temperature increase is higher and more extreme weather events are expected occur.

Details of the scenarios used are set out below.

Table 2 Climate scenarios considered

Physical risk scenarios		Transition risk scenarios	
Three scenarios were selected to assess the Company's resilience to a range of possible futures.			
RCP8.5	A high-emissions scenario with no policy changes, increasing GHG concentrations, and a temperature increase of around 4°C	**NGFS "Current Policies" scenario**	Assumes a > 3°C temperature rise. Current climate policies will remain in place. Technological progress occurs, but slower than in more ambitious scenarios
RCP4.5	An intermediate emissions scenario with relatively ambitious emissions reduction, likely overshooting the Paris Agreement temperature target	**NGFS "Delayed Transition" scenario**	Assumes global annual emissions do not decrease until 2030. Stringent policies are then needed to limit warming to below 2°C. This scenario assumes new climate policies are not introduced until 2030 and the level of action differs across countries and regions based on currently implemented policies
RCP2.6	A moderate scenario with emissions peaking early in the 21st century and declining after, assuming a warming of less than 2°C	**NGFS "Below 2C" scenario**	Limits global warming to < 2°C through aggressive action against climate change, assuming early introduction of climate policies and moderate technological change

Physical risks

This year, we conducted an updated physical risk assessment for the entire portfolio, revealing that our portfolio is resilient to all physical climate risks identified in the short to medium term (i.e., there are no assets in the portfolio that are deemed to be at high risk of physical climate risks). We evaluated physical climate risks across the Company to pinpoint areas of elevated risk exposure and assessed whether our current mitigation efforts are adequate for both present and future risks. This assessment analysed climate data based on three scenarios, including a 2°C or lower scenario (RCP2.6), in line with the Company's decarbonisation ambitions.

Regardless of regional differences in the hazard exposure, the overall impacts from physical climate risks are considered to be the same owing to the high level of adaptive capacity built into the design and ongoing maintenance of assets within the portfolio.

The table below describes the impact of physical climate-related risks on the business.

Table 3 Physical climate risks

Type of risk	Impact level across climate time horizons: Short term	Medium term	Long term	Potential financial impact	Planning, management and strategy
Acute physical risk					
River and surface water flooding	RCP 2.6, RCP 4.5 and RCP 8.5			Cost of repairing assets, increased maintenance and building costs Increased insurance premiums due to extreme weather events Loss of value of buildings Our current portfolio is considered to be resilient to flood risk in the short, medium, and long term	Incorporation of flood mitigation measures into design of planned developments including flood risk assessments for all new acquisitions and new developments Asset management has proactive plans in place to deal with events if they arise Asset managers carry out annual monitoring processes at all assets to check for signs of damage from extreme weather events
Drought	RCP 2.6, RCP 4.5 and RCP 8.5			Our assets are not particularly water intensive or impacted by fire weather events Assets that are exposed to possible drought stress have appropriate measures in place to minimise water consumption	Sustainable construction commitments also include reducing potable water consumption in alignment with BREEAM New Construction requirements Installing water efficient fittings and leak detection and monitoring systems to check and proactively manage water consumption
Extreme heat	RCP 2.6, RCP 4.5 and RCP 8.5			Our assets are considered to have a low sensitivity to heat stress, with mechanical ventilation included in all office areas and natural ventilation in warehouse areas There is likely to be limited need to upgrade cooling equipment across the portfolio and energy efficiency measures are assessed as part of the transition risk assessment The financial impacts on the business from heat risk are low	The Manager's New Construction Sustainability Brief sets out design measures to maximise adaptation to extreme heat, including optimising the buildings for thermal regulation, investing in natural cooling and passive ventilation systems and prioritising the use of low-energy LED lighting
Storms	RCP 2.6, RCP 4.5 and RCP 8.5			Cost of repairing assets, increased maintenance and building costs Increased insurance premiums due to extreme weather events Loss of value of buildings	See physical risk management approach for new developments outlined on page 75
Sea level rise	RCP 2.6, RCP 4.5 and RCP 8.5			Sea level projections do not increase significantly in the first half of the 21st century The entire portfolio is projected to have a low exposure to sea level rise in the short-, medium- and long-term horizons The associated financial impact to the business from rising sea levels is considered to be small	See flood risk mitigation strategies outlined above

● Low ● Moderate ● High

STRATEGY continued

Transition risks

This year, we have also reviewed our transition risk assessment to ensure it remains relevant to the evolving nature of the portfolio and evolving transition risks. The assessment incorporates the mitigation strategies and plans currently implemented by the Company. We use the same methodology as outlined in the Principal Risks and Uncertainties section (see pages 70 to 75) to assess the impact and likelihood of various climate risks and opportunities, resulting in an inherent risk rating. We then apply a preparedness factor, based on current mitigation efforts, to calculate a residual risk rating. Since all assets are located in the UK, the Company assumed that the climate scenarios used in the transition risk assessment would be applicable to the entire portfolio and operations.

All identified climate-related risks and opportunities are deemed to be covered by appropriate management and/or mitigation strategies.

Table 4 Transition risks

Type of risk	Risk rating Short term	Medium term	Long term	Potential financial impact	Planning, management and strategy
Policy and legal					
Reporting compliance and emerging regulation	Below 2˚C Delayed Transition Current Policies			Non-compliance can lead to fines, increased operational costs, damage to the Company's reputation, and restricted access to funding, all of which can harm financial performance and negatively impact the Company's market valuation	Continued integration of accurate ESG datapoints into operational business Budget allocated to sustainability compliance and reporting Annual updates on upcoming regulations Third-party support to ensure compliance with ESG regulatory reporting
Asset compliance	Below 2˚C Delayed Transition Current Policies			Non-compliance can lead to financial penalties, decreased property values, higher operational costs for necessary upgrades, and a potential decline in occupier demand. These factors can negatively impact cash flows and overall portfolio performance	EPC performance and progress against targets are continually monitored Improvement plans have been scheduled for assets with an EPC rating below B and some initial cost estimates have been provided Our ESG due diligence framework outlines the expected environmental performance for acquired assets, while the asset management business plans include strategies to enhance that performance. New developments incorporate measures to mitigate physical and transition risks of assets, and target EPC A
Introduction of emissions caps, carbon pricing and offsets	Below 2˚C Delayed Transition Current Policies			Increased operational costs may arise from compliance expenses and the costs associated with carbon offsets. Additionally, these factors could affect the upstream value chain by driving up raw material costs, potentially leading to higher capital expenditures in the development portfolio	Embodied carbon target for new developments of 400 kg CO_2e per m^2 Deployment of on-site renewable energy across development and investment portfolios See Stakehill refurbishment and Newark development case studies In 2025, the Company plans to trial additional low-carbon alternative materials within specific development projects

● Low ● Moderate ● High

Technology						
Cost of investment in technology for data improvement	Below 2°C	Low	Low	Low	Increased capital expenditure to improve data coverage and quality and accuracy across the portfolio	The Company has an asset management platform where ESG data is captured In the process of developing a dedicated decarbonisation platform focused on assessing risks and opportunities, which will be integrated into asset management planning
	Delayed Transition	Low	Low	Low		
	Current Policies	Low	Low	Low		
Market						
Sustainable finance and increased cost of capital	Below 2°C	Low	Low	Moderate	Companies perceived as non-compliant with ESG standards may face higher borrowing costs and reduced access to capital, thereby hindering growth and investment opportunities	The Company signed a sustainability-linked loan in 2023, which includes four KPIs related to sustainability The ESG due diligence framework sets out targeted environmental performance of assets being acquired, and asset management plans incorporate measures to improve environmental performance
	Delayed Transition	Low	Low	Moderate		
	Current Policies	Low	Low	Low		
Occupier behaviour	Below 2°C	Moderate	Moderate	Moderate	Changes in occupier preferences towards more sustainable and energy-efficient spaces could lead to decreased demand for less efficient properties, resulting in lower rental income and potential vacancies, ultimately affecting overall property values	The Company collaborates with occupiers on environmental initiatives. This engagement involves researching occupier needs when developing new assets and analysing trends in the logistics sector Developed a target to improve all EPC ratings to a minimum of a B and have completed EPC improvement plans for assets which are under a B rating
	Delayed Transition	Moderate	Moderate	Moderate		
	Current Policies	Low	Low	Low		

Opportunities

Several climate-related opportunities have also been identified that may be material to the Company's business, which are outlined in Table 5 below. The Company has reviewed these opportunities under different emissions scenarios, in line with the transition risk assessment methodology.

Table 5 Climate-related opportunities

Climate transition opportunity	Opportunity rating	Short term	Medium term	Long term	Potential financial impact	Planning, management and strategy
Energy source						
Growth of clean energy and infrastructure	Below 2°C	High	High	High	By incorporating renewable energy into assets, the Company can meet occupiers' demand for low-carbon and energy-efficient assets, protect asset values by making them more resilient, and comply with evolving environmental regulations. Additionally, there is potential for generating extra revenue by selling renewable energy to occupiers and the grid	Deployment of on-site renewable energy on new developments, and standing assets in partnership with occupiers Engagement with occupiers to understand their low-carbon infrastructure requirements
	Delayed Transition	Moderate	High	High		
	Current Policies	Moderate	Moderate	Moderate		

● Low ● Moderate ● High

STRATEGY continued

Opportunities continued

Table 5 Climate-related opportunities continued

Market			
Occupier/market demand	Below 2°C Delayed Transition Current Policies	Low-carbon, high-quality spaces are increasingly in demand, meaning occupiers may be willing to pay a premium for these buildings. Future-ready warehouses with on-site renewable energy and access to sufficient power for robotics, automation and EV charging may command rental premiums and higher asset values in future	Deployment of on-site renewable energy in partnership with occupier Engagement with occupiers to understand their low-carbon infrastructure requirements
Sustainable investment and finance	Below 2°C Delayed Transition Current Policies	By aligning with these sustainable investment trends, the Company can access a broader pool of capital, attract responsible investors, and potentially reduce financing costs through Green Bonds and sustainability-linked loans. The availability of new sources of investment, such as green debt, green finance, and Green Bonds, enhances the diversification of financial assets, including infrastructure investments	Issuance and full allocation of proceeds related to the Company's Green Bond The Company signed a sustainability-linked loan in 2023, which includes four KPIs related to sustainability The Company has a robust ESG reporting process in place which facilitates a strong response to any investor and lender requests
Acquisition cost/ strategy	Below 2°C Delayed Transition Current Policies	Many buildings will likely still be in use by 2050, necessitating retrofitting, which requires investment. Acquiring underinvested assets provides the opportunity to leverage expertise and capital to enhance these buildings. This includes the potential to acquire lower-quality assets from less active investors, allowing the Company to make substantial improvements that increase both income and value	The ESG due diligence framework sets out targeted environmental performance of assets being acquired, and asset management plans incorporate measures to improve environmental performance A carbon analysis has been conducted to help determine the capital expenditure requirements needed for decarbonising the portfolio

Low Moderate High

During this reporting period, the Company has undertaken various initiatives to enhance resilience, including:

- commissioned Mace consulting to develop asset-level, costed decarbonisation plans for every asset in the portfolio;
- increased the total installed solar PV capacity of the Company to 24.3 MWp of on-site solar PV, which will help the buildings' occupiers to reduce the carbon intensity of their operations and thereby help the Company reduce its Scope 3 emissions; and
- updated its physical climate risk assessment across the portfolio to ensure current and future physical risks are known and appropriately managed.

Due to the nature of our business, the Company's own operational carbon emissions are small compared to those generated by our occupiers. This is primarily due to the fact that our occupiers are responsible for the majority of the operational consumption associated with the assets they lease and operate. However, we actively engage with them to collect data on their energy consumption, support their decarbonisation efforts and encourage responsible energy use across our properties.

Physical climate risks have been assessed as either low or moderate risk across all three scenarios. Transition risk is evaluated as low to moderate, but it increases in the "Below 2°C" scenario due to heightened exposure to policy and market transition risks. This includes the potential introduction of emissions caps, carbon pricing, and offsets. However, this scenario also presents the greatest opportunity for a number of opportunities, including growth in clean energy and infrastructure.

As a result, we consider the Company to be moderately resilient to the climate risks across climate scenarios assessed. However, we are committed to continuously monitoring and assessing the significance of these risks to inform our ongoing climate strategy.

RISK MANAGEMENT

Identifying and assessing climate-related risk

Climate-related physical and transition risks have been identified as a principal risk to the Company, as set out in the Principal Risks and Uncertainties section (see pages 70 to 75). The Company recognises that failure to adequately identify and mitigate such risks may financially impact its assets and operations as outlined in the Strategy section above. As a result, we have undertaken appropriate research and analysis to mitigate these risks.

We have outlined our method for assessing physical and transition risks related to climate change below. This approach aims to identify and evaluate the materiality of these climate-related risks and opportunities, following our current risk management process.

Physical risk process

The portfolio climate risk assessment follows a systematic methodology aimed at understanding the potential physical climate risks that may be material to the Company. The process began with the collection of current climate data for all units, including flood risk information sourced from the Environment Agency "EA" and drought risk assessed using the Water Resources Institute "WRI" Water Risk Atlas. We utilise additional data from the Met Office and Climate X to evaluate the risks associated with other climate hazards, such as storm events and extreme temperatures.

Using unit-level information, we performed a portfolio risk analysis through the Climate X platform, enabling the generation of physical risk scores for each asset and for each assessed hazard, including flooding, storms, drought, amongst others. To ensure accuracy, we completed a data validation exercise to compare our risk scores with local climate sources, such as the EA flood maps, for pertinent climate hazards. The assessment analysed climate data across three scenarios, allowing us to comprehend how potential risks may vary under different future emission pathways.

Following the data collection and analysis, CBRE reviewed the climate data from the Climate X platform to screen all units for elevated risks across the Company's portfolio. The assessment of flood risk used a slightly different approach, leveraging the EA datasets. In instances where the EA recorded a low flood risk but the Climate X data indicated an elevated present-day risk, a validation exercise was performed to examine key unit characteristics, such as proximity to rivers, historical flood events, and site conditions. If the Climate X dataset showed no change in risk over time and the EA indicated a low risk, the risk levels were downgraded accordingly. For units where the EA reported medium or high risks, a review of planning documentation was conducted to identify any existing flood risk assessments. Units with medium or high flood risks or changing risk levels as per Climate X underwent a vulnerability assessment.

In the vulnerability assessment phase, we engaged with property managers for units identified with elevated risks to determine whether on-site mitigation measures were in place or if any studies had been conducted to assess these risks. We gathered information about asset resilience, including existing mitigation measures implemented at various sites to address relevant climate hazards such as overheating, flooding, drought, high winds, storms, and extreme cold weather. The outcomes of this assessment facilitated the categorisation of residual risk scores.

Transition risk process

The Company has previously conducted a transition risk assessment to evaluate how well the portfolio aligns with the decarbonisation pathways outlined by the Carbon Risk Real Estate Monitor ("CRREM") tool. This assessment helped identify assets that are at risk of becoming stranded or are not financially viable for future energy efficiency standards. In 2024, we have started phase one of a decarbonisation project which seeks to update the Company's asset-level carbon risk analysis and develop costed decarbonisation plans for all assets within the portfolio. See the ESG section (pages 46 to 52) for more information.

In 2024, the Company also completed an updated transition risk assessment to identify the transition risks which will have a significant impact on the Company, considering the time, horizon, probability and impact to provide a risk rating in addition to using external research to support our justification of risks. To enhance this, current and planned future mitigation strategies are included to evaluate preparedness to produce a net risk rating. Using the TCFD recommend guidance we have identified risks across the four risk categories: policy & legal, technology, market, and reputation. Risk ratings were determined using specific thresholds and incorporated three scenarios recommended by the Network for Greening the Financial System "NGFS". This approach enables an assessment of the Company's resilience to transition risks under various scenarios. To ensure the transition risk assessment remains relevant, the Company plans to review the analysis on a regular basis and will update disclosures as appropriate.

RISK MANAGEMENT continued

New developments

Approach

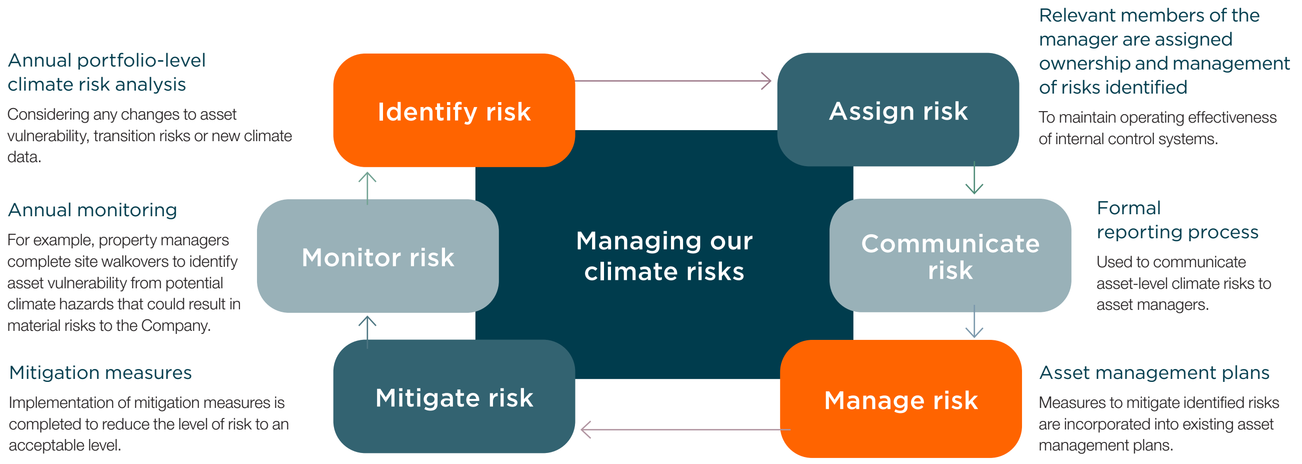
Our risk management approach for new developments represents a single process for identifying, assessing and managing risk across all new construction. The outcomes of the climate-related assessments undertaken for new developments enable Tritax Big Box Developments to manage any potential physical or transition risks which are identified.

Process	Identifying and assessing risk	Managing risk
Transition risk		
Lifecycle assessments to evaluate upfront carbon, in alignment with the RICS Whole Life Carbon Guidance	The One Click LCA assessment software is used to undertake these assessments, which considers factors such as material use, transportation and construction-related emissions	Reduce upfront embodied carbon over time and install on-site solar PV which will lower operational GHG emissions
Physical risk		
Flood risk assessment and drainage strategy	Assesses site risk against all sources of flooding and includes calculations to account to climate change uplift	The outcomes of the study are intended to either indicate that the site chosen is at low risk from all foreseeable sources of flooding, or to identify measures to incorporate into the scheme to reduce the risk. The drainage strategy is also informed by the climate change enhanced run-off calculations, to ensure the design allows for additional, more intense storm events
Adaption to climate change study	Assesses physical climate risks which have the potential to impact the asset	Concludes with a series of risk management measures, which are subsequently incorporated into the design of the scheme
Thermal comfort analysis	Evaluates against a future climate weather file, to determine whether an asset will maintain thermal comfort in climate change conditions	Confirms whether the design will maintain thermal comfort in the future, and if there are potential risks, the analysis identifies how measures could be incorporated in the future to ensure thermal comfort is maintained

Managing our climate-related risks

Our process for managing climate-related risks is set out below. Climate-related risks are reviewed annually. This approach allows us to focus mitigation efforts on the highest-risk assets and ensure transitioning to a net zero business and asset resilience is prioritised in business planning for the coming year.

Figure 6 Our iterative approach to managing climate risk



Managing our climate-related risks continued

We integrate ESG factors at every stage of the investment lifecycle by using a template that defines key ESG criteria. Our development programme follows a baseline specification which sets an upfront embodied carbon target to encourage low-carbon construction practices. You can find details about our embodied carbon target and performance on page 64.

To effectively mitigate ESG risks, the Company conducts thorough due diligence assessments, implements strong internal procedures, and maintains comprehensive insurance coverage. Additionally, as previously mentioned, we have conducted both asset-level and portfolio-level transition and physical risk assessments to identify and manage potential risks effectively.

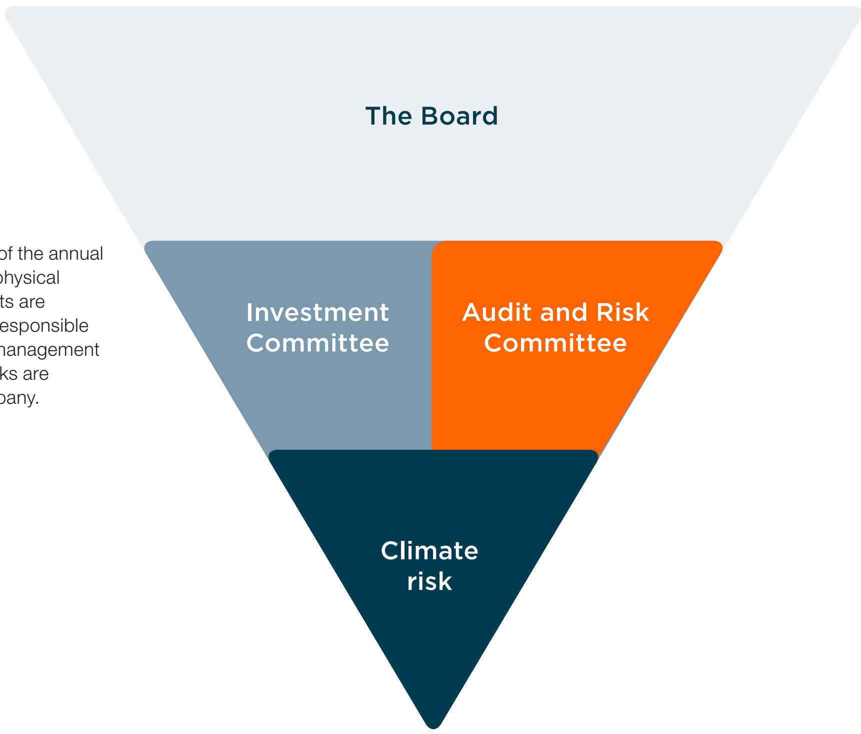
Integrating climate risks into the organisation's overall risk management

The Board recognises the importance of managing climate-related risks, which are included in our risk register (see page 75).

The Audit and Risk Committee evaluates these risks bi-annually using reports from the Manager's Executive Committee. The Manager's Risk Committee performs quarterly horizon scanning to identify emerging risks. The Investment Committee evaluates climate-related risks and conducts thorough ESG due diligence for acquisitions. Assets are assessed for physical climate change risks, as part of the annual insurance renewal process. Significant risks are considered for the Company by the Partner responsible for asset and property management.

For further details on the ownership of the climate risk identification and management process, please refer to page 55.

Figure 7 Integration of climate risk into our risk management process



Once acquired, as part of the annual insurance renewal, the physical climate risks of the assets are assessed. The Partner responsible for asset and property management ensures that material risks are considered by the Company.

Board oversight

- The Board recognises the importance of identifying and monitoring climate-related risks.
- These risks are reported to the Board by the ESG Director.

Entity risk management

- The Audit and Risk Committee has embedded climate reporting into its risk management by determining physical and transitions risks as a key risk of the Company.
- Climate-related risks are embedded into the Company's wider risk management framework which contributes towards investment decisions made by the Investment Committee.

Climate risk identification

- The Manager reviews and updates the Company's risk matrix on a bi-annual basis and reports up to the Audit and Risk Committee which includes principal and emerging risks.
- The Manager's Risk Committee conducts periodic horizon scanning for new risks which may impact the Company.
- In addition, all acquisitions undergo a due diligence assessment to inform members of the Investment Committee about climate-related risks.

METRICS AND TARGETS

The Company employs a holistic set of metrics to assess climate-related risks and opportunities, in line with the recommendations of the TCFD. To effectively address these risks and seize opportunities, we strive to incorporate metrics aligned with the key findings of our climate risk assessment. These metrics and associated annual targets are outlined in Table 8 below. Both current and past years' performance are reported where possible.

Our targets and metrics are reviewed on an annual basis to ensure they maintain in line with our strategy and ambition.

Table 8 Climate-related metrics and targets

Metric category	Metric	2022	2023	2024	Year-on-year target
GHG emissions (tCO_2e)	Absolute Scope 1 GHG emissions	0.03	0	0	Net zero by 2025 (Scope 1 and 2 emissions)
	Absolute Scope 2 GHG emissions (location-based)	33.86	40.58	408.46	Net zero by 2025 (Scope 1 and 2 emissions)
	Scope 3, Category 2 – Capital goods: Absolute construction-related GHG emissions	48,751	81,959	69,389	Net zero by 2030 (Scope 3, construction-related emissions)
	Scope 3, Category 13 – Downstream leased assets: absolute occupier operational GHG emissions (occupier Scope 1 and 2)	94,534.50	71,749	To be reported in 2025	Net zero by 2040 (Scope 3, occupier operational emissions)
Transition risks	% EPCs of investment portfolio B-rated or above (by floor area)	78%	80%	80%	Increase the % of EPC B or above year on year
	Weighted upfront carbon intensity (kg CO_2e/m^2) – whole site	453	462	412	400 kg CO_2e/m^2 for upfront embodied carbon
	Weighted upfront carbon intensity (kg CO_2e/m^2) – building only	nr	364.6	286.8	
Physical risks	% of assets in the portfolio screened for physical climate hazards	100%	100%	100%	
	% of assets in the portfolio which are recorded as having a high exposure to climate hazard[1] (by floor area)	10.9%	12.5%	14.2%	All priority assets to have climate resilience plans in place
	% of assets in the portfolio that are resilient to future climate change[2] (by floor area)	100%	100%	100%	
Climate-related opportunities	On-site renewable energy generation projects – capacity installed (MWp)	14 MWp	17.4 MWp	24.3 MWp	Increase on-site solar PV capacity installed across the portfolio where technically and economically feasible
	% of new buildings developed to net zero standards	100%	100%	100%	All new developments to be constructed to net zero carbon, as defined by the UK GBC

See the SECR section on pages 65 to 66 for more information on year-on-year changes in carbon emissions.

This year, we have also increased the solar PV installed capacity of our portfolio to a total of 24.3 MWp of installed capacity. The increase in our solar PV capacity has been driven by our development programme, the acquisition of the UKCM portfolio, and both landlord- and occupier-led projects on standing assets. This includes the installation of 1.3 MWp of solar PV as part of our Stakehill refurbishment project (see case study on page 52). The solar PV pipeline of future projects is currently estimated at 25.2 MWp.

Following the acquisition of UKCM, the proportion of EPC B or above assets across our investment portfolio has remained at 80%. Going forward, the implementation of emissions reduction and energy efficiency measures identified through our bespoke decarbonisation platform should contribute to the reduction of operational emissions over time and further improvements in EPC ratings across the portfolio.

Finally, we have continued to develop new assets to net zero carbon in construction in line with the UK GBC's framework. As shown by the decrease in upfront embodied carbon intensity achieved during the year, the evolved blueprint brings us closer to consistently meeting our 400 kg CO_2e/m^2 target.

1. Based on current physical climate risk exposure.
2. Note this value is based on the total number of assets that recorded with high exposure to physical climate hazards in the screening assessment.

Streamlined Energy Carbon Reporting ("SECR")

Energy consumption and GHG emissions breakdown

GHG emissions source	Description	2024	2023[1]
Energy consumption	Landlord-consumed energy (kWh)[2]		
	Existing portfolio	233,155	195,957
	UKCM portfolio	1,739,393[3]	nr
	Occupier-consumed energy (kWh)		
	Existing portfolio	nr[3]	359,992,850[4]
	UKCM portfolio	nr	Portfolio not owned
	The Manager's and Tritax Big Box Developments' energy consumption (kWh)	203,447	162,851

GHG emissions source	Description	2024	2023[1]
Scope 1	Direct emissions – landlord-consumed gas and fuel (tCO_2e)	0	0
Scope 2 (location-based)	Indirect emissions – landlord-consumed electricity (tCO_2e)	408.46	40.58
Scope 2 (market-based)	Indirect emissions – landlord-consumed electricity (tCO_2e)	0	0
	Total Scope 1 and 2 emissions[6]	408.46	40.58
	Scope 1 and 2 emissions intensity ($kgCO_2/m^2$)	0.099	0.011
Scope 3 (purchased goods and services)	Indirect emissions associated with energy consumption of the Manager and Tritax Big Box Developments (tCO_2e)	42.13	33.72
Scope 3 (capital goods)	Indirect emissions associated with upfront embodied carbon of development projects and major refurbishments (tCO_2e)	69,389	81,959
Scope 3 (downstream leased asset)	Indirect emissions associated with energy consumption of occupiers (tCO_2e)	nr[4]	71,749[4]

1. There is a restatement on the landlord energy consumption data and the corresponding Scope 2 GHG emissions for 2023 with the possession of actual data after the end of last reporting year. Previous total energy consumed was stated at 169,190 kWh, and the associated Scope 2 (location-based) emissions were stated at 35.03 tCO_2e.
2. 5% and 0.5% of the landlord energy consumption data were estimated in 2023 and 2024 respectively.
3. The reported consumption data for the UKCM portfolio only covers the period from the acquisition date, 16 May 2024, to the end of the year.
4. Data in the process of being obtained for disclosure in 2025.
5. Data covering 87% of occupiers' energy consumption and associated GHG emissions by total floor area in 2023.
6. Total Scope 1 and 2 emissions are reported using location-based method.

Energy performance and energy efficiency measures

A 19% increase in landlord energy consumption across the existing portfolio in 2024 was observed, primarily due to having owned our Junction 6 asset for a full financial year. Energy consumption for other assets within the investment portfolio remained stable in 2024 because, beyond vacancies, most of the energy consumption within our operational control is consistent by nature, such as external lighting. All electricity procured is sourced from renewables and backed by Renewable Energy Guarantees of Origin "REGO" certificates. Given the energy efficiency of the Company's assets, as evidenced by the EPC ratings, there is limited opportunity for further improvement in associated landlord energy consumption. For the UKCM portfolio, we are currently reviewing existing provisions to identify energy-saving opportunities. A more detailed update on any new initiatives implemented across the UKCM portfolio will be provided in the next reporting year.

We have also set a 2040 net zero target for our operational GHG emissions. Since over 99% of the energy consumption of our assets is controlled by our occupiers, we are collaborating with them to identify ways to reduce their energy consumption and the associated GHG emissions. This includes developing asset-specific asset management business plans based on actual operational utility data to ensure compliance with Minimum Energy Efficiency Standards ("MEES") regulations in the short term and alignment with our net zero goal in the long term. Examples of intervention measures include the installation of solar photovoltaic panels, the deployment of electric vehicle charging infrastructure, and the electrification of heating and other fuel consumption processes, where feasible. We are also continuing to incorporate expectations for environmental performance through the introduction of "green" clauses in new leases.

Methodology

The GHG emissions data was compiled in accordance with the SECR guidance for the period covering January to December 2024. The Company calculates and reports its GHG emissions in line with the latest versions of guidelines published by the GHG Protocol, including the Corporate Accounting and Reporting Standard, the Scope 2 Guidance, and, where applicable, the Technical Guidance for Calculating Scope 3 Emissions.

The Company's reporting boundary for GHG emissions data is defined using the principle of operational control. This means that only assets where the Company has the authority, via its managing agents, to introduce and implement its operating policies and procedures are included within the reporting scope. During the reporting year, the Company completed the acquisition of UKCM. Consequently, all newly acquired properties under the Company's operational control will also fall within the reporting scope from the date at which they were acquired.

With most energy being procured and consumed by its occupiers, Scope 1 (direct emissions) and Scope 2 (indirect emissions from direct energy consumption) GHG emissions of the Company account for less than 1% of its total GHG emissions. These emissions are associated with landlord-consumed energy for common parts areas, external areas, and voids.

The Company also has no transport-related emissions arising from activities for which it is responsible for purchasing fuel. Selected material Scope 3 (indirect value chain emissions) GHG emissions data are provided in this report on a voluntary basis. This includes the operational emissions of the Company's Manager and Tritax Big Box Developments, the upfront embodied carbon of development projects and major refurbishments completed in the reporting year, and the indirect GHG emissions from the energy consumption of downstream leased assets (i.e., occupier-consumed energy).

All reported energy use and associated GHG emissions data relates to the Company's operations in the UK. Scope 1, Scope 2 (location-based), and Scope 3 GHG emissions for managed assets were calculated using the UK Government GHG Conversion Factors for Company Reporting for the respective reporting periods. Scope 2 (market-based) GHG emissions were calculated using the European Residual Mixes factors and the zero emissions factor for the REGO backed electricity supplies. Upfront embodied carbon of development projects was calculated with One Click LCA® in alignment with the BS EN 15978 standard.

Savills (UK) Limited has been appointed to prepare this SECR report and perform Scope 1 and 2 GHG emissions data quality checks. External verification or assurance by a third-party auditor is not currently undertaken.

ENGAGING WITH OUR STAKEHOLDERS

By considering the Company's purpose and vision, together with its strategic priorities, we aim to balance stakeholders' different perspectives.

> **For more information on the impact of key decisions of the Board on our stakeholders please refer to "Key decisions of the Board" on pages 92 and 93**

Section 172 statement

The Independent Non-Executive Directors have had regard for the matters set out in Section 172(1) (a)–(f) of the Companies Act 2006 when performing their duty under Section 172. The Independent Non-Executive Directors consider that they have acted in good faith in the way that would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have considered (amongst other matters):

(a) the likely consequences of any decision in the long term;

(b) the interests of the Manager and its employees, as the Company does not have any employees;

(c) the need to foster the Company's business relationships with suppliers, clients and others;

(d) the impact of the Company's operations on the community and environment;

(e) the Company's reputation for high standards of business conduct; and

(f) the need to act fairly as between members of the Company.

The table below indicates where the relevant information is in this Annual Report that demonstrates how we act in accordance with the requirements of Section 172.

Further information on how we have engaged with our key stakeholders and considered their interests during the last reporting period can be found on pages 68 and 69.

Our stakeholders

- The Manager and its employees
- Our Shareholders
- Our suppliers
- Our clients
- Our lenders
- Government, regulators and local councils
- Our communities

> **Read more on pages 68 and 69, and 92 and 93**

Section 172 matter	Further information incorporated into this statement by reference
Long term	> **Market Review pages 20 and 21** > **Our Business Model page 11** > **Manager's Report pages 22 to 33** > **Key Board Decisions pages 92 and 93**
Investors	> **Strategic Report pages 1 to 76** > **Key Board Decisions pages 92 and 93** > **Governance Report pages 78 to 116**
Employees	> **For information on the Manager's employees please refer to page 69**
Community and environment	> **Strategic Report pages 1 to 76** > **Manager's Report pages 22 to 33** > **Key Board Decisions pages 92 and 93**
Suppliers	> **Strategic Report pages 1 to 76** > **Manager's Report pages 22 to 33** > **Key Board Decisions pages 92 and 93**
High business conduct	> **Our Business Model page 11** > **Stakeholder Engagement pages 68 and 69** > **Strategic Report pages 1 to 76**

Our Shareholders

What they care about

Delivering sustainable, profitable growth over the longer term. Our investors take a keen interest in strong corporate governance, as well as a transparent reporting framework and ESG.

How we engage

- Meetings held between Shareholders and key personnel from the Board such as the Chair, the Senior Independent Director, and the Manager.
- Virtual meetings with the Board and the Manager to aid understanding and decision making.
- Annual General Meeting.
- Regular market updates on strategy and performance, including full-year and half-year results presentations, which include the opportunity for Shareholders and analysts to submit questions to the Manager.
- Investor site visits and investor seminars.
- Quarterly update reports to the Board from Investor Relations.

Topics

- Strategic plans and long-term value and returns.
- Governance.
- Environmental and social performance.

Outcomes

- Engagement with key representatives from the Board and the Manager to ensure our purpose and strategy remain in line with expectations.
- Focus on recycling assets into higher-returning development and investment opportunities.
- Expansion into data centres (announced in January 2025).

Further information

> **Business Model on page 11**
> **Board Leadership and Company Purpose on pages 88 to 91**

Our clients

What they care about

Quality assets in key locations, including buildings with strong ESG ratings that enable their business to succeed, and a knowledgeable and committed property owner that supports their strategy, with many focused on fulfilling their rapidly growing e-commerce sales. Our clients want efficient supply chain logistics and attractively priced labour pools.

How we engage

- Regular face-to-face meetings both virtual and on-site.
- Independent client supply chain reviews, aimed at better understanding their business needs in order to provide suitable recommendations to drive efficiency.
- Asset inspections.
- Charitable engagement which in turn helps bring environmental and social benefits to the communities in which we operate.
- Continued membership of UKWA, UKGBC and Better Building Partnership Working Groups, and membership of Cold Chain Federation and Logistics UK, each promoting market leadership in zero carbon, engagement and biodiversity.
- Review of published data, such as annual accounts, trading updates and analysts' reports to identify mutually beneficial opportunities.

Topics

- ESG initiatives.
- Treasury management.
- Supporting e-commerce initiatives.
- Operational efficiencies and resilience.

Outcomes

- Strengthening of business relationships.
- Development of a dedicated Occupier Hub.
- Asset management and ESG initiatives.
- Launched the Tritax Social Impact Foundation in May 2024 to work with clients (as well as other stakeholders) to create local and national partnerships to deliver social impact.

Further information

> **Manager's Report pages 22 to 33**
> **ESG section pages 46 to 52**

Our suppliers

What they care about

Our suppliers care about having collaborative and transparent working relationships with us, including responsive communication and being able to deliver to their KPIs in service-level agreements at a competitive fee.

How we engage

- Invited key suppliers to attend Board and Committee meetings.
- Informal, one-to-one virtual meetings.
- Review of supplier performance by the Management Engagement Committee.
- Externally facilitated adviser reports.
- Provided Directors' training on areas of expertise of key suppliers.

Topics

- Service levels and annual performance.
- Fee structure.
- Relationship management.
- Processes and procedures.

Outcomes

- Continued good, and, in some cases, exceptional, levels of service.
- Enhanced the Company's governance procedures.
- Further developed relationships with key suppliers to the Company.
- Various re-tender processes conducted ensuring continued good service and value for money.

Further information

> **Key Decisions of the Board on pages 92 and 93**
> **Management Engagement Committee Report on pages 108 to 110**

The Manager and its employees

What they care about

The long-term success of the Company is of key importance to the Manager. In order to achieve this, as well as establishing and maintaining lasting relationships, the Manager takes a keen interest in the wellbeing and satisfaction of its employees. Being able to attract and retain high-calibre talent and then support those individuals in their professional development is a high priority for the Manager. The Board and the Manager maintain a positive and transparent relationship to ensure alignment of values and business objectives.

How we engage

- Reporting to the Board at least quarterly.
- External Board evaluations.
- Informal meetings.
- Professional and executive development programmes.
- Employee surveys, social events, and ESG initiatives within the charity and voluntary sectors.

Topics

- Employee satisfaction and resourcing.
- Remote working, staff health and wellbeing, development and progression.
- Business updates.

Outcomes

- Relocation to a new office space in February 2024 to enhance collaborative working, to further develop our modern ways of working, and to further build on the Manager's company culture.
- Facilitated a number of employee social and charitable events during the year such as a Sleepout, a quiz and a charity walk, which supported employee well-being and raised money for our partner charities.
- Organised work sporting events, such as a regular running club, team netball and football matches as well as discounted gym membership to encourage and support a healthy lifestyle.

Further information

> **Division of Responsibilities on pages 94 to 97**
> **Management Engagement Committee Report on pages 108 to 110**

MANAGING RISK

The Board has overall responsibility for risk management and internal controls, with the Audit and Risk Committee reviewing the effectiveness of the risk management process on its behalf. We aim to operate in a low-risk environment, focusing on a single subsector of the UK real estate market to deliver attractive, growing and secure income for Shareholders, together with the opportunity for capital appreciation.

The Board recognises that effective risk management is important to our success. Risk management ensures a defined approach to decision making that decreases uncertainty surrounding anticipated outcomes, balanced against the objective of creating value for Shareholders.

Approach to managing risk

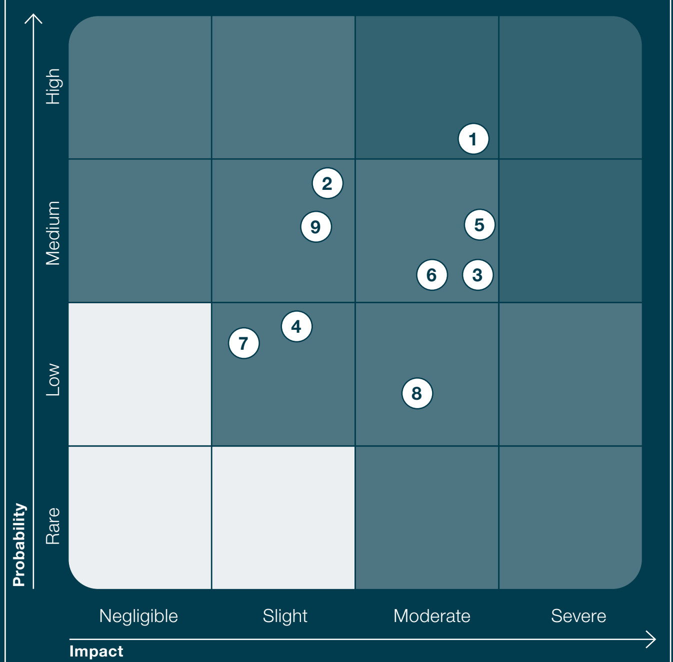
Our risk management process is designed to identify, evaluate, manage and mitigate (rather than eliminate) the significant risks we face. The process can therefore only provide reasonable, and not absolute, assurance. As an investment company, we outsource key services to the Manager, the Administrator and other service providers, and rely on their systems and controls.

At least twice a year, the Board undertakes a formal risk review, with the assistance of the Audit and Risk Committee, to assess the effectiveness of our risk management and internal control systems. During these reviews, the Board has not identified or been advised of any failings or weaknesses which it has determined to be material.

Risk appetite

The Group's risk appetite is reviewed annually and approved by the Board in order to guide the business. The risk appetite defines tolerances and targets for our approach to risk, with our risk appetite likely to vary over time due to broader economic or property cycles. In addition, we have a specific Investment Policy, which we adhere to and for which the Board has overall responsibility. For example, we have a limit within our Investment Policy, which allows our exposure to land and unlet development to be up to 15% of gross asset value, of which up to 5% can be invested in speculative development.

Risk matrix – December 2024 net risk



Property risk

1. Client default
2. Portfolio strategy and industry competition
3. Performance of the UK retail sector and the continued growth of online retail
4. Execution of development business plan

Financial risk

5. Debt financing – LTV, availability and cost of debt

Corporate risk

6. We rely on the continuance of the Manager

Taxation risk

7. UK REIT status

Other risk

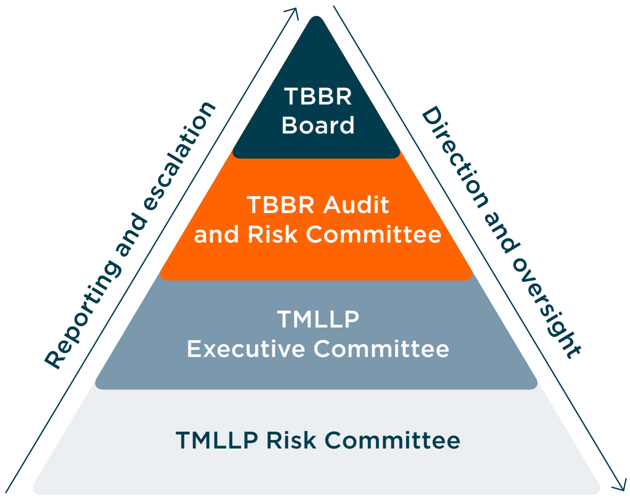
8. Macro economic uncertainty
9. Physical and transition risks from climate change

Principal risks and uncertainties

Further details of our principal risks and uncertainties are set out below. They have the potential to materially affect our business. Some risks are currently unknown, while others that we currently regard as immaterial and have therefore not been included here, may turn out to be material in the future. The principal risks are the same as detailed in the 2023 Annual Report.

Emerging risks

As well as the Principal risks, the Directors have identified a number of emerging risks which are considered as part of the formal risk review. On a biannual basis the Directors, along with the Manager, undertake a horizon scanning exercise to identify possible emerging risks. Emerging risks encompass those that are rapidly evolving, for which the probability or severity are not yet fully understood. As a result, any appropriate mitigations are also still evolving. However, these emerging risks are not considered to pose a material threat to the Company in the short term, although this could change depending on how these risks evolve over time. Senior members of the Manager are responsible for day-to-day matters and have a breadth of experience across all corporate areas; they consider emerging risks and any appropriate mitigation measures required. These emerging risks are then raised as part of the bi-annual risk assessment where it is considered whether these emerging risks have the potential to have a materially adverse effect on the Company. Given the significance of the UKCM corporate transaction during the year, the Board did consider whether this transaction and the integration of the UKCM portfolio influenced the principal risks as set out below. In short, the Board did not perceive this transaction to present any additional principal risks to the business, but any impact on existing principal risks has been fully taken into account. The emerging risks that could impact the Company's performance cover a range of subjects which include, but are not restricted to, technological advancement/AI, cyber risk, supply chain disruption and ongoing macro-economic uncertainty. The Board is conscious of recent geopolitical events such as the change in the UK government and subsequent budget changes, along with the ongoing conflict in the Middle East and between Russia and Ukraine. Added to these is the new US government with the threat of trade tariffs, a new relationship with China and security considerations for NATO which are all events that have the potential to cause uncertainty in a short space of time. The Board continue to monitor interest rates and the general financial markets closely given the direct impact on the business.



> "We have a well positioned balance sheet with significant levels of liquidity, alongside attractive and accretive ways to deploy capital."

Property Risks

1. Client default

The risk around one or more of our clients defaulting

Gross risk	Mitigation	Net probability	Net impact
Moderate – High	Our investment policy limits the exposure to any one client to 20% of gross assets or, where clients are members of the FTSE, up to 30% each for two such clients. This prevents significant exposure to a single client. To mitigate geographical shifts in client's focus, we invest in assets in a range of locations, with easy access to large ports and key motorway junctions. Before investing, we undertake thorough due diligence, particularly over the financial strength of the underlying covenant and any group financial covenants. We select assets with strong property fundamentals (good location, modern design, sound fabric), which should be attractive to other clients if the current client fails. We continually monitor and keep the strength of our client covenants under review. In addition, we focus on assets that are strategically important to the client's business. Our maximum exposure to any one client (calculated by contracted rental income) was 15.5% as at 31 December 2024.	**High**	**Moderate –** The default of one or more of our clients would immediately reduce revenue from the relevant asset(s). If the client cannot remedy the default, we have to evict the client or the client becomes insolvent, there may be a continuing reduction in revenues until we are able to find a suitable replacement client, which may affect our ability to pay dividends to Shareholders.

2. Portfolio strategy and industry competition

The ability of the Company to execute on its strategy and deliver performance

Gross risk	Mitigation	Net probability	Net impact
Slight – High	The Group is focused on a single sector of the commercial property market, the property portfolio is 94.3% let, with long unexpired weighted average lease terms and an institutional-grade client base. Occupier demand is structurally supported by a range of sectors. All our leases contain upward-only rent reviews, which are either fixed, RPI/CPI linked or at open market value. These factors help support our asset values and overall portfolio performance. We undertake ongoing reviews of asset performance along with a review over the balance of our portfolio, split between Foundation, Value Add and Land as well as considerations over covenant, location and building type. Our asset performance is regularly appraised and where we feel the assets are mature in terms of performance, they are ear-marked for potential disposal. Our development portfolio is executed in a low-risk manner utilising capital efficient option agreements and only deploying significant capital once we have secured a pre-let or where a depth of occupier demand supports the case for speculative development.	**Medium**	**Slight –** An adverse change in the performance of our property portfolio may lead to lower returns for Shareholders or a breach of our banking covenants. Market conditions may lead to a reduction in the revenues we earn from our property assets, which may affect our ability to pay dividends to Shareholders. A severe fall in values may result in a fall in our NAV as well as a need to sell assets to repay our loan commitments. In a high inflationary environment, certain caps within rent review clauses may prevent us from capturing the full benefit of higher inflation. Competitors in the sector may be better placed to secure property acquisitions, as they may have greater financial resources, thereby partly restricting the ability to grow our NAV, deliver value to shareholders, further diversify the portfolio and add additional liquidity to our shares. Stubborn interest rates have prevented resurgent investment confidence such that investment yields have held flat in 2024.

3. Performance of the sectors clients operate in

Gross risk	Mitigation	Net probability	Net impact
Severe – Medium	The diversity of our institutional-grade client base means the impact of default of any one of our clients is low-moderate. In addition to our due diligence on clients before an acquisition or letting, we regularly review the performance of the sub-sectors, the position of our clients against their competitors and, in particular, the financial performance of our clients. We have also increasingly been diversifying our client exposure to various sub-sectors, for instance within the retail sector i.e. online, food, homeware, fashion, other. The breadth of client sector exposure has been enhanced following the UKCM transaction. The risk around traditional retail is mitigated by the increase in online retail sales and supply chain concerns which has driven occupational demand through Covid-19 and beyond. Our portfolio is modern and of a high-quality nature and therefore is attractive to those with an online presence.	**Medium**	**Moderate –** Our focus on UK logistics means we directly rely on a number of sub-sectors to lease our assets and pay rent. Insolvencies and CVAs among these occupiers could affect our revenues and property valuations. Poor performance and low profitability could affect our ability to collect rental income and the overall level of demand for space. This could in turn impact future rental growth. A broad range of sectors to some degree diversifies risk.

4. Execution of development business plan

There may be a higher degree of risk within our development portfolio.

Gross risk	Mitigation	Net probability	Net impact
Moderate – High	The Company has a significant development pipeline, it represents 5.8% of our gross assets as of 31 December 2024. Our development strategy is low risk, and we target only investing significant capital into a development project once planning has been obtained, a pre-let agreement has been secured or where a depth of occupier demand supports the case for speculative development. Our appetite for speculative development is low and we have a limit of 5% of GAV exposed to speculative developments within our Investment Policy. The risk of cost overruns is mitigated by our experienced development team which includes a thorough procurement and tender process on all contracts, including agreeing fixed priced contracts. We undertake thorough covenant analysis and ongoing reviews of our contractors and secure guarantees in relation to build contracts where possible.	**Low**	**Slight –** Our development activities are likely to involve a higher degree of risk than is associated with standing assets. This could include general construction risks, delays in the development or the development not being completed, cost overruns or developer/contractor default. If any of the risks associated with our developments materialise, this could affect the value of these assets or result in a delay to lease commencement and therefore rental income. The occupational market remains stable and while UK vacancy rates have increased over 2024, they have stabilised at around 5.6% and rental growth remains healthy.

Financial Risks

5. Debt financing strategy – availability and cost of debt

Gross risk	Mitigation	Net probability	Net impact
Medium – Moderate	The Group has diversified sources of long-term unsecured borrowings in the form of £500 million in Public Bonds, £400 million in Unsecured Private Loan Notes and £250 million in Green Bonds. We also have £950 million of bank finance available split across three revolving credit facilities and a term loan, and £412.9 million of secured debt across five separate facilities. This helps keep lending terms competitive. This access to multiple debt markets should enable the Group to raise future liquidity in a more efficient and effective manner via an unsecured platform whilst at competitive rates. The Board keeps liquidity and gearing levels under review, as well as monitoring the bank covenants and any associated headroom within covenant levels. The Group has undrawn headroom of over £500 million within our current debt commitments, at 31 December 2024. The Group aims to minimise the level of unhedged debt with Sonia exposure, by using hedging instruments with a view to keeping variable rate debt approximately 90%+ hedged.	**Medium**	**Moderate –** Without sufficient debt funding, we may be unable to pursue suitable investment/development opportunities in line with our investment objectives. If we cannot source debt funding at appropriate rates, either to increase the level of debt or re-finance existing debt, this may impair our ability to maintain our targeted dividend level and deliver attractive returns to shareholders. Interest rates on the majority of our debt facilities are fixed or subject to interest rate hedging providing protection against significant increases in interest rates. We do, however, have modest levels of exposure to variable rate debt. Our next loan expiry is mid-2026, the rate of which is lower than prevailing rates and this is likely to mean that any new debt entered into is more expensive than our average cost of borrowing.

Corporate Risk

6. We rely on the continuance of the External Manager

Gross risk	Mitigation	Net probability	Net impact
Slight – High	Unless there is a default, either party may terminate the Investment Management Agreement by giving not less than 24 months' written notice. The Management Engagement Committee regularly reviews and monitors the Manager's performance. In addition, the Board meets regularly with the Manager, to ensure that a positive working relationship is maintained and from time to time with the Manager's ultimate parent abrdn. Following the acquisition of 60% of the Manager by abrdn, this enhances the resources available to the Manager. In May 2022, Shareholders approved the extension of the Agreement with a new 5 year term. A 24 month written notice cannot be served by either party, unless there is a default, prior to May 2025.	**Medium**	**Moderate –** We continue to rely on the Manager's services and its reputation in the property market. As a result, the Company's performance will, to a large extent, be underpinned by the Manager's abilities in the property market and its ability to asset manage and develop the Company's property portfolio. Termination of the Investment Management Agreement would severely affect the Company's ability to effectively manage its operations and may have a negative impact on the share price of the Company.

Taxation Risk

7. UK REIT status

We are a UK REIT and have a tax-efficient corporate structure, which is advantageous for UK Shareholders. Any change to our tax status or in UK tax legislation could affect our ability to achieve our investment objectives and provide favourable returns to Shareholders.

Gross risk	Mitigation	Net probability	Net impact
Severe – High	The Board is ultimately responsible for ensuring we adhere to the UK REIT regime. It monitors the REIT compliance reports provided by: • the Manager on potential transactions; • the Administrator on asset levels; and • our Registrar and broker on shareholdings. The Board has also engaged third-party tax advisers to help monitor REIT compliance requirements. None of the compliance tests are close to exceeding the relevant thresholds.	**Low**	**Moderate –** If the Company fails to remain a REIT for UK tax purposes, our property profits and gains will be subject to UK corporation tax.

Other Risk

8. Macro-economic uncertainty

Gross risk	Mitigation	Net probability	Net impact
Severe – High	A severe economic downturn could be caused by geopolitical events, civil unrest, terrorism or a pandemic. The Group mitigates the impact of macro-economic issues by investing in high-quality investment assets that operate in a sector that has strong structural drivers and a supply demand imbalance in favour of owners. The Group monitors its client's financial health regularly and where appropriate and possible, enters into long leases. The Manager continues to monitor the business continuity plan of its suppliers to ensure the impact to the Group and its service providers is minimised. The Manager continues to monitor the impact that the prevailing economic environment is having on the Group's clients in order to protect the Group's cash flow regarding rent collection, impact on dividends and banking covenants. Covid-19 and supply chain concerns accelerated behavioural patterns such as online shopping, which have resulted in healthy levels of occupational demand. These factors are supportive of our business model.	**Low**	**Moderate –** a severe downturn in the economy could impact a number of the Group's clients, contractors, and service providers, which could mean a loss of rental income and disruption to operations. Following Covid-19, there has been severe pressure on supply chains which led to high levels of inflation and whilst inflation has moderated, interest rates have reduced more slowly and this has meant that occupier confidence has remained subdued, resulting in slower occupier decision making.

9. Physical and transition risks from climate change

Gross risk	Mitigation	Net probability	Net impact
Moderate – Medium	The Manager operates with a dedicated sustainability team as well as an ESG Committee who take operational responsibility for the Company's ESG matters. The Manager regularly reports to the Board, including monitoring against the Company's stated ESG targets and providing updates on future initiatives. ESG is embedded within our investment and development processes such that climate-related risks are assessed when purchasing assets and minimum standards of BREEAM Excellent, EPC A and net zero carbon in construction are targeted for development. We also actively participate and engage in several Real Estate and Sustainability organisations (such as GRESB, the Better Buildings Partnership, the UK Green Building Council and the British Property Federation) to ensure we are aware of future initiatives and challenges. We measure and report annually on our key ESG metrics to demonstrate how we are managing our ESG risks. In 2024, TBBR updated its physical and transition climate risk assessments to understand the potential impacts of climate change on standing assets, using scenario analysis. We continue to integrate the outcomes of the assessments into our investment processes, including pre-acquisition due diligence, design specifications, and asset management plans. We are rated by ESG Rating Agencies that demonstrate our ability to manage ESG risks, for example: • Our Sustainalytics rating remained as Negligible Risk in 2024 in reflection of our management processes, as well as being awarded the Global Top 50 Badge. • We were awarded 4 Green Stars by GRESB and the Global Sector Leader for Development. • We were awarded an EPRA sBPR Gold for sustainability reporting for the fourth consecutive year. • We achieved a CDP B rating for the second year running. The buildings we develop are designed for increased resilience against the impact of extreme weather. In respect of risks resulting from climate change, all our properties are insured. Our leases are 'Full Repairing and Insuring' (triple net) and so in the event that a property is unoccupiable due to damage from extreme weather, rent remains payable under the terms of the lease; correspondingly our clients can insure against loss of trade resulting from such events.	**Medium**	**Slight –** Environmental sustainability is a challenge that is currently affecting people and businesses. Changes in social attitudes, laws, regulations, taxation, and particularly client and investor preferences associated with this has the potential to cause significant reputational damage and financial impact on our business, should the Company not comply with laws and regulations, meet its ESG targets, or not meet stakeholder expectations in addressing these challenges. ESG requirements are likely to increase over time, including in relation to a transition to a low-carbon economy, and therefore the impact of a failure to comply has the potential to be even greater in the future, including through impacts on the value and liquidity of real estate assets. Climate change has become increasingly relevant to real estate, particularly physical damage caused by wind, fire and flood. The Group's properties are generally modern and designed to withstand demanding weather but extreme events can exceed construction design parameters and damage from such events can impact on operational continuity for our clients. TCFD risk management response is included in the Annual Report. See pages 61 and 63 of the 2024 report for reference.

Going Concern and Viability Statement

The Strategic Report describes the Group's financial position, cash flows, liquidity position and borrowing facilities. The Group's cash balance as at 31 December 2024 was £80.6 million. It also had a further £519 million of undrawn commitments under its senior debt facilities, of which £101.2 million (see note 35) was committed under various construction contracts and a committed asset purchase at the year end.

The Group currently has substantial headroom against its borrowing covenants, with a Group LTV of 28.8% as at 31 December 2024. A significant part of the Group's borrowings are on an unsecured basis, providing the Group with a deeper pool of liquidity and with more flexibility over its arrangements.

In July 2024, the Group refinanced the £150.0 million Barclays RCF via entry into a new £150.0 million two-year facility, split between a £75.0 million term loan and a £75.0 million RCF. The revised facility is provided on an unsecured basis, so all previous security was released, and the margin was reduced and brought into line with the Company's corporate RCF pricing. The facility has two separate one-year extension options available, which subject to lender consent, could extend the maturity of the facility to 2028.

This assisted the Group in positioning its weighted average maturity across its borrowings of 4.5 years as at 31 December 2024 (2023: 5.2 years). As a result and following rigorous stress testing of financial forecasts in relation to future viability, the Directors believe that the Group is well placed to manage its current and future financial commitments.

The Group benefits from a secure income stream of leases with an average unexpired term of 10.3 years, containing upward-only rent reviews, which are not overly reliant on any one client and present a well-diversified risk. The portfolio was 94.3% let (2023: 97.5%) at the year end.

The Directors have performed an assessment of the going concern in relation to the Company and Group for a period of at least 12 months from the date of approval of the Company and Group's financial statement. The Board is, therefore, of the opinion that the going concern basis adopted in the preparation of the Annual Report is appropriate.

Assessment of viability

The period over which the Directors consider it feasible and appropriate to report on the Group's viability is the five-year period to 28 February 2030. This period has been selected because it is the period that is used for the Group's medium-term business plans and individual asset performance analysis.

The assumptions underpinning these forecast cash flows and covenant compliance forecasts were sensitised to explore the resilience of the Group to the potential impact of the Group's significant risks, or a combination of those risks. The key assumptions sensitised for the forecast cash flows in downside scenarios were portfolio value, which was sensitised by up to a 25% reduction or to vacant possession value upon lease expiry, occupation of buildings where assumptions were made over certain lease events and client defaults with sensitivities, rental uplifts assumed to be between 0% and 7% per annum upon reviews, cost inflation was assumed to be up to 6% per annum and debt cost assumptions varied upon refinancing taking into account current market interest rates.

The principal risks on pages 72 to 75 summarise those matters that could prevent the Group from delivering on its strategy. A number of these principal risks, because of their nature or potential impact, could also threaten the Group's ability to continue in business in its current form if they were to occur.

The Directors paid particular attention to the risk of a deterioration in economic outlook which would impact property fundamentals, including investor and occupier demand which could have a negative impact on valuations, and give rise to a reduction in the availability of finance. The Board also paid attention to the impact of either a delay to the receipt of planning permission or the risk of not achieving planning consent as well as the impact of inflationary costs on raw materials in the current environment. Given the flexibility within the land portfolio, in a downturn scenario the Group could effectively pause all uncommitted development. The remaining principal risks, whilst having an impact on the Group's business model, are not considered by the Directors to have a reasonable likelihood of impacting the Group's viability over the five-year period to 28 February 2030.

The sensitivities performed were designed to be severe but plausible; and to take full account of the availability of mitigating actions that could be taken to avoid or reduce the impact or occurrence of the underlying risks:

Downturn in economic outlook: Key assumptions including occupancy, void periods, planning risk, rental growth and yields were sensitised to reflect reasonably plausible levels associated with an economic downturn. The assumptions were considered in light of the current inflationary environment and associated impact on interest rates in particular. Various forms of sensitivity analysis have been performed, in particular with regard to the financial performance of the Group's clients, taking into account any discussions held with clients surrounding their operational performance, including their current status on rent collection.

Restricted availability of finance: The Group does not have a significant refinancing event occurring until June 2026. Financing is arranged in advance of expected requirements and the Directors have reasonable confidence that additional or replacement debt facilities will be put in place when the need arises. Some assurance can be taken from the increase in the RCF agreement in October 2023 from a supportive set of lenders to the Group as well as the refinance of UKCM debt in July 2024. The Group also benefits from a Baa1 credit rating from Moody's and has a track record of strong execution when it has previously sought to raise debt in the public markets. This provides the Directors with comfort that the refinancing of debt as it falls due over the viability period. Furthermore, the Group has the ability to make disposals of investment properties to meet the future financing requirements under the development portfolio.

Viability Statement

Having considered the forecast cash flows and covenant compliance and the impact of the sensitivities in combination, the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period ending 28 February 2030.

The Strategic Report was approved by the Board and signed on its behalf by:

Aubrey Adams OBE, FCA, FRICS
Independent Chair
27 February 2025

GOOD GOVERNANCE IS THE CORNERSTONE OF A THRIVING ORGANISATION

Aubrey Adams OBE, FCA, FRICS
Independent Chair

Governance highlights for 2024

- As approved by Shareholders at a General Meeting in May 2024, completed the acquisition of UK Commercial Property REIT Limited ("UKCM").
- Conducted a strategic review of the business in October 2024.
- Broadened the Company's investment case via the investment into data centres post-year end.
- In addition to UKCM, oversaw the successful acquisition of one other asset for £47.7 million.
- Oversaw the successful disposal of five assets, worth £140.4 million.
- Met all of the requirements set out in the Financial Reporting Council's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting.
- Enhanced the Company's oversight of the risk management process.
- Completed the brand integration exercise between the Company and Tritax Symmetry (now Tritax Big Box Development), including upgrading the Company's website.
- Awarded a Sustainalytics score of 6.4 (Negligible Risk).
- Reviewed the Manager's succession planning framework.
- Undertook a review of NED fees.
- Conducted an externally-facilitated Board and Committee effectiveness review.
- Appointed new Independent Non-Executive Director, Kirsty Wilman, on 1 September 2024.
- Held two Board training sessions.

Dear Shareholders,

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 the Company is positioned for long-term success. The Board continues to support the Manager in potential investment and divestment decisions, including exploring possible opportunities in the urban logistics market, and ensures ongoing compliance with the Company's Investment Policy and Objectives. The Board held a strategy day in October 2024 which provided an opportunity to focus on the strategic opportunities as well as the prevailing macroeconomic climate outside the routine consideration of the Board.

During the year, the Company acquired the entire issued share capital of UK Commercial Property REIT Limited ("UKCM"), whose high-quality urban logistics portfolio complemented the Company's existing strategy, offering opportunities to increase income, capital growth and cost savings. The all-share offer for UKCM was completed on 16 May 2024, through the issue of 577 million new ordinary shares in the Company at a price of 166.96 pence per share. This reflected consideration paid of £962.9 million.

The Board also agreed, as part of its annual strategy meeting, that it should be allocating capital towards data centre assets. As a result, on 21 January 2025, the Company announced that it had acquired a 74-acre site at Heathrow, London, a key FLAP-D prime EMEA data centre location (the "Manor Farm site"), with a view of developing one of Europe's most sought after data centres.

The Company entered into a development management agreement with the Manager, which is deemed to be a relevant related party transaction under UK Listing Rule 11.5.4 R. The Board, through its thorough and detailed due diligence process, considered this transaction fair and reasonable as far as the Shareholders of the Company are concerned.

Delivering on our objectives

As well as the UKCM and Manor Farm site acquisitions, the Company successfully sold five assets in the year to 31 December 2024 and received a total consideration of £140.4 million (£94.4 million of which related to the four non-strategic assets acquired through the UKCM acquisition). Post year end, a further £165.8 million of disposals (£86.8 million of which two were UKCM non-strategic assets) have been completed. These disposals were conducted at or above most recent valuations, and delivered a blended Net Initial Yield of 6.2%. All these disposals are consistent with the Company's strategy, the proceeds from which are being recycled into higher returning opportunities, primarily within the development pipeline.

I am pleased to report that we further improved our Sustainalytics score to a 6.4 (Negligible Risk) and were awarded the Global Top 50, Industry Top Rated and Region Top Rated badges. During this year, we also continued to enhance our ESG strategy, including improved collection of ESG data and ESG integration across the asset lifecycle. The Company continues to work with CBRE to improve our overall TCFD disclosure. We also continue to embed climate reporting into our governance framework and align the carbon performance of the portfolio to the Paris Agreement decarbonisation pathways. Karen Whitworth, our Senior Independent Director ("SID") and "ESG Champion", engages directly with the Manager's ESG Director on various ESG topics. For further information, please see pages 46 to 52.

Post year end, as well as the Manor Farm site, the Group simultaneously acquired a 50% share in a joint venture with a leading European utility company to provide 147 MW of power to the site. Following these acquisitions, the Group intends to develop, subject to planning consent, one of the UK's largest data centres in a prime London location and deliver exceptional returns for the Company's Shareholders.

Board and Committee composition

The Company has a strong and fully independent Board with a diverse range of skills and extensive real estate and logistics experience. In 2023, the Nomination Committee had recommended the recruitment of an additional Independent Non-Executive Director with the requisite real estate experience. On 1 September 2024, we were delighted to welcome Kirsty Wilman to the Board. Kirsty brings a wealth of experience having held senior operations and finance roles in the real estate industry. Further details can be found in the Nomination Committee report on pages 98 to 101.

In line with the Board's Diversity and Inclusion Policy, I am pleased to report that the Company achieved all three UK Listing Rules diversity targets during the year, with more than 40% female Board Directors, one of the senior positions being held by a female and one individual from an ethnic minority background. Further detail on the Board's approach to diversity can be found on page 101.

The skills and diversity of the Board will continue to be monitored by the Nomination Committee in its wider Board succession planning. For further details, please see page 101.

Board development

We continue to receive regular updates and briefings on corporate governance as well as wider regulatory changes within the market, such as the impact of the Audit and Corporate Governance reform, to ensure we comply with all applicable laws and regulations.

During the year, the Board completed two training sessions which have been facilitated by a combination of external advisers and representatives of the Manager. The training sessions help to inform and upskill the Board and ensure we have sufficient knowledge to discharge our duties effectively. The Board is confident that it is fully prepared in order to comply with the provisions of the new 2024 AIC Code of Corporate Governance, which came into effect on 1 January 2025. Further details can be found on page 99.

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 (the "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 86 and 87**

Board effectiveness review

During the year, in compliance with Principle L and Provision 26 of the AIC Code, the Board completed an external Board and Committee effectiveness review. This exercise reviewed the performance of the Board, its Committees and my role as Independent Chair. We are pleased to report that the review was positive, demonstrated a high level of challenge and support, and highlighted a few priorities and potential efficiency enhancements for the Board to focus on over the next period. Further details can be found on page 100.

For 2025, this exercise will be managed internally.

Board engagement

We believe that our positive engagement and working relationship with the Manager are 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.

We regularly engage with the Company's advisers, 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"). These updates are also uploaded to the Company's website **(https://www.tritaxbigbox.co.uk/investors/regulatory-news).**

Priorities for 2025

Looking ahead to 2025, the Board will continue to seek alignment with best governance practice and, as diversity targets have been achieved, to monitor ongoing compliance with all applicable rules and regulations.

Aubrey Adams OBE, FCA, FRICS
Independent Chair
27 February 2025

THE RIGHT LEADERSHIP

Aubrey Adams OBE, FCA, FRICS

Independent Chair

Appointed 11 September 2017

Tenure 7 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

Key external appointments

- Chairman of the board of trustees of Wigmore Hall since May 2011
- Director of Nameco (No.522) Ltd since 2015

Karen Whitworth FCA

Senior Independent Director

Appointed 21 October 2019

Tenure 5 years 5 months

Relevant skills and experience

- Over 20 years of board level experience in public and private organisations
- Strong operational, strategic, commercial, customer and supply chain background gained through holding senior positions at J Sainsbury plc and at Intercontinental Group plc
- Non-executive director and chair of the audit and risk committee of Pets at Home Group plc until May 2021
- Supervisory member and audit committee member of GS1 UK Limited from 2013 to 2018
- Independent adviser to Growup Farms Limited from 2019 to 2025
- Managing director of Whitworth Holdings Limited from 2012 to 2022, when the business was sold
- Chairman's adviser and finance director at BGS Holdings Limited (trading as "Tunetribe") from 2005 to 2007
- Fellow of the Institute of Chartered Accountants in England and Wales

Key external appointments

- Non-executive director, chair of the audit committee, and member of the remuneration and sustainability committees of Tesco plc since June 2021
- Non-executive director and audit committee chair of The Rank Group Plc since November 2019 and senior independent director since January 2022
- Non-executive director of Nuffield Health (a not-for-profit registered charity) since September 2023

Elizabeth Brown

Independent Non-Executive Director

Appointed 15 December 2021

Tenure 3 years 3 months

Relevant skills and experience

- Brings a clear focus on consumer trends and market insights, identifying growth opportunities and translating these into value-creating strategies
- 22 years' experience in strategy and M&A, as a former strategy consultant with L.E.K. Consulting from 2002 to 2005
- Investment director at the RBS Special Opportunities Fund from 2005 to 2012
- Head of Corporate Development from 2013-2017 and Strategy Director of Services from 2016 to 2017 at Curry's
- Previously Group Strategy Director at Diageo from 2019 to 2023

Key external appointments

- Chief Strategy Officer at Inchcape plc since February 2023

A Audit and Risk Committee
M Management Engagement Committee
N Nomination Committee
Chair

Wu Gang

Independent Non-Executive Director

Appointed 1 October 2021 **Tenure** 3 years 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 CITIC CLSA, the international investment banking platform of CITIC Securities, from 2015 to January 2019
- Held senior level positions at ICBC International, The Royal Bank of Scotland, and HSBC in Hong Kong and London and spent earlier career with Merrill Lynch and Goldman Sachs
- Served as a non-executive director of Laird Plc from January 2017 to June 2018
- Served as a Senior Advisor at Rothschild & Co Hong Kong Limited from January 2019 to January 2023

Key external appointments

- Non-executive director of Ashurst LLP since April 2019
- Non-executive director of IG Group Holdings plc since October 2020

Alastair Hughes FRICS

Independent Non-Executive Director

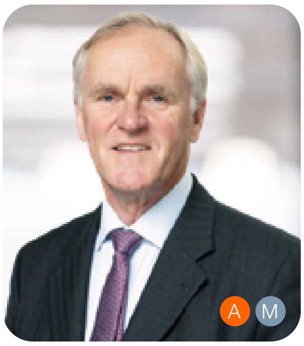
Appointed 1 February 2019 **Tenure** 6 years 1 month

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 Lang LaSalle Inc ("JLL"), previously serving as managing director of JLL in the UK, before becoming CEO for Europe, Middle East and Africa and then CEO for Asia Pacific
- Fellow of the Royal Institution of Chartered Surveyors

Key external appointments

- Chair of Schroder Real Estate Investment Trust Limited since October 2021, non-executive director since April 2017
- Non-executive director of The British Land Company plc since January 2018
- Non-executive director of QuadReal, a Canadian Property Group, since October 2019



Richard Laing FCA

Independent Non-Executive Director

Appointed 16 May 2018 **Tenure** 6 years 10 months

Relevant skills and experience

- Experienced non-executive director and non-executive chairman of quoted and unquoted businesses
- In-depth knowledge of financial matters through his previous roles 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 five years at PricewaterhouseCoopers
- Non-executive director and chairman of the audit and risk committee of JP Morgan Emerging Markets Investment Trust plc from January 2015 to February 2024
- Fellow of the Institute of Chartered Accountants in England and Wales

Key external appointments

- Chairman of 3i Infrastructure plc since January 2016
- Trustee of the Leeds Castle Retirement Benefit Scheme since September 2012

Kirsty Wilman FCA

Independent Non-Executive Director

Appointed 1 September 2024 **Tenure** 6 months

Relevant skills and experience

- More than 20 years' finance and operational experience
- Chief Operating Officer for the Real Estate Division at Federated Hermes Ltd from 2023 to 2024
- Various operations and finance roles held at Federated Hermes from 2010 to 2024 including responsibility for Real Estate and Private Credit portfolios
- Previous roles at Ernst & Young LLP and Kingston Smith LLP from 2002 to 2010
- Non-executive director of Real Estate Balance from 2022 to 2024
- Fellow of the Institute of Chartered Accountants in England and Wales

Key external appointments

- Chief Operating and Financial Officer at Rebalance Earth Venture Limited since June 2024

OUR CORPORATE GOVERNANCE STRUCTURE

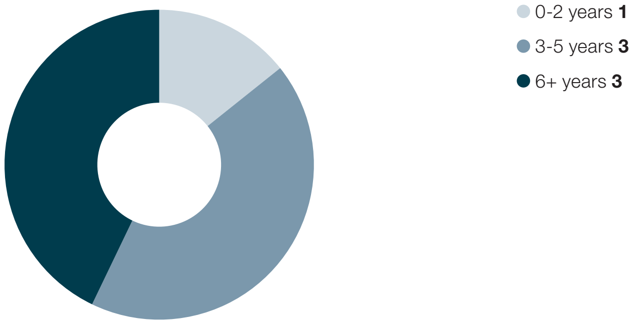
Board relevant sector experience

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. Karen Whitworth, Wu Gang and Kirsty Wilman are also considered to be financial industry experts by the Board.

Board gender split

Non-Executive Director tenure



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 Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2018, which replaces 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.

EX Executive Committee
I Investment Committee
O Operations Committee
R Risk Committee
E ESG Committee
G Green Finance Sub-Committee
Chair

Colin Godfrey BSc (Hons) MRICS

CEO, Tritax Big Box REIT plc

Relevant skills and experience

Colin is responsible for leading the Group's fund management function and has 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 the Tritax Group in 2004.

Frankie Whitehead FCA

CFO, Tritax Big Box REIT plc

Relevant skills and experience

Frankie is responsible for all aspects of the Group's finance and corporate reporting functions. He brings his extensive experience of capital markets and complex corporate transactions to the role. Frankie is a Fellow of the Institute of Chartered Accountants in England and Wales. He 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 BSc (Hons) MRICS

Head of Asset Management

Relevant skills and experience

Petrina leads the Group's asset and property management service, incorporating ESG and insurance functions. She has developed the capabilities of the team to extend the skills in logistics and industrial operations, integrating ESG and power considerations into analysis. Petrina qualified as a chartered surveyor in 1998. Petrina has over 27 years' property and finance related asset management experience having held roles at Knight Frank and King Sturge (now JLL) before joining the Tritax Group in 2007, and becoming a partner in 2017.

Bjorn Hobart BSc (Hons) MA, MRICS

Investment Director

Relevant skills and experience

Bjorn is responsible for managing the Company's investment portfolio and serves as Chair 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 the Tritax Group in 2011, becoming a partner in 2017.

James Dunlop BSc (Hons) MRICS

CEO, Investment, Tritax Group

Relevant skills and experience

James is responsible for identifying, sourcing and structuring suitable investment assets for the Company. James started his career at Weatherall Green and Smith (now BNP Paribas Real Estate) where he qualified as a chartered surveyor in its Investment Development and Agency division in 1991. In 2000, James formed SG Commercial, then became a partner of the Tritax Group in 2005.

Henry Franklin Qualified Solicitor, CTA

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 as a partner in 2008.

The Tritax Big Box Team

- EX Executive Committee
- I Investment Committee
- O Operations Committee
- R Risk Committee
- E ESG Committee
- G Green Finance Sub-Committee

Hana Beard
Group Company Secretary

Charlie Withers
Partner, Development Director

Mark Fergusson
Head of Occupational Leasing

Chase French
Head of Financial and Portfolio Analytics

Henry Stratton
Head of Research

Catherine Fry
Head of Risk and Compliance

Ian Brown
Head of Corporate Strategy and Investor Relations

Alan Somerville
ESG Director

Andrew Dickman
MD, Development

Will Oliver
FD, Development

Jonathan Wallis
Development Director

Tom Leeming
Development Director

> **To read more about our colleagues please go to https://www.tritaxbigbox.co.uk/about-us/our-team/**

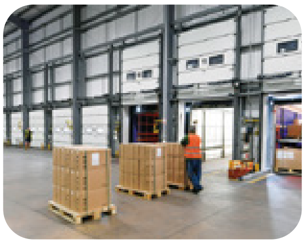
KEY ACTIVITIES OF THE COMPANY IN 2024

January to March 2024

- Declared an interim dividend of 2.05 pence per share, in respect of the three months to 31 December 2023.
- Further improved our Sustainalytics score to a 6.4 (Negligible Risk) and awarded the Global Top 50, Industry Top Rated and Region Top Rated badges.
- Reached agreement on the key terms of the all-share offer for the entire issued share capital of UK Commercial Property REIT Limited ("UKCM").
- Approved the Annual Report and Accounts for the year ended 31 December 2023.
- Agreed action plan following Board and Committee effectiveness review to focus on in 2024.
- In addition to UKCM, oversaw the successful acquisition of one other asset for £47.7 million.
- Held a Shareholder governance roadshow with the Chair and/or SID meeting seven institutions.

April to June 2024

- Declared an interim dividend of 1.825 pence per share, in respect of the three months to 31 March 2024.
- Held the Company's Annual General Meeting.
- Held a General Meeting to seek Shareholder approval for the UKCM acquisition. Once obtained, completed the UKCM acquisition shortly after.
- Held a Board training session (facilitated by Ashurst), covering audit and corporate governance reforms, risk management and internal control and greenwashing.



July to September 2024

- Declared an interim dividend of 1.825 pence per share, in respect of the three months to 30 June 2024.
- Approved the interim results 2024.
- Appointed a new Non-Executive Director, Kirsty Wilman.
- Conducted the performance review of the Manager.
- Refinanced the Company's £150.0 million loan with Barclays.

October to December 2024

- Declared an interim dividend of 1.825 pence per share, in respect of the three months to 30 September 2024.
- Held the annual Strategy meeting.
- Reviewed and enhanced governance procedures in respect of related party considerations for data centre strategy.
- Conducted an externally-facilitated Board and Committee effectiveness review.
- Completed a brand integration exercise between the Company and TBBD, with an upgrade to the Company's website that includes an integrated development element.
- Held a Board training session (facilitated by the TBBD team), covering contractor monitoring/market data and site analytics.
- Held a Shareholder governance roadshow with the Chair and/or SID meeting eleven institutions.
- Completed asset disposals for a total consideration of £140.4 million.
- Conducted the performance review of the Company's key suppliers.

Post year end

- Declared an interim dividend of 2.185 pence per share, in respect of the three months to 31 December 2024.
- Agreed the 2025 action plan following the externally-facilitated Board and Committee effectiveness review.
- Approved the Annual Report and Accounts for the year ended 31 December 2024.
- Completed further asset disposals for a total consideration of £165.8 million.
- Reviewed the Manager's succession plans.
- Completed purchase of the Manor Farm site and of a 50% share in joint venture with leading European utility company to deliver 147 MW of power to the Manor Farm site (subject to planning consent).
- Held a Board training session on data centres.

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.	Strategic Report pages 1 to 76 Board Leadership and Company Purpose pages 88 to 91
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.	Strategic Report pages 1 to 76 Board Leadership and Company Purpose pages 88 to 91 Division of Responsibilities pages 94 to 97
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.	Principal Risks and Uncertainties pages 70 to 75 Section 172 Statement page 67 Audit, Risk and Internal Control pages 102 and 103 Audit and Risk Committee Report pages 104 to 107
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.	Stakeholders pages 40 to 41, 67 to 69 Section 172 Statement page 67
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.	Board Leadership and Company Purpose pages 88 to 91 Division of Responsibilities pages 94 to 97
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.	Division of Responsibilities pages 94 to 97 Composition, Succession and Evaluation pages 80 and 81, 98 to 101
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.	Board Leadership and Company Purpose pages 88 to 91 Division of Responsibilities pages 94 to 97 Audit and Risk Committee Report pages 104 to 107 Management Engagement Committee Report pages 108 to 110
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.	Division of Responsibilities pages 94 to 97 Nomination Committee Report pages 98 to 101
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.	Nomination Committee Report pages 98 to 101
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.	Composition, Succession and Evaluation pages 80 and 81, 98 to 101

Composition, succession and evaluation continued	
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.	Nomination Committee Report pages 98 to 101
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.	Audit, Risk and Internal Control pages 102 and 103 Audit and Risk Committee Report pages 104 to 107
Principle N. The board should present a fair, balanced and understandable assessment of the company's position and prospects.	Audit and Risk Committee Report pages 104 to 107 Directors' Responsibilities Statements page 116
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.	Principal Risks and Uncertainties pages 70 to 75 Viability Statement page 76 Audit, Risk and Internal Control pages 102 and 103 Audit and Risk Committee Report pages 104 to 107 Notes to the Consolidated Accounts pages 128 to 149
Remuneration	
Principle P. Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success.	Management Engagement Committee Report pages 108 to 110 Directors' Remuneration Report pages 111 to 113
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.	Directors' Remuneration Report pages 111 to 113
Principle R. Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances.	Directors' Remuneration Report pages 111 to 113

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 76 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 76 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 Control on pages 102 and 103 of this Corporate 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 and principal risks and uncertainties facing the Company and the Group are considered.	Further details can be found in Principal Risks and Uncertainties on pages 70 to 75 of the Strategic Report.
Fair, balanced and understandable	The Independent Non-Executive 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 104 to 107.
Appointment of the Manager	The Independent Non-Executive Directors consider the continuing appointment of the Manager on the terms agreed in the Investment Management Agreement dated 11 September 2017, as amended on 4 May 2022, to be in the best interests of the Company.	Further details are set out in the Management Engagement Committee Report on pages 108 to 110.
Section 172 of the Companies Act 2006	The Independent Non-Executive Directors have considered the requirements of Section 172 when making strategic decisions.	Further details are set out on page 67 of the Strategic Report.
TCFD	The Independent Non-Executive Directors have voluntarily reported on the TCFD requirements.	Further details are set out on pages 53 to 64 of the Strategic Report.

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 are 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 clients 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 and divestment proposals and decisions to enable the Independent Non-Executive Directors to undertake their responsibilities and duties appropriately. During the consideration of the data centre opportunities, the Board adopted enhanced governance procedures specifically relating to the related party elements of the data centre strategy, which involved two of the Independent Non-Executive Directors being in attendance at the Manager's Investment Committee meetings when data centre topics were being discussed. Additionally, due to the nature of the transaction, it was agreed that the decision to invest in data centres should be a matter reserved for the Board.

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

There is frequent engagement and interaction between the Manager and Tritax Big Box Development Holdings Ltd ("TBBDHL", formerly known as Tritax Symmetry Limited) regarding the development pipeline and the status of current projects, and the Board is kept abreast of any notable updates to ensure appropriate oversight and governance. A brand integration exercise between the Company and the Tritax Big Box Development ("TBBD") business took place during the year, resulting in future-proofing of the business. Regular meetings are being held to provide a forum for reporting on detailed project matters by TBBD to the Manager and for discussion of the wider business strategy.

The Manager retains approval rights in relation to transactional documentation proposed to be entered into by TBBD and subsidiaries within the Group.

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 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 ESG targets and KPIs;
- 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 and share price performance;
- specific regulatory, compliance or corporate governance updates;
- a biannual risk management review;
- dividend declaration approval (quarterly);
- investor relations update; and
- marketing and communications update.

Board reserved matters

- Reviewing and approving Board composition, including the appointment of Independent Non-Executive 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 policy 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.
- Approving the issuance of new Ordinary Share capital.

Strategy

The 2024 strategy meeting took place in October 2024 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, key members of the Manager and some of the Company's key advisers. The advisers provided the Board with an update on the European data centre market, the different type of data centre operators and the development process for data centres. This was followed by the Manager displaying its "power-first" strategy and some of the near term opportunities that the Manager had been pursuing.

The Board and Manager then discussed the risks of investing in data centres, alongside the Manager's view over the level of return it should expect from data centres, compared to logistics assets.

The Board felt that the alternative opportunity to allocate certain capital to data centres was a compelling one, and approved the concept of data centre investment.

> **For more information on the Board's decision to invest in data centres, please see Stakeholder Questions on page 40 and Key Decisions of the Board on page 93**

The Board agreed to continue to monitor the performance of the investment portfolio and where appropriate, recycle capital into opportunities that would aid in improving performance. The Board also agreed that the returns from the Company's logistics development pipeline remained attractive in the context of heightened cost of capital, on a risk-adjusted basis. The Board also reviewed other opportunities and agreed to continue to seek to diversify the portfolio further with regards to asset size.

> **Please see page 10 for more details on strategy in the Strategic Report, and page 2 for more details on Purpose**

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

Our focus in 2025 and beyond

For 2025 and beyond, we will be focusing on the three, clear, multi-year growth drivers of the business:

- Driving net rental income growth through the rental reversion capture within the portfolio.
- Delivering further development activity through a combination of pre-let and speculative schemes.
- Progressing the data centre opportunity at Manor Farm site which can deliver exceptional returns for our Shareholders.

The Board is also looking forward to resuming its site visit programme in 2025.

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 Independent 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.

ESG

Delivering ESG performance is core to our business. The ESG Committee of the Manager regularly reports to and engages with the Board on its ESG activities. The ESG Committee has ultimate responsibility for all ESG-related policies of the Manager and recommends them to the Operations Committee, for final review. For full details of all policies, please refer to the Manager's website. The Board's ESG Champion meets regularly with the Manager's ESG Director to discuss progress on the ESG strategy and has in-depth reviews into key ESG issues relevant to the Board and the Company. This year, key matters discussed included:

- Impact on capital and rental values from ESG and carbon performance;
- Evolving ESG regulation; and
- Evolving client requirements for sustainable buildings.

> **Please see page 53 to 64 for the TCFD disclosures, including further information on the board's oversight of climate change**

During the year, the Board continued to embed ESG within the Company's strategy and provide ESG focus at Board meetings. The Company improved its performance against several key ESG benchmarks and indices and maintained its performance against others (see performance on pages 47 to 50).

The Company has made a commitment to achieve net zero carbon ("NZC") for its direct activities (Scope 1 and 2 emissions) by 2025, for Scope 3 emissions related to construction by 2030, and for its total Scope 3 emissions by 2040. To effectively manage the decarbonisation of the portfolio, the Company instructed Mace Consulting to build a bespoke decarbonisation data platform to allow detailed asset-by-asset analysis of carbon performance. This new platform will integrate our asset NZC roadmaps with our asset management plans. We have engaged extensively over the year with the new pilot UK Net Zero Carbon Buildings Standard ("UKNZCBS") to ensure that our future plans align with market evolution.

To ensure that we are prepared for future regulatory change the Company undertook a double materiality assessment during 2024 and has scoped out the objectives of the TNFD disclosure regime.

> **For further information on our ESG strategy, targets and performance, please refer to pages 46 to 52**

To demonstrate its own commitment to sustainability, the Manager procures renewable energy and sends zero waste to landfill. It also retained its achieved ISO 14001 accreditation in December 2024.

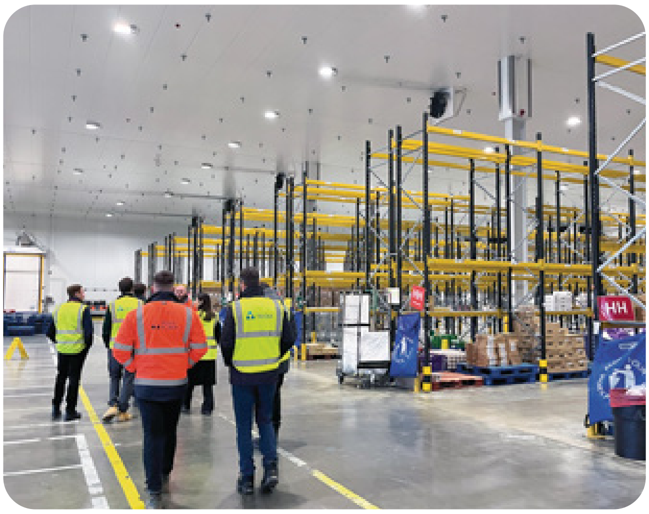
Relations with Shareholders and other stakeholders

Maintaining strong relationships with the Company's Shareholders and other stakeholders with an understanding of their priorities and concerns is a key objective of the Board. The Chair and the Senior Independent Director ("SID"), alongside the CEO and CFO for Tritax Big Box REIT plc and the Head of Strategy and Investor Relations of the Manager are the Company's principal spokespeople who regularly communicate with the Company's Shareholders, the press, analysts, investors and other stakeholders. All Independent Non-Executive Directors are available to speak to Shareholders on any matters relating to the Company. Throughout the year the representatives of the Manager attended Shareholder conferences and devoted time to meeting with existing Shareholders and prospective new investors.

During the year, the Board wrote to larger Shareholders to offer meetings with the Chair and SID. The Chair and SID met with eleven institutions in December 2024, representing approximately 15% of the share register. Key areas of discussion included the Company's strategy, succession planning, Company structure and formulation of the fee paid to the Manager.

> **Further details of the Company's engagement with our other key stakeholders can be found on pages 67 to 69 and 92 and 93**

Investor site visit to Rugby



Site visit to Biggleswade

Site visits

There is continued demand from Shareholders and prospective investors to visit our assets and development sites. Over the course of the year, investor site visits to Rugby, Birmingham, Biggleswade and Radlett were hosted, providing an opportunity to see the range and quality of the real estate within the portfolio. We balance the desire for Shareholders to visit sites with the need to avoid disruption to our clients.

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 Independent Non-Executive Directors usually attend the AGM and make themselves available to answer Shareholder questions. The Chair 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. The Independent Non-Executive Directors also regularly attend Shareholder events.

We encourage Shareholders to attend and vote at the AGM and take the opportunity to engage with the Board and the Manager. The Board considers it important that Shareholders continue to have opportunities to engage with them and Shareholders are encouraged to ask questions or raise matters of concern by emailing the Company Secretary.

The Chair and the SID as well as other Independent Non-Executive Directors can be contacted by emailing the Company Secretary on company.secretary@tritaxbigbox.co.uk, who will pass the communication directly to the relevant person, or by post to the Company's registered office.

On 1 May 2024, in addition to the AGM, the Company also held a General Meeting, where Shareholders were asked to vote on the proposed acquisition of UK Commercial Property REIT Limited.

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 made available on the Company's website. The website holds share price and dividend information, investor presentations, the Key Information Document required by PRIIPS regulations (as updated for current FCA guidance) and the Annual Report; all are available for download. The Company's Annual Report will be dispatched to Shareholders upon request.

KEY DECISIONS OF THE BOARD

UKCM: Precision Park

Acquisition of UK Commercial Property REIT Limited

On 12 February 2024, the Company announced that it had reached agreement with the Board of UK Commercial Property REIT Limited ("UKCM") on key terms for the Company to acquire the entire issued share capital of UKCM (via a Guernsey Court approved Scheme of Arrangement), and consideration for which would be the issue of new Ordinary Shares in the Company.

The Board gave much consideration to the transaction in the preceding months, following a recommendation from the Manager, as well as consultation with the Company's advisers.

Once the key terms had been agreed in February 2024, over the next few weeks, the Board (as well as the Manager) engaged with their own brokers and financial advisers, lenders, legal advisers, accountants/auditors and independent valuers to carry out valuations and due diligence in relation to UKCM, and to prepare the requisite legal and regulatory documentation, RNS announcements in compliance with the Takeover Code, as well as Directors' undertakings and investor presentations.

The transaction also required regulatory approvals:

- as the acquisition was a Class 1 transaction (under the provisions of the Listing Rules at that time), the Company was required to produce a Circular as well as a Prospectus, which required approval from the Financial Conduct Authority; and
- as the Company and UKCM both invested in logistics real estate assets in the UK, the Company was required to submit a customary, short briefing paper to the CMA's Mergers Intelligence Committee for clearance to proceed.

Following approval by the Board, on 21 March 2024, the Company announced details of the acquisition and, on 9 April 2024, published a combined Class 1 Circular and Prospectus and, on 1 May 2024, a General Meeting was held for Shareholders to vote on (and approve) the acquisition.

The acquisition of UKCM was completed on 16 May 2024.

How were stakeholders' views taken into account?

- ✓ Several meetings were held between the Board, the Manager and its advisers, taking into account what was in the best interests of the Shareholders
- ✓ The Company held a General Meeting, at which Shareholders were able to vote on the acquisition

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

- ✓ The Board was able to ensure that it met all the relevant statutory and regulatory requirements, as well as verifying the valuation of the target acquisition (UKCM)
- ✓ Shareholders approved the acquisition of UKCM

Long-term effects of the decision?

- ✓ The Company acquired UKCM on 16 May 2024
- ✓ The assets and liabilities of both the Company and UKCM were combined from 16 May 2024
- ✓ Realisation of longer term Shareholder value through the combination
- ✓ Additional capital for the Company following sale of UKCM non-strategic assets

Stakeholders considered

Our stakeholders

The Manager and its employees	Our clients	Government, regulators and local councils
Our Shareholders	Our lenders	Our communities
Our suppliers		

CGI of Manor Farm, Slough

Data centre development opportunity

The Board was presented with an opportunity from the Manager to leverage their power and real estate capabilities to enter the data centre market through the development of a data centre to be located at Manor Farm, Slough.

Data centres represent a new area of investment for the Company, falling outside of the scope of the existing IMA with the Manager, and the origin of the opportunity entailed both transacting with a related party and considering a new fee construct for the Manager.

The Board spent an extensive amount of time during the Strategy Day, and subsequently at formal Board meetings and informal discussions with the Manager, assessing the benefits, drawbacks and risks of the proposal, focusing on the impact of this investment on Shareholders, and the wider stakeholder community. The Board also considered their Directors' duty to promote the long term success of the Company.

The Board sought additional advice from the Company's legal advisers, and financial brokers and Corporate Sponsors. The Manager's assumptions around the project were independently verified by CBRE and PwC, so the Board could ensure they were reasonable. During the due diligence and decision-making process, the Manager placed emphasis on ensuring that all Independent Non-Executive Directors were comfortable with all components of the project. A sub-committee of the Board was constituted to work closely with the Manager to provide robust challenge and oversight at an operational level. Two Board members also participated in Investment Committee meetings, where these opportunities were considered.

Extensive negotiations were undertaken on the form and level of the fee paid to the Manager. The Board believes they have secured access to compelling data centre opportunities offering potentially exceptional returns at below market levels of fees.

The Company delivered a Shareholder presentation and Shareholder Q&A session to ensure Shareholders were informed of the investment, and to answer their questions.

The Board believes that investment in data centres is a decisive and exciting first step for the Company in the data centre market. This gives the Company a considerable competitive advantage in capturing the growing demand for data centre infrastructure.

How were stakeholders' views taken into account?

- ✓ Ongoing engagement with the Manager and its employees and Shareholders
- ✓ Shareholders were consulted through presentations and Q&A's
- ✓ The views of Shareholders were discussed between the Board, Manager and advisers

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

- ✓ The Board worked closely with the Company's advisers to ensure all legal and regulatory requirements had been considered
- ✓ Updates to governance and conflict management framework for data centre investment

Long-term effects of the decision?

- ✓ The Company acquired a site at Heathrow and subject to planning consent, the acquisition of the land and stake in the JV facilitates an accelerated timeline to the potential delivery of power to support the development of a major data centre scheme
- ✓ Right of first refusal agreed with the Manager over 1 gigawatt pipeline

Stakeholders considered

> **For further information on the Company's stakeholders, please see pages 67 to 69**

Division of Responsibilities

The Board

The Board is responsible for promoting the long-term sustainable success of the Company, working towards strategic objectives and generating value for Shareholders and other stakeholders.

> **To read more see pages 80 and 81**

Chair

Key roles and responsibilities

- Responsible for the leadership and effectiveness of the Board and for setting the Board agenda.
- Ensuring effective communication so that the Board is aware of the views of Shareholders and other stakeholders, and demonstrates objective judgement.
- Promoting a culture of openness and debate.

The Manager

Day-to-day running of the Company including: making the final decision, in consultation with the Board, in respect of investments and divestments, financial management, asset management and investor relations. Colin Godfrey as CEO for Tritax Big Box REIT plc, James Dunlop as CEO of Investments, Henry Franklin as COO of the Manager, and Frankie Whitehead as CFO for Tritax Big Box REIT plc, oversee the Manager's relationship with the Company.

> **To read more see pages 83 to 84**

The Manager

Key roles and responsibilities

- Making the final decisions in respect of investments and divestments.
- Risk management.
- Financial management.
- Asset management.
- Investor relations.
- ESG.

> **To read more see pages 22 to 33, 83 and 84**

Board Committees

The Board has delegated some of its responsibilities to its three formal Committees: the Nomination, Audit and Risk, and Management Engagement Committees. The Board has also established a Disclosure Committee which meets as and when required. The Company ensures that all of the Board Committees have sufficient resources and skills to carry out their obligations.

These Committees are each chaired by a different Independent Non-Executive Director and have their own Terms of Reference, which can be found on the Company's website (or copies are available on request from the Company Secretary).

The Terms of Reference are reviewed as necessary by the Board as a whole. The Company Secretary acts as secretary to these Committees and each Committee Chair reports the outcome of the meetings to the Board.

> **To read more see pages 98 to 110**

Audit and Risk Committee

- Reviewing the integrity of the Group's financial statements and any significant financial reporting judgements.
- Reviewing and monitoring the relationship with the Auditor.
- Reviewing the internal controls of the Administrator.
- Overseeing the Company's risk management process.
- Advising the Board on whether the Annual Report and Accounts provide a fair, balanced and understandable view of the Company's performance, position and strategy.
- Considering and reviewing the Company's Viability and Going Concern Statements.
- Reviewing the annual and interim property valuations.

> **To read more see pages 104 to 107**

Manager Committees

The Company's Investment Manager has delegated some of its responsibility to five Committees: the Investment, Executive, Operations, Risk and ESG Committees. The ESG Committee has also established a Sub-Committee, the Green Finance Sub-Committee.

Investment Committee

- Chaired by Bjorn Hobart and attended by various members of the Manager.
- Reviewing and recommending investments and divestments.
- Reviewing, approving and monitoring activities within the development portfolio.

Executive Committee

- Chaired by Frankie Whitehead, comprising various members of the Manager.
- Oversight of the Group as a whole and is responsible for reviewing the corporate and capital strategy and activities of the Company and making recommendations to the Board as necessary.

Operations Committee

- Chaired by Henry Franklin and comprising various members of the Manager.
- Oversight of the internal controls of Tritax Management LLP and the statutory audit process.
- Approval of all Tritax Management LLP policies and procedures.
- Review of Tritax Management LLP's staff-related matters.

Senior Independent Director

Key roles and responsibilities

- Acting as a sounding board for the Chair and a trusted intermediary for other Independent Non-Executive Directors.
- Responsible for Chair's succession planning.
- Available to discuss with Shareholders any concerns that cannot be resolved through the normal channels of communication with the Chair.
- Leading the other Independent Non-Executive Directors in evaluating the performance of the Chair.

Company Secretariat and Compliance

Key roles and responsibilities

- Overseeing the Company's governance structure and managing the Company's regulatory compliance.
- Administering the Group's subsidiaries.

Tritax Big Box Developments Holdings Limited ("TBBDHL") Board Meeting

- Chaired by Frankie Whitehead, comprising other members of the Manager and representatives of TBBD.
- Responsible for the wider business strategy of TBBD including determining, implementing and reviewing the investment and development strategy to deliver the Group's objectives.
- The Board is also responsible for corporate matters such as detailed financial reviews, risk and ESG reviews, tracking and monitoring against the investment mandate and DMA compliance.

Nomination Committee

- Reviewing the Board composition and assessing whether the balance of skills, experience, knowledge, diversity and independence is appropriate to enable the Board to operate effectively.
- Managing succession planning and ensuring that the Independent Non-Executive Directors receive necessary training, including ESG topics.
- Board and Committee effectiveness reviews.

> **To read more see pages 98 to 101**

Disclosure Committee

- Identifying inside information and maintaining disclosure registers in the form of insider lists.
- Determining whether delayed disclosure is appropriate on a case-by-case basis and liaising with the FCA as necessary.
- Supervising and overseeing the preparation of disclosures to the market.
- Chaired by Aubrey Adams and comprises various members of the Manager.

Management Engagement Committee

- Reviewing the Company's main suppliers including the Manager, the Joint Financial Advisers and Brokers, the valuers and the Registrar to ensure that the Company is receiving a high level of performance along with value for money.
- Overseeing re-tenders and new supplier appointments.
- Reviewing the performance of the Manager.
- Overseeing the Manager's succession planning.

> **To read more see pages 108 to 110**

ESG Committee

- Chaired by Petrina Austin, comprising various members of the Manager, including the ESG Director.
- Responsible for oversight of ESG and sustainability matters.
- Reviewing and making recommendations to the Manager's Executive Committee and the Company's Board, regarding progress on integrating ESG factors into business strategy and decision making.
- Providing oversight of the Manager's policies in terms of performance, communication and engagement on ESG and sustainability matters, to ensure the Manager and the Company are effective in meeting their social and regulatory requirements and achieving their objective of being socially responsible corporate entities.

Risk Committee

- Chaired by Alasdair Evans, the Chief Financial Officer of the Manager, comprising various members of the Manager, and the Chief Operating Officer.
- Responsible for identifying, recording and measuring risks to the Manager's Operations Committee and implementing controls to mitigate such risks.
- Oversight of the risk assessments made by the Company as well as other real estate funds to amplify the focus on risk and to ensure the Company is alerted to any new risks identified by the Manager.

Green Finance Sub-Committee (Sub-Committee of ESG Committee)

- Chaired by Alasdair Evans and comprised of members of the Manager's asset management and finance teams.
- Review the Green Portfolio of the Company to confirm that the assets and projects included in the Green Portfolio meet the criteria set out in the framework.
- Review the framework to reflect any changes with regards to the Company's sustainability strategy and market standards.
- Approve the Green Finance Report ahead of circulation to investors.
- Monitor evolution of the capital markets in terms of disclosure and reporting in order to be in line with market best practices.

The Board and its Committees

The Board currently consists of seven Independent Non-Executive Directors, all independent of the Manager. All Directors are also considered to be independent by the Board when considering the matters set out in Provision 13 of the AIC Code. 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.

> **Further details can be found on page 82**

Directors' biographies are set out on pages 80 and 81. In accordance with the requirements of the AIC Code, Kirsty Wilman will stand for election and all continuing Directors will stand for re-election at the Company's AGM on 7 May 2025.

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 2024 are included in the Directors' Remuneration Report on pages 111 to 113.

Conflicts of interest

Each Independent Non-Executive 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 will not participate in the decision making in respect of the relevant business.

Board meetings

During 2024, seven scheduled Board meetings were held, plus seven further ad hoc meetings and two sub-Committee meetings which dealt with transactional and other specific events such as the acquisition of UKCM, data centre opportunities and dividend declaration.

The Board meetings follow a formal agenda, which is approved by the Chair and circulated by the Company Secretary in advance of the meeting to all Independent Non-Executive Directors and other attendees. At each Board meeting, every agenda item is considered against the Company's strategy, its Investment Objectives, its Investment Policy, Section 172 and the Directors' duties.

The Board is kept fully informed of potential investment or divestment 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, disposal, asset management and development opportunity. Representatives of the Manager are invited to attend the Board meetings as are representatives of the Company's other advisers as required.

Outside the Board meetings, the Manager shares recommendations around investment opportunities and keeps the Independent Non-Executive 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. The Company Secretarial team continues to build on the recommendations made by the Board effectiveness review as they relate to Board papers, with a focus on creating more succinct summaries and papers overall.

The Chair and the Senior Independent Director

Our Independent Chair, 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 Chair. However, we recognise that there is a significant body of opinion that tenure should be limited to nine years and we take this into account in our succession planning.

The Chair's other significant commitments include chair of the board of Trustees of Wigmore Hall. For the Chair's full biography, please refer to page 80 and the Company website. The Board believes he dedicates sufficient time to his role as Chair of the Company. The Board has adopted a Policy on Tenure and Re-election; for more information, please refer to page 98.

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

Karen Whitworth is fully embedded into her role as SID and continues to act as the ESG Champion of the Board.

The SID and the other Independent Non-Executive Directors met during the year, without the Chair, to appraise his performance and to deliberate his fees. The outcome of the meetings is detailed on pages 111 and 112.

Attendance at Board and Committee meetings during the year ended 31 December 2024

All Independent Non-Executive Directors are expected to devote sufficient time to the Company's affairs to fulfil their duties as Directors and to attend all scheduled meetings of the Board and of the Committees on which they serve. Where Independent Non-Executive Directors are unable to attend a meeting, they will provide their comments on the Board papers received in advance of the meeting to the Chair, who will share such input with the rest of the Board and the Manager. The Nomination Committee is satisfied that all the Independent Non-Executive Directors, including the Chair, have sufficient time to meet their commitments.

The table below sets out the Board and Committee attendance at scheduled meetings during the year.

	Aubrey Adams	Elizabeth Brown	Wu Gang	Alastair Hughes	Richard Laing	Karen Whitworth[1]	Kirsty Wilman[2]
Board[3]	7/7	7/7	7/7	7/7	7/7	7/7	2/2
Audit and Risk Committee	N/A	7/7	7/7	N/A	7/7	6/7	1/1
Management Engagement Committee	2/2	2/2	2/2	2/2	2/2	2/2	1/1
Nomination Committee[4]	1/1	N/A	N/A	1/1	N/A	1/1	N/A
Strategy meeting	1/1	1/1	1/1	1/1	1/1	1/1	1/1

1. Karen Whitworth was unable to attend the January Audit and Risk Committee meeting due to a prior professional commitment. However, she provided her comments to the Committee Chair in advance of the meeting.
2. Kirsty Wilman was appointed as an Independent Non-Executive Director of the Company on 1 September 2024. She has attended all Board and Committee meetings since her appointment.
3. In addition to the seven scheduled Board meetings, there were also seven additional (ad hoc) meetings and two Board Sub-Committee meetings during the year.
4. There was one scheduled Nomination Committee meeting during the year. In addition, there were three other meetings held during the year (in February, June and July) at which the appointment of the new Independent Non-Executive Director was addressed.

Q&A with Aubrey Adams, Independent Chair

Q: How do you engage with the Manager, and in particular with Colin Godfrey (the CEO)?

My role as Chair has three principal dimensions. First, to scrutinise the Manager to ensure Shareholders are being correctly served. Second, to provide counsel and be a sounding board for the Manager. Finally, to promote and nurture constructive relations and open communication between the Directors and the Manager, both inside and outside formal Board meetings.

The Board maintains a good, consistent and active level of dialogue with the Manager. Some of the Partners of TMLLP attend the Company's Board meetings by invitation, and engage in regular discussions with Directors. Representatives of the Manager are also invited to update the Board on operational matters. These can include investment and development performance, asset management, financial updates, marketing and investor relations, ESG and Governance.

In addition to the Board meetings, I meet with Colin at least fortnightly, predominantly in person. Outside of these scheduled meetings, we also maintain regular contact, with additional discussions as required (for example during transactions) and by email. In general, the working relationship itself is similar to that between the Chair and the executive management of an internally managed FTSE-listed company.

Q: How well do you think the Board, working with the Manager, performs with regard to strategy and long-term thinking?

The Board is ultimately responsible for approving and implementing the Company's strategy, and ensuring that it aligns with Shareholder interests and regulatory requirements. Meanwhile, the Manager is responsible for the more operational aspects in relation to the Company.

We hold a formal annual Strategy meeting, where as well as receiving the latest updates on the industrial logistics market and the economy, we consider and investigate other potential areas of business development from the Company's advisers and/or key representatives of the Manager. Strategy is also regularly discussed at intervening Board meetings. In 2024, we agreed to explore the possibilities of entering the data centre market, which provides a compelling strategic opportunity for the Company that complements its existing business.

Q: What are your key reflections over the past 8 years?

I first joined the Board in September 2017, was appointed Senior Independent Director in March 2019 and took on the role of the Chair in May 2021.

Starting at its IPO in 2013, the Company has built what I believe is one of the best logistics real estate portfolios in the UK. During my tenure, and supported by ongoing structural trends, the Company has gone through an exponential growth period. This has included several transactions of varying complexity; from capital recycling via asset acquisitions and disposals, through to equity issues and a placing. In 2019, the Company acquired DB Symmetry (now Tritax Big Box Development), to strengthen the Company's offering with the addition of an in-house property development capability. In 2024, we made further significant progress on our strategic priorities, with the acquisition of UKCM and this was further enhanced with our decisive step towards data centres announced in January 2025.

It has been a truly exciting period for the Company, and a pleasure for me to be a part of this journey so far.

Aubrey Adams OBE, FCA, FRICS
Chair of the Nomination Committee

Membership

Aubrey Adams, Chair

Alastair Hughes

Karen Whitworth

> **For full details on Committee attendance, please refer to page 97**

Key areas of focus in 2024:

- following the decision taken in 2023, recruited an additional Independent Non-Executive Director in 2024 with real estate expertise;
- commenced work to address the recommendations and actions following the Board and Committee performance evaluation;
- worked towards meeting the UK Listing Rule requirement relating to female representation on the Board; and
- proposed the re-election of the Independent Non-Executive Directors at the 2024 AGM, which was held on 1 May 2024.

"Ensuring the Board has the necessary skills and diversity to deliver on our strategic objectives."

Dear Shareholders,

I am pleased to present the Nomination Committee Report for the year ended 31 December 2024.

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, knowledge and diversity 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 Independent Non-Executive Directors. The Nomination Committee operates within defined Terms of Reference which are available on the Company's website or from the Company Secretary. We met for one scheduled and three ad hoc meetings during 2024.

Policy on tenure and succession planning

The Board has implemented a Policy on Tenure and Re-election, and in accordance with the Provisions of the AIC Code, all the Independent Non-Executive Directors will offer themselves for election/re-election at each AGM. We considered the ongoing independence of each of the Non-Executive Directors, their respective skills, experience and time commitment, as well as any other external appointments held by the Independent Non-Executive Directors. We believe that each Independent Non-Executive Director has contributed a significant amount during the year. Following the advice of the Committee and in line with the AIC Code, the Board will recommend the election of Kirsty Wilman (who joined the Board as a newly appointed Independent Non-Executive Director in September 2024) and the re-election of continuing Independent Non-Executive Directors at the forthcoming AGM on 7 May 2025.

Independent Non-Executive Directors are appointed for an initial period of three years and their performance is evaluated at least annually during the Board and Committee effectiveness review. In accordance with the Principles of the AIC Code, we do not consider it necessary to mandatorily replace a Director after a predetermined period of tenure. We are, however, mindful of the circumstances of each Independent Non-Executive Director and implement succession planning accordingly.

As indicated in the 2023 Annual Report and Accounts, the Nomination Committee dedicated time during the year to consider succession planning. Following a review of the composition, skills, and experience of the Board, together with the wider succession plan of the Board, the Committee recommended the recruitment of an additional Independent Non-Executive Director. During 2024, the Committee engaged with Russell Reynolds Associates, an executive recruitment agency, to support the search. The Committee was mindful of the UK Listing Rule obligations relating to female representation on the Board and, whilst ensuring that the appointment was primarily based on merit, took these obligations (in addition to diversity as a whole) into account, against objective selection criteria during the recruitment process. Further information on the recruitment process can be found on page 100.

Board diversity and inclusion

The Company reports against the UK Listing Rule targets and has included a statement of compliance on page 101. The Board now consists of three female and four male Directors, meaning we have 43% female Board representation and have thereby met the UK Listing Rule diversity targets (please see the Roadmap to diversity on page 101 for details). The Board will continue to review its composition in line with the business requirements of the Company, prevailing Corporate governance guidelines and diversity targets.

The Company does not have any employees. In respect of appointments to the Board, we consider that each candidate should be appointed on merit to make sure that the best candidate for the role is appointed every time. We commit to diversity and inclusion with respect to all protected characteristics, including gender, at Board level, and encourage candidates from all education backgrounds and all walks of life. No candidate will face discrimination due to their race, ethnicity, country of origin, nationality, cultural background, gender or any other protected characteristic in the Board nomination process. What is important to us is professional achievement and the ability to be a successful Independent Non-Executive Director based on the individual's skill set and experience.

Qualifications are considered when necessary to ensure compliance with regulation such as in relation to appointments to the Audit and Risk Committee, where we consider Richard Laing, Karen Whitworth, Wu Gang and Kirsty Wilman to have significant financial experience. We regularly review the Company's Diversity and Inclusion Policy.

Director training programme

We recognise that it is essential to keep abreast of regulatory and compliance changes, including ESG-related issues. Accordingly, a bespoke training programme is agreed and arranged for Independent Non-Executive Directors. Annually, the Board receives regular training and updates from the Company's external service providers as well as the Manager's Company Secretary, the Head of Research, the ESG Director, the Head of Risk and Compliance and many others, on corporate governance developments, financial regulatory changes and on relevant issues, including ESG topics, industrial logistics market updates and so on.

During the year the Board received formal training sessions and updates including: a session facilitated by Ashurst, which covered audit and corporate governance reforms, risk management and internal control and greenwashing; and a session presented by the TBBD team, covering contractor monitoring/market data and site analytics. In both cases, the training was well-received by the Board.

The 2024 Board effectiveness review confirmed that the training programme is well structured. Accordingly, the Company Secretary will continue to work on preparing the formal training plan for 2025.

In addition to the bespoke training programme, each Independent Non-Executive Director is expected to maintain their individual professional skills and is responsible for identifying any training needs to help them ensure that they maintain the requisite knowledge to be able to consider and understand the Company's responsibilities, business and strategy. The Independent Non-Executive Directors have access to the advice and services of the Company Secretary.

The Independent Non-Executive Directors are also entitled to take independent advice at the Company's reasonable expense at any time.

Director induction

The Company Secretary conducts a comprehensive induction process for all new Board members which aims to provide a broad introduction to the Group. Each new appointment receives a tailored programme comprising one-to-one meetings with current Board Independent Non-Executive Directors, representatives of the Manager, the Company's key advisers and BDO LLP, the Company's Auditor. This is supported by a comprehensive library of corporate documentation, Board packs and key financial and operational information. All new Independent Non-Executive Directors are also invited on a site visit of the Company's assets.

Committee evaluation

The overall performance of the Nomination Committee was rated highly, particularly its review of Board composition and its recruitment of Kirsty Wilman.

Priorities for 2025

A priority for 2025 will be future succession planning for the Board. We will also continue to monitor and ensure achievement of the UK Listing Rule and other diversity targets.

Aubrey Adams OBE, FCA, FRICS
Chair of the Nomination Committee
27 February 2025

Board appointment process

Kirsty Wilman was appointed as an Independent Non-Executive Director of the Company on 1 September 2024. Outlined below is the process that was followed by the Company.

1. The Committee reviewed the Company's Board and Committee composition and, based on the size and complexity of the business, recommended the recruitment of an additional Independent Non-Executive Director with real estate experience.
2. The Committee finalised a profile for the new role, setting out the purpose, key responsibilities, and the desired skill set and attributes of the new Director.
3. Following a review of a number of recruitment agencies, the Committee identified a shortlist of three agencies. The three agencies were asked to submit a proposition for the recruitment of a non-executive director. Following a tender process, Russell Reynolds Associates was the agency that was selected.
4. The Committee received applications from a diverse pool of applicants, and reviewed all applications against the requirements set out in the role profile, assessed any actual or potential conflicts of interests and evaluated a shortlist of five candidates for an initial interview.
5. Following the first round of interviews, the Committee selected two of the five candidates for a meeting with the remaining Board members, as well as the CEO and CFO of the Company.
6. The Committee reviewed and considered all feedback provided from the interview process. It also considered the candidates' other appointments and commitments, to ensure that the successful appointee would have sufficient time to devote to the Company's business. Reference checks and due diligence were then carried out before the Committee identified a candidate to recommend to the Board.

Board effectiveness review

The Board's policy is to carry out an annual effectiveness review of the Board, its Committees and individual Directors and key representatives of the Manager. In 2024, this evaluation was conducted by an external facilitator, Sam Allen Associates ("SAA").

The review consisted of a combination of meetings and completion of a questionnaire. SAA set out the main areas for consideration at the start of the process, including: Board, composition, roles and responsibilities; overall Board effectiveness, quality of debate and strategic input; Board culture, dynamics and leadership; Board processes, reporting and agendas; organisation of the Board and Committees; relationship between Board and the Manager; communication and accountability; succession planning processes; Board development; and Chair appraisal.

The process of how the review was conducted is set out below.

1. The Company Secretary worked with SAA to initiate the review, agree the evaluation timetable and notify Board members.
2. SAA then met with the Chair, the Senior Independent Director and the Company Secretary to design the questionnaire.
3. SAA created a bespoke questionnaire (approved by the Chair) which was circulated to all Board members and four key representatives of the Manager for completion; held one-to-one interviews with all Board members and the Manager's representatives; and observed the December 2024 Board, Audit & Risk and Management Engagement Committee meetings. They also reviewed results of past reviews and minutes.
4. SAA gathered the data from the questionnaire, interviews, reviews of Board & Committee meetings, minutes and past reviews, and prepared a report with recommendations.
5. SAA had a meeting with the Chair and the Senior Independent Director to discuss the report and agree an action plan.
6. The results of the Board effectiveness review were presented at the February 2025 Board meeting.

Outcome of the evaluation

Overall, the outcome of the 2024 Board and Committee effectiveness review was very positive, with the Board and the Manager being seen by all attendees as being a very capable group of people, who respect each other, possess a good level of challenge and support and have positive and united intent for the business.

Actions from the evaluation

The Board met in February 2025 to discuss the Board and Committee effectiveness review, and the following priorities were identified:

- Succession planning for the Chair and other Independent Non-Executive Directors in line with key timelines;
- Regular reviews on strategy (in addition to the annual Strategy meeting); and
- More Independent Non-Executive Director-only meetings.

The review also covered the Chair's performance, and was very positive. The Independent Non-Executive Directors are of the opinion that the Board benefits from the Chair's effective stewardship of the Board, his real estate and general business experience, also his communication skills, which seek to involve all Independent Non-Executive Directors in discussions and to ensure that the Board and the Manager work collaboratively.

Statement of compliance with UK Listing Rule 6.6.6 R (10)

On 1 September 2024, after a robust selection process, the Committee recommended, and the Board approved, the appointment of Kirsty Wilman. Following Kirsty's appointment, the Company has now met all three UK Listing Rule diversity targets, as demonstrated in the tables below.

Ongoing compliance

The Committee will continue to monitor the skills and diversity of the Board to maintain compliance with UK Listing Rule 6.6.6 R(10) diversity targets whilst, at the same time, ensuring that all Board appointments continue to be based on merit and against any objective selection criteria that has been set, during any future recruitment process.

Table for reporting on gender identity or sex

	Number of Board members	Percentage of Board	Number of senior positions
Men	4	57%	1
Women	3	43%	1
Not specified/prefer not to say	—	0%	—

Table for reporting on ethnic background

	Number of Board members	Percentage of Board	Number of senior positions
White British or other white (including minority white groups)	6	86%	2
Mixed/multiple ethnic groups	—	0%	—
Asian/Asian British	1	14%	—
Black/African/Caribbean/Black British	—	0%	—
Other ethnic group	—	0%	—
Not specified/prefer not to say	—	0%	—

* In accordance with the UK Listing Rules, as an externally managed investment company, the analysis has been undertaken in respect of the Independent Non-Executive Directors only as the Company has no executive management who are Directors, including the roles of CEO and CFO. The Company considers the Chair and the SID to be the applicable senior roles within the business and has reported against these roles in the tables above.

How we collected data

On appointment to the Board, all Directors are asked to complete a New Directors' Questionnaire.

Board Diversity Targets

Objective	Progress as at 31 December 2024
At least 40% of individuals on the Board to be female	**Objective met:** The Board achieved this targeting during 2024.
At least one of the senior positions on the Board to be held by a female	**Objective met:** The Company considers the Chair and the SID to be the applicable senior roles. The SID is a female.
At least one individual on the Board to be from a minority ethnic background (as defined by the Office for National Statistics ("ONS") excluding those listed by the ONS as coming from a white ethnic background)	**Objective met:** One Independent Non-Executive Director meets this requirement.

Roadmap to diversity

Recognising what we have

The Nomination Committee continually reviews the Directors' skills matrix ensuring that the Board and its Committees maintain the necessary skills to deliver the Company's strategic priorities.

Whilst the Company has met the UK Listing Rules requirements for Board diversity as well as the recommendations of the Parker Review as at 31 December 2024, the Board recognises the need to continually monitor Board diversity.

Accordingly, the Board continues to review its Diversity and Inclusion Policy, as well as its training and development programme to ensure it maintains an inclusive and well-balanced Board.

Identifying what we need

The Board places great emphasis on ensuring that its own membership reflects diversity in its broadest sense. The Board used all reasonable endeavours to comply with the UK Listing Rule diversity targets. The Company has included a statement in its Annual Report (above), confirming diversity targets are achieved.

Audit, Risk and Internal Control

The Board is responsible for delivering robust and sustainable value to its Shareholders and wider stakeholders by setting and working towards strategic objectives. In order to do so we undertake robust assessments of the risks which the Group faces and ensure controls and mitigations are in place to manage those risks. The Company's key risks are set out on pages 70 to 75 of the Strategic Report.

The Audit and Risk Committee reviewed the principal and emerging business risks of the Company on behalf of the Board, with a specific focus on changes to the Company's overall risk profile arising from the corporate acquisition of UKCM, portfolio strategy and industry competition, the change in Government and subsequent Budget and its impact on the performance of the sectors clients operate in, the volatility in the financial markets and impact on the Company's share price, and the performance of the UK economy and its impact on the potential of client default, as described on pages 104 to 107.

The Board and Audit and Risk Committee regularly review the financial position of the Company and perform an assessment of any risks in relation to the Company's business model, the Group's future performance, liquidity and solvency as well as any risks relating to specific or proposed investments and clients or initiatives relating to assets. To facilitate this process, the Manager produces financial reports, which include the latest management accounts, a review and report on the Company's financial forecast, a report on proposed and existing investment, asset management and development initiatives, substantiation of any dividend payments and a general update on the financial health of the Company.

As the Company's AIFM, the Manager is subject to reporting and ongoing compliance under the AIFMD. As part of this regulatory process, Langham Hall UK Depositary LLP has been retained by the Company and is responsible for cash monitoring, asset verification and oversight of the Company and the Manager, including Tritax Big Box Development Ltd (previously Tritax Symmetry). Langham Hall UK Depositary LLP reports quarterly to the Board and the Manager.

The Manager also employs a Head of Risk and Compliance to discharge the Manager's obligations in accordance with the AIFMD.

Risk management and internal controls review

The Company's internal control and risk management systems and processes are designed to identify, manage and mitigate the financial, operational and regulatory risks that are inherent to the Group and safeguard the Group's assets. These safeguards and systems in place are designed to manage (rather than eliminate) the risk of failure to achieve business objectives and can only provide reasonable, but not absolute, assurance against material misstatement or loss.

The Board and the Manager have, together, reviewed all financial performance and results notifications. Non-financial internal controls include the systems of operational and compliance controls maintained by the Company's administrator, Waystone Fund Services (the "Administrator"), and by the Manager in relation to the Company's business, as well as the management of key risks referred to in the Strategic Report on pages 70 to 75.

The Board has contractually delegated responsibility for administrative and accounting services to the Administrator and for Company secretarial services to the Manager. These suppliers have their own internal control systems relating to these matters, which we have reviewed as part of the Company's Financial Position and Prospects Procedures (FPPP) document. During the year, the FPPP document was reviewed, updated and approved in April 2024 as part of the acquisition of UKCM, and in December 2024 as part of the annual review process.

The Company is managed externally by the Manager. All payments of Company funds are authorised by the Manager in accordance with the duties delegated to it pursuant to the terms of the Investment Management Agreement ("IMA") and in accordance with the provisions of the AIFMD. Additionally, the Manager operates in accordance with parameters set out in the Company's Schedule of Delegated Authorities which further bolsters the internal controls environment.

The Manager instructs the Administrator to make the duly authorised payment and Langham Hall UK Depositary LLP, as part of its role as Depositary, reviews each material payment in relation to the specific test areas as mentioned in the report overleaf.

The Audit and Risk Committee considers that the internal controls in place and the function undertaken by Langham Hall UK Depositary LLP, alongside the external audit, provides the appropriate rigour and assurance over the managing of Company funds. In addition to this, the Administrator has its own internal audit performed on an annual basis by BDO LLP, from which the Company reviews any findings. The 2024 audit did not raise any significant findings.

Internal control and risk assessment process

In accordance with the AIC Code, the Board has established a continuing process for identifying, evaluating and managing the risks the Company faces and has reviewed the effectiveness of the internal control systems.

This includes reviewing reports from the Auditor (details of which are included in the Audit and Risk Committee Report), regular reports from the Company Secretary (outlining corporate activity within the Group and the Company's compliance with the AIC Code) and proposed future initiatives relating to the Company's governance and compliance framework. The Audit and Risk Committee also receives quarterly compliance reports prepared by Langham Hall UK Depositary LLP and reviews the formal risk assessment conducted by the Audit and Risk Committee and the Manager twice a year.

Furthermore, the Board actively considers investment opportunities, asset management initiatives, debt and equity fundraisings and other financial matters against the requirements of the Company's Investment Objectives and Investment Policy.

The Audit and Risk Committee also conducts a robust assessment of the principal and emerging risks to the business model, future performance, solvency and liquidity of the Company at least twice a year and reports its findings to the Board. The Manager is asked to analyse and report on the risks which the Company may encounter on specific transactions including, for example, an adverse decision regarding the development of an asset at the planning stages or a sudden change in market conditions before the launch of an equity raise or debt issue. The Board then considers each risk in turn, probing the Manager's assumptions and analysing whether the risk factors attributed to each individual risk are fair and accurate, and the effect of any mitigating factors.

The Board also consider principal and emerging risks at each strategy meeting and challenge the Manager to actively review the risks it includes. Please see pages 70 to 75 for more details on emerging and principal risks.

The Manager maintains a risk register, where perceived risks and associated mitigations are recorded, and this is shared with the Board for approval.

The Manager also reports to the Board twice a year on the Company's longer-term viability, which includes financial sensitivities and stress testing of the business to ensure that the adoption of the going concern basis and longer-term viability is appropriate.

Anti-bribery and corruption

The Board has a zero tolerance policy towards bribery and corruption and is committed to carrying out business fairly, honestly and openly.

In considering the Bribery Act 2010, at the date of this report, the Board had assessed the perceived risks to the Company arising from bribery and corruption and identified aspects of the business, which may be improved to mitigate such risks. The Manager actively reviews and monitors perceived risks. Responsibility for anti-bribery and corruption has been assigned to the Head of Risk and Compliance within the Manager who reports to the Committee biannually on any compliance matters.

All employees of the Manager are required to undertake training to prevent all types of financial crime, including bribery and corruption.

Modern slavery and human trafficking policy

The Group is committed to maintaining the highest standards of ethical behaviour and expects the same of its business partners. Slavery and human trafficking are entirely incompatible with the Group's business ethics and the Board believes that every effort should be made to eliminate slavery and human trafficking from the Group's supply chain.

The Board, alongside the Manager, recognises that the real estate and construction sectors rank highly for modern slavery risks, and that by assessing the different tiers of our supply chain, we can understand and assess the modern slavery risk. The Manager, on behalf of the Company, maintains internal controls and systems to manage the risk of modern slavery and human trafficking within the organisation and supply chains.

We seek to mitigate the Group's exposure by engaging with reputable professional service firms and suppliers. Our third-party suppliers, including asset and property managers, are experienced and professional suppliers, well-established in the market, and therefore we expect them to adhere to our modern slavery standards and legislated modern slavery act. As well as adhering to the Modern Slavery Act 2015, we and the Manager believe that we need to go above and beyond what is compliant and expect our suppliers to do the same.

In line with the Company's zero-tolerance approach to modern slavery, we regularly request formal governance information from the Group's current suppliers, and request details of suppliers' modern slavery policies in our contract procurement process. This enables the Group to conduct due diligence and risk assessment of current and potential suppliers through the direct monitoring of the Group's business and supply chain risk. Additionally, our property and asset managers undertake on-site inspections on standing assets, which enable us to check supplier and client practices, and these are recorded in the inspection proforma. For developments, monthly updates are provided from the on-site managers, which include monitoring of modern slavery risks.

We are committed to reviewing the way we assess modern slavery in our supply chain and will continue to monitor and collaborate with the Group's suppliers, clients and developers, to ensure that they have systems and controls that reduce the risk of facilitating modern slavery and human trafficking.

Depositary statement

Established in 2013, Langham Hall UK Depositary LLP is an FCA regulated firm that works in conjunction with the Manager and the Company to act as depositary. Consisting exclusively of qualified and trainee accountants and alternative specialists, the entity represents net assets of US$129 billion and we deploy our services to over 175 alternative investment funds across various jurisdictions worldwide. Our role as depositary primarily involves oversight of the control environment of the Company, in line with the requirements of the Alternative Investment Fund Managers Directive (the "AIFMD").

Our cash monitoring activity provides oversight of all the Company-held bank accounts with specific testing of bank transactions triggered by share issues, property income distributions via dividend payments, acquisitions and third-party financing. We review whether cash transactions are appropriately authorised and timely. The objective of our asset verification process is to perform a review of the legal title of all properties held by the Company, and shareholding of special purpose vehicles beneath the Company.

We test whether on an ongoing basis the Company is being operated by the Manager in line with the Company's prospectus, and the internal control environment of the Manager. This includes a review of the Company's and Tritax Big Box Developments' decision papers and minutes. We work with the Manager in discharging our duties, holding formal meetings with senior staff on a quarterly basis, and submit quarterly reports to the Manager and the Company, which are then presented to the Board of Directors, setting out our work performed and the corresponding findings for the period.

In the year ended 31 December 2024, our work included the review of one share issue, one all-share combination of the Company and UK Commercial Property REIT Limited, four property income distributions, six investment property acquisitions, and four investment property disposals. Based on the work performed during this period, we confirm that no issues came to our attention to indicate that controls are not operating appropriately.

Joe Hime
Head of UK
For and on behalf of Langham Hall UK Depositary LLP,
London, UK
27 February 2025

Langham Hall UK Depositary LLP is a limited liability partnership registered in England and Wales
(with registered number OC388007).

Audit and Risk Committee Report

Richard Laing FCA
Chair of the Audit and Risk Committee

Membership

Richard Laing, Chair

Karen Whitworth

Wu Gang

Elizabeth Brown

Kirsty Wilman

> **For full details on Committee attendance, please refer to page 97**

Key areas of focus in 2024:

- recommended to the Board that the Annual Report and Accounts for 2023, taken as whole, is fair, balanced and understandable and that it provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy;
- reviewed the interim results for 2024 and recommended these to the Board for approval;
- monitored the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance and reviewed any significant financial reporting judgements contained in them;
- enhanced the effectiveness of the Group's assessment of risk to ensure actions are being taken to mitigate the Group's exposure to risk;
- monitored the implications of amendments to Provision 29 of the UK Corporate Governance Code on the Company and commenced work to review the Company's risk management framework;
- reviewed the robustness of the Company's internal financial controls and the efficiency of the internal control and risk management systems used by the Company;
- assessed the quality, independence and objectivity of the annual and interim property valuations prepared by the Company's independent valuers and challenged the assumptions used by the valuers in preparing the valuations to gain assurance around the valuation process;
- welcomed JLL as an independent valuer for the Company;
- reviewed and considered the basis of the Viability and Going Concern Statements made by the Directors;
- reviewed the Committee's membership and appointed Kirsty Wilman as member of the Audit and Risk Committee to further strengthen the skills and experience of the Committee;
- reviewed and monitored the Company's relationship with its Auditor and rotated the audit partner;
- reviewed the accounting and reporting implications of changes in standards and best practice;
- maintained ESEF reporting;
- monitored development of the BEIS audit reform; and
- reviewed and approved the FPPP.

"Enhancing risk management in preparation for reporting under Provision 29."

Dear Shareholders,

I am pleased to present the Audit and Risk Committee Report for the year ended 31 December 2024. The Audit and Risk Committee's role is to oversee the Company's financial reporting process, including the risk management and internal financial controls in place within the Manager and key suppliers, the valuation of the property portfolio, the Group's compliance with accepted accounting standards and other regulatory requirements as well as the activities of the Auditor.

We operate within defined Terms of Reference, which are available on the Company's website and on request from the Company Secretary. All Audit and Risk Committee members are Independent Non-Executive Directors of the Company, neither connected to the Manager nor the Auditor. The Committee believes that its members have the right balance of skills and experience to be able to function effectively. I am a Fellow of the Institute of Chartered Accountants in England and Wales, and have extensive, recent and relevant experience gained as Finance Director of CDC Group plc and De La Rue plc as well as my other non-executive positions. The Committee considers me and Karen Whitworth to be financial industry experts given our financial backgrounds. Wu Gang brings a wealth of financial expertise from his career in investment banking, with Kirsty Wilman bringing substantial finance and operational experience from her previous roles as Business and Finance Director across the real estate sector. As such we consider 80% of the Committee to have significant financial experience.

Further details of each Independent Non-Executive Directors' experience can be found in the biographies on pages 80 and 81. During the year we met for seven scheduled meetings, following the Company's corporate calendar, which ensures that the meetings are aligned to the Company's financial reporting timetable. The Company Secretary and I ensure that the meetings are of sufficient length to allow the Committee to consider all important matters, and the Committee is satisfied that it receives full information in a timely manner to allow it to fulfil its obligations. These meetings are attended by the Committee members, as well as representatives of the Manager, the Company Secretary and where necessary the Auditor, BDO LLP, and the Company's Chair. We also met with the Auditor without any representative of the Manager present. The Committee also met with the Company's independent valuers, CBRE and Colliers in July 2024, and JLL, CBRE and Colliers in January 2025 as part of the interim and year-end audit processes. As the Committee Chair, I have had regular communications with the Company Secretary, the Company's CFO and the Auditor. In addition, the Committee has discussions throughout the year outside of the formal Committee meetings.

Audit process

1. Planning meeting

We meet with the Auditor and the Manager before the preparation of each of the interim and annual results, to plan and discuss the scope of the audit or review as appropriate, and challenge where necessary to ensure its rigour.

2. Scope

At these meetings, the Auditor prepares a detailed audit or review plan which is discussed and questioned by us and the Manager to ensure that all areas of the business are appropriately reviewed and that the materiality thresholds are set at the appropriate level, which varies depending on the matter in question.

3. Challenge

We discuss with the Auditor its views over significant risk areas and why it considers these to be risk areas. The Committee, where appropriate, continues to challenge and seek comfort from the Auditor over those areas which drive audit quality.

4. Ongoing review

We meet with the Auditor again just prior to the conclusion of the review or audit to consider, challenge and evaluate its findings in depth.

Financial reporting and significant judgements

The Company has a well-established internal control and risk management system, and robust processes for the preparation of financial reports. The Committee receives reports from the Manager and Auditor on changes to accounting policies, legislation and best practice and areas of significant judgement by the Manager. They pay particular attention to transactions which they deem important due to size or complexity.

During the year, a variety of financial information and reports were prepared by the Manager and provided to the Board and to the Committee. These included budgets, periodic re-forecasting following acquisitions or corporate activity, and reports on general compliance matters. The Committee received updates from the Auditor on changes to the audit scope arising from the acquisition of UKCM and the revised audit standards.

The Committee undertook the following activities with respect to the monitoring of the integrity of financial reporting:

- monitored the integrity of the financial information published in the Interim and Annual Reports and considered whether suitable and appropriate estimates and judgements have been made in respect of areas which could have a material impact on the financial statements. We also considered the processes undertaken by the Manager to ensure that the financial statements are fair, balanced and understandable;
- assessed the quality of the annual and interim property valuations prepared by the Company's independent valuers and challenged the assumptions used by the valuers in preparing the valuation;
- reviewed the robustness of the Company's internal financial controls and the efficiency of the internal control and risk management systems used by the Company;
- reviewed the accounting and reporting implications of changes in standards or best practice;
- reviewed and considered the basis of the Viability and Going Concern Statements made by the Directors; and
- reviewed and monitored the Company's relationship with its Auditor.

Internal control and risk management

The Board recognises that effective risk management is a key component of long-term success and welcomes changes to the UK Corporate Governance Code which aims to strengthen risk management and internal control requirements.

During the year, the Committee reviewed the risk appetite and risk tolerance set for each principal risk facing the business to ensure that risk is managed effectively within the parameters approved by the Board, and to ensure that the parameters set remain appropriate for the size and complexity of the business. The Committee monitored the effectiveness of the Group's assessment of risk to ensure appropriate actions were being taken to mitigate the Group's exposure to risk.

Given the significance of the corporate transaction during the year, the Committee assessed whether any changes to the Company's principal and emerging risks were required as a result of the acquisition of UKCM, and reviewed the robustness of risk mitigants in place. The results from the risk review can be found on pages 70 and 75. The Committee will continue to monitor the management of these risks.

Additionally, the Committee dedicated time to reviewing the impact of changes to the UK Corporate Governance Code on the Company. The Committee paid particular attention to the enhanced reporting requirements under Provision 29 relating to the Board's monitoring and review of the effectiveness of the Company's risk management and internal control framework, and the effectiveness of material controls. During the year, the Committee commenced work to agree a pathway with key milestones around compliance with Provision 29. Preparedness for corporate reporting and the Board declaration under Provision 29 will remain a key focus for the Committee in 2025.

Going Concern and Viability

The Committee challenged and reviewed the processes and controls surrounding the Going Concern and Viability Statements and was able to take comfort in the level of scrutiny involved within the process from both the Manager and Akur, in its capacity as independent financial adviser to the Company.

The Committee also regularly reviews the Company's ability to continue to pay a progressive dividend. This financial information was extensively reviewed and debated both at Committee and Board level across a number of meetings.

We have expanded on the following matters in further detail as they are determined as some of the most significant risks of material misstatement in the financial statements.

Valuation of property portfolio

We have separated the valuation appointments, such that CBRE and JLL value our investment assets and Colliers values our development assets, both on a biannual basis. The Group's portfolio value was £6.54 billion on 31 December 2024 (compared to £5.03 billion on 31 December 2023).

Following production of the draft valuation by the valuers, the Manager meets with the valuers to discuss and challenge various elements of the property valuation to assure themselves of the robustness of the valuation process and the valuation methodology applied. The Auditor, in fulfilling its function as independent Auditor to the Company, also meets with the valuers to discuss, and where necessary, challenge the assumptions within the property valuations. The Committee also meets with both valuers to discuss and challenge the valuation and to ensure it was conducted properly, independently and could be fully supported. Subject to reviewing and agreeing any subsequent changes, the Committee also receives a copy of the property valuations for the portfolio once they have been reviewed by the Manager and after the Auditor has met with the valuers. The performance of the valuers is assessed on an annual basis by the Management Engagement Committee. In accordance with the Valuer Rotation policy introduced by the Royal Institution of Chartered Surveyors ("RICS") in 2024, the Manager brought forward its valuer rotation for certain assets in the investment portfolio that would have been valued by CBRE for over 10 years by RICS's April 2026 deadline. Following a robust tender process led by the Manager, JLL was appointed in November 2024. They undertook the valuation of 28% of the investment portfolio as at 31 December 2024.

During the year, the following valuers conducted the valuation on behalf of CBRE: John Barham and James Hughes conducted the valuation for June 2024, and Ben Thomas and Naomi Butler conducted the December 2024 valuation. Rosanna Brown and Stuart Smith conducted the December 2024 valuation on behalf of JLL.

As explained in note 17 to the financial statements, CBRE, JLL and Colliers independently valued the properties in accordance with IAS 40 "Investment Property". We have reviewed the underlying assumptions within the property valuations and discussed these with the Manager and the valuers and have concluded that the valuation is appropriate with a particular regard to the current environment.

The Board approved the CBRE and the Colliers valuation in August 2024 and the JLL, CBRE and Colliers valuation in February 2025 in respect of the interim and annual valuations.

Land options

As we consider that land options do not meet the definition of investment property, land options will be classified as a non-financial asset and measured at cost less provision for impairment under IFRS in the Group Statement of Financial Position. Land options are measured at fair value and included as such within EPRA NTA.

Fair, balanced and understandable financial statements

The production and audit of the Group's Annual Report is a comprehensive process, requiring input from a number of contributors. To reach a conclusion on whether the Annual Report is fair, balanced and understandable, as required under the AIC Code, the Board has requested that the Committee advise on whether it considers that the Annual Report fulfils these requirements. In outlining our advice, we have considered the following:

- the comprehensive documentation that outlines the controls in place for the production of the Annual Report, including the verification processes to confirm the factual content;
- the detailed reviews undertaken at various stages of the production process by the Manager, Administrator, Joint Financial Advisers, Auditor and Committee, which are intended to ensure consistency and overall balance;
- controls enforced by the Manager, Administrator and other third-party service providers, to ensure complete and accurate financial records and security of the Company's assets;
- the satisfactory ISAE 3402 control report produced by the Administrator for the period to 30 September 2024, which has been reviewed and reported upon by the Administrator's external Auditor, to verify the effectiveness of the Administrator's internal controls; and
- a letter provided by the Administrator that there have been no changes to its control environment since 30 September 2024 and that all internal controls in place at the time of the last review remain active.

As a result of the work performed, we have concluded and reported to the Board that the Annual Report for the year ended 31 December 2024, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position, performance, business model and strategy.

Task Force on Climate-related Financial Disclosures ("TCFD")

Building on our TCFD disclosures in the 2023 Annual Report, I am pleased to note that, working alongside the Manager, the Committee reviewed the Company's climate risks facing the business and advised the Board accordingly. ESG Consulting Group at CBRE Limited assisted the Company with the TCFD reporting. Please refer to pages 53 to 64 for our 2024 TCFD disclosures.

During the year the Committee evaluated the Company's key climate-related risks.

ESEF

I can confirm that the Company's consolidated financial statements have been prepared in a digital format under the European Single Format regulatory standard ("ESEF RTS").

Internal audit

The Company does not have an internal audit function and, following an internal risk review, we do not consider it necessary for the Company to have one. No separate internal audit work was engaged by the Committee in 2024. The Committee will continue to review this position in 2025 to determine if, in certain instances, the Company would benefit from internal audit services.

External audit

The Audit and Risk Committee recommended that BDO LLP be reappointed following a re-tender in 2017. The period of total uninterrupted engagement is 11 years, covering the years ending 31 December 2014 to 31 December 2024. In line with mandatory Audit Partner rotation, Richard Levy was appointed Audit Partner.

This year is the eighth year that BDO LLP has conducted the audit post its re-tender in 2017. The Company confirms that it has complied with the Competition and Markets Authority's Order in the year. The Committee recognises that a competitive tender for audit services will be required in respect of the audit for the year ending 31 December 2026 at the latest. The Committee has assessed and valued the quality and stability of the relationship with BDO LLP as current Auditor and remains overall satisfied with the level of service received. The Committee will commence a competitive tender process ahead of the deadline.

The Committee monitors the performance of the external Auditor and the external audit process and considers the Audit Committees and External Audit: Minimum Standard guidance as part of this review. The Committee provides an in-depth evaluation of its performance following the external audit, and then makes a recommendation to the Board. When considering the appropriateness of the reappointment of BDO LLP, we also consider in our review, the ratio of audit to non-audit fees and the effectiveness of the audit process, together with other relevant review processes. We were satisfied that we should recommend the reappointment of BDO LLP.

The Committee has met with the key members of the audit team over the course of the year and BDO LLP has formally confirmed its independence as part of the reporting process.

We consider that the audit team assigned to the Company by BDO LLP has a good understanding of the Company's business which enables it to produce a detailed, high-quality, in-depth audit and permits the team to scrutinise and challenge the Company's financial procedures and significant judgements. We ask the Auditor to explain the key audit risks and how these have been addressed.

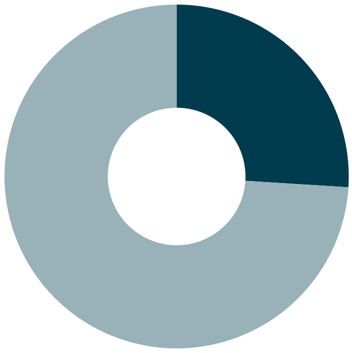
We also considered BDO LLP's internal quality control procedures and transparency report and found them to be sufficient.

The feedback to BDO LLP as part of the FRC's Audit Quality Review of Tier 1 firms was received by the Committee and discussed with BDO LLP. The Committee acknowledges that none of the matters raised by the FRC were considered by the Committee to be directly relevant to the Company. Overall, the Committee remains satisfied that the audit process is transparent and of good quality and that the Auditor has met the agreed audit plan.

Please refer to note 10 in the financial statements for a summary of fees paid to the Auditor.

We continue to believe that, in some circumstances, the external Auditor's understanding of the Company's business can be beneficial in improving the efficiency and effectiveness of advisory work. For this reason, we continue to engage BDO LLP as reporting accountants on the Company's issues of equity and debt capital in the normal course of the Company's business. During the year, BDO LLP was appointed as reporting accountants in relation to the acquisition of UKCM. PricewaterhouseCoopers LLP was appointed to assist with financial and tax due diligence on corporate acquisitions and to provide general tax compliance advice.

Ratio of audit to non-audit services



To help safeguard BDO LLP's objectivity and independence, we operate a Non-Audit Services Policy which requires approval by the Committee above a certain threshold before the external Auditor is engaged to provide any permitted non-audit services and outlines certain prohibited services.

The Company paid £355,940 in fees to the Auditor for non-audit services during 2024. These fees are set out in the table below.

Work undertaken	Rationale for using the external Auditor	Fee £
Interim review	Work is normally performed by an external Auditor	75,000
Agreed upon procedures over the Adjusted NAV	Extension of audit procedures	13,440
UKCM Reporting Accountant	Advisory role for acquisition of UKCM	267,500
Total		**355,940**

The ratio of audit to non-audit services received in the year was 26% (2023: 9%). The Committee periodically monitors the ratio to ensure that any fees for permissible non-audit services do not exceed 70% of the average audit fees paid in the last three years.

Committee evaluation

The Board commissioned an externally facilitated Board effectiveness review during the year. The overall performance of the Committee was rated highly: the Committee is considered to be effective and well managed, with the right balance of expertise and experience.

Priorities for 2025

The Committee will continue to focus on enhancing the Company's risk management and internal control framework and reviewing material controls in preparation for Provision 29 reporting requirements. The Committee will continue to work with the Manager to ensure the Company's Annual Report and Accounts remain fair, balanced and understandable and that the audit process remains robust.

Richard Laing FCA
Chair of the Audit and Risk Committee
27 February 2025

Management Engagement Committee Report

Elizabeth Brown
Chair of the Management Engagement Committee

Membership

Elizabeth Brown, Chair

Aubrey Adams

Wu Gang

Alastair Hughes

Richard Laing

Karen Whitworth

Kirsty Wilman

> **For full details on Committee attendance, please refer to page 97**

Key areas of focus in 2024:

- reviewed the Manager's succession planning proposals;
- reviewed the performance of the Manager;
- reviewed the Manager's key suppliers and their performance; and
- recommended appointment of JLL as valuer for the Company, in addition to CBRE and Colliers.

> "Ensuring the provision of high quality services to the Company by monitoring service levels from the Manager and key suppliers."

Dear Shareholders,

I am pleased to present the Management Engagement Committee Report for the year ended 31 December 2024. The Management Engagement Committee's role is to review the performance of the Manager and the Company's key service providers and if required to recommend the re-tender of their services for consideration by the Board. The Committee is also responsible for overseeing any amendments to the IMA.

During the year, the Committee met for two scheduled meetings, which focused on: the oversight of succession planning for key senior roles within the Manager both in the long and short term; the performance of the Manager itself; assessing the performance of the Manager's key suppliers and implementing any such recommendation from this assessment.

To ensure open and regular communication between the Manager and the Board, certain key representatives of the Manager are invited to attend all Board meetings to update the Board on the Company's portfolio activity and discuss the general market conditions and the financial performance and strategy of the Company. Details of the Company's performance in 2024 have been set out in the Strategic Report. During the year, the Committee conducted a thorough review of the Manager's performance to ensure that it remained in line with the IMA and KPIs as outlined in the service level agreement between the Company and the Manager. The Committee concluded that the Manager continued to perform well and no concerns were raised.

Suppliers

The Manager prepared a Key Supplier Review report. Following a detailed review and discussion, we agreed with the Manager that the performance of the Company's current service providers for the past year continued to be satisfactory, and in several cases exceptional. The Committee along with the Manager will continue to review the performance of these key suppliers in 2024.

As mentioned in the Audit and Risk Committee Report on page 104, JLL was appointed in November 2024 as part of the Manager's valuer rotation process. JLL provided valuation services for 28% of the investment portfolio as at 31 December 2024, and its services will be monitored by the Committee as part of the annual Key Supplier Review report.

The Manager

Under the terms of the IMA and in accordance with the ESMA guidance, as to the interpretation of the rules under AIFMD, the Board has delegated the day-to-day responsibility for running the Company to the Manager. The Manager is responsible for making investment and divestment decisions in accordance with the Company's Investment Policy along with asset management of the existing portfolio.

The Board continues to review all investment and divestment decisions and development activity, as well as the asset management policy activity performed by the Manager, remaining responsible for ensuring that these decisions are made in accordance with the Company's Investment Policy.

The Committee also reviews the Manager's culture and organisational structure. The Manager increased the number of employees during 2024 to ensure that the Company is well served and has invested in key support functions. The Manager's COO regularly updates the Board on the internal operations of the Manager and the Committee continues to monitor this on an ongoing basis.

As such we consider that all the policies of the Manager relate to all their employees, suppliers and operating partners. The Company is a REIT with no employees, hence all data and metrics covering the employees of our Manager are deemed relevant.

The Board is in touch with abrdn Holdings Limited regarding its 60% ownership interest in the Manager and remains confident that this relationship continues to serve Shareholders well. This extends to appraising financial incentivisation of the senior management team and strategy of the Manager to ensure that the Company is able to attract and retain outstanding talent to best serve Shareholders.

Investment Management Agreement

The revised IMA was approved by the Shareholders on 4 May 2022. The IMA continues on a rolling basis, with either party having the right to terminate the IMA, by giving at least 24 months' notice, no earlier than 4 May 2025. The 2022 IMA reduced costs and ensures that the Company has the right skills and resources in place to deliver returns to Shareholders over the long term.

Conflict management

The IMA contains robust conflict provisions and the Manager is not permitted in any circumstance to manage another fund with an exclusive investment strategy focusing on distribution or logistics assets in excess of 300,000 sq ft located within the UK. The Manager is permitted to acquire and manage UK distribution or logistics assets which provide less than 300,000 sq ft of accommodation on behalf of other funds subject to certain caveats designed to ensure that any assets which may be of interest to the Company are offered to the Company in priority to other funds managed by the Manager.

The Manager has an Investment Allocation Policy. This policy exists to ensure fair allocation of assets between funds managed by the Manager and describes the mechanism to be applied by the Manager to identify actual or potential conflicts. This policy is reviewed annually by the Manager and was last reviewed in May 2024.

In addition, in January 2025, the Manager granted the Company a right of first refusal in respect of data centre assets and sites suitable for development into data centres sourced by the Manager.

The Company and the Manager have adopted a new Governance and Conflicts Framework, which applies to transactions between the Manager and the Company in the context of assets acquired by the Manager that may represent data centre development assets for the Company, and which sets out various procedures and controls to ensure that such transactions are carried out as far as possible on an arm's length basis.

Investment Management fee

Under the terms of the IMA, the Manager is entitled to a management fee in consideration for its services. This is payable in cash by the Company each quarter and is calculated based on a percentage of the Company's EPRA Net Tangible Assets ("EPRA NTA") disregarding cash or cash equivalents. The fee is payable quarterly in arrears and the Manager is obliged to apply 25% of the fee in shares of the Company ("Management Shares") (see below for further detail). If the Group buys or sells any assets after the date at which the relevant EPRA NTA is calculated, the EPRA NTA is adjusted pro rata for the net purchase or sale price, less any third-party debt drawn or repaid whilst remaining capped at EPRA NTA.

The revised management fee, applicable from 1 July 2022, is as set out below:

EPRA NTA value	Relevant percentage
Up to and including £2 billion	0.7%
Above £2 billion and up to and including £3 billion	0.6%
Above £3 billion and up to and including £3.5 billion	0.5%
Above £3.5 billion	0.4%

During specified periods after publication of the Company's annual or interim results, the members of the Manager are obliged to use 25% of the management fee (net of any VAT, personal taxation liabilities and dealing costs, including stamp duty or stamp duty reserve tax) (the "net cash amount") to acquire Management Shares. Where the EPRA NTA is below the prevailing share price, new Ordinary Shares will be issued at a price equivalent to the prevailing EPRA NTA per share, adjusted for any dividend declared after the EPRA NTA per share is announced, if the new shares do not qualify for receipt of this dividend. In the circumstances where the EPRA NTA is above the prevailing share price, the Company's Broker will be instructed to acquire Ordinary Shares in the market for those persons, to the value as near as possible equal to the net cash amount.

The Management Shares may be allocated to any of the Partners of the Manager, and all employees of the Manager are eligible to receive share allocations at the discretion of the Manager.

On 1 March 2024, the Manager purchased 1,500,031 Ordinary Shares in the market which were allocated to the Manager's Partners, its staff and abrdn Holdings Limited in respect of the net cash amount, relating to the six-month period to 31 December 2023. The purchase price was 149.26 pence per Ordinary Share.

On 7 August 2024, the Manager purchased 1,407,286 Ordinary Shares in the market which were allocated to the Manager's Partners, its staff and abrdn Holdings Limited in respect of the net cash amount, relating to the six-month period to 30 June 2024. The purchase price was 160.78 pence per Ordinary Share.

Partners of the Manager and its staff had the following beneficial interests as at the date of this report:

PDMR or person closely associated	Number of Ordinary Shares held	Percentage of issued share capital as at 27 February 2025
Colin Godfrey	3,059,133	0.1233%
James Dunlop	2,996,772	0.1208%
Henry Franklin	2,223,975	0.0897%
Bjorn Hobart	456,752	0.0184%
Petrina Austin	402,154	0.0162%
Frankie Whitehead	237,512	0.0096%
Tritax Management LLP	95,275	0.0038%
Staff of Tritax Management LLP[1]	1,132,670	0.0456%
abrdn Holdings Limited[2]	6,397,532	0.2578%
Total	**17,001,775**	**0.6853%**

1. The figure comprises Ordinary Shares issued to staff of Tritax Management LLP under the terms of the IMA and at IPO, and does not include other shares that may have otherwise been acquired by staff.
2. The figure comprises Ordinary Shares issued to abrdn Holdings Limited under the terms of the IMA and it does not include other shares that may otherwise have been acquired by abrdn Holdings Limited.

Development Management Agreement

As announced by the Company on 21 January 2025, the Manager has been appointed as development manager in connection with the development at the Manor Farm site, pursuant to a Development Management Agreement ("DMA"). The Manager's development management and technical services obligations include pursuing planning, overseeing construction, lining up a data centre client pre-let and overseeing technical aspects of the Company's role in its joint venture at the Manor Farm site.

Pursuant to the terms of the DMA, the Manager is entitled to:

- a one-off £6.1 million payment in consideration for the Manager's 50% ownership of the JV, including a first right of refusal for the Company on the Manager's data centre pipeline;
- a development management fee of 3.5% of development costs, contingent on planning permission;
- a fee of 1.5% of estimated development costs, payable on securing planning and a pre-let for a data centre to the Company's satisfaction; and
- a profit share of 17.5% of development profits, contingent upon delivery of a practically completed and let data centre.

The Manager is required to procure that 50% of the profit share amount (net of any VAT, stamp duty and other taxation liabilities) would be applied to the subscription or acquisition of shares in the Company, depending on whether the Company's shares are trading at a discount to the Company's EPRA NTA per share. As at the date of this report, no amounts were payable pursuant to the profit share amounts.

AIFM Directive

The AIFMD became part of UK law in 2013. It regulated AIFMs and imposed obligations on managers of alternative investment funds ("AIFs") in the EU or who market shares in AIFs to EU investors. Under the AIFMD, the AIFM must comply with various organisational, operational and transparency obligations. The European Union (Withdrawal) Act 2018 ("EUWA") repealed the European Communities Act 1972 on the day the UK left the EU and converted into UK domestic law the existing body of directly applicable EU law. In the UK, AIFMs must now comply with The Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2018. The Manager is authorised by the Financial Conduct Authority as an AIFM and provides all relevant investment management and advisory services to the Company, including regulated activities. The Manager is responsible for making investment and divestment decisions in respect of the Company's assets as part of its regulatory responsibility for the overall portfolio and risk management of the Company. This is in line with The Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2018 on the application of the AIFMD.

AIFM remuneration policy applied by the Manager

As a full scope AIFM, the Manager must apply a remuneration policy in line with its business strategy, objectives, values and interests, as well as those of the AIFs it manages or its investors. The policy must include measures to avoid conflicts of interest. This ensures that the Partners have a vested interest in ensuring the Manager remains financially sound.

The annual fee paid by the Company is based on a percentage of its EPRA NTA, as set out on page 109. In addition, the Manager's Partners are required to apply 25% of that fee (net of tax and certain other costs, as described on the previous page) to the purchase of Management Shares. Management Shares are subject to a 12-month lock-in period. This aligns the interests of the Manager and its Partners with the strategy and interests of the Company and its Shareholders. The Manager and its Partners allocate a proportion of the Management Shares to members of staff in adherence with the general guidance on the AIFM Remuneration Code.

The Manager's partnership board meets at least twice a year to discuss the remuneration of its entire staff. Staff are remunerated in accordance with their seniority, expertise, professional qualifications, responsibilities and performance. They are paid salaries in line with market rates and, in profitable years, awarded a discretionary bonus from a bonus pool worth, in aggregate, at least 5% of the Manager's profits. The discretionary bonus may consist of cash or Ordinary Shares in the Company allocated to certain members of staff out of the Management Shares. This means that staff remuneration is predominantly fixed and the variable element is determined by the Manager's overall profitability, rather than the performance of a particular AIF. Where relevant, the proportion of variable remuneration adheres to the requirements set out in the AIFM Remuneration Code.

The Manager's Partners are entitled to their partnership share of its profits and losses. During the year and as at 31 December 2024, none of the Partners were entitled to additional partnership drawings that depended on the performance of any AIFs managed by the partnership. The Partner's remuneration for the year ended 31 December 2024 therefore depended on the Manager's overall profitability, rather than the performance of any AIFs.

Committee evaluation

The overall performance on the Management Engagement Committee for the period was positively rated, with open and challenging discussion.

Priorities for 2025

The Committee will focus on the review and performance of the Manager and its key suppliers. The Committee will continue to work closely with the Manager to oversee its succession planning.

Elizabeth Brown
Chair of the Management Engagement Committee
27 February 2025

Directors' Remuneration Report

Annual statement

The Company only has Independent Non-Executive Directors and therefore does not consider it necessary to establish a separate Remuneration Committee. The Directors' remuneration is disclosed below. The Remuneration Report will be presented at the AGM on 7 May 2025 for Shareholder consideration and approval.

Directors' Remuneration Policy

The Directors' Remuneration Policy was last approved by the Company's Shareholders at the AGM on 1 May 2024.

The Company's policy is to determine the level of Directors' fees with regard to those payable to non-executive directors of comparable REITs and the time each Director dedicates to the Company's affairs.

The Independent Non-Executive Directors are entitled to their annual fee and reasonable expenses. No element of the Directors' remuneration is performance related, nor does any Independent Non-Executive Director have any entitlement to pensions, share options or any Long Term Incentive Plans from the Company. Under the Company's Articles, all Independent Non-Executive Directors are entitled to the remuneration determined from time to time by the Board. There were no revisions to the policy during the period.

Directors' fees benchmarking

In line with best governance practice, the Board requested that the Manager conduct a fee benchmarking exercise.

The exercise was facilitated by the Company Secretary and it compared the Company with its peer group and additional FTSE 350 companies. Additional input was sought from Russell Reynolds Associates to ascertain comparative data on the remuneration market for non-executive directors specifically within the REIT sector and also other real estate FTSE-350 listed companies (both internally and externally managed) by market capitalisation.

As a result and following a number of meetings, the Board (without the Chair present) agreed that the Chair's fee should increase by 15% in order to bring it in line with fees paid to chairs of other listed REITs, especially taking into account the Chair's experience, both within the industry and within the role itself, and also given the time, complexity and level of responsibilities required within the role of the Chair of the Company.

Additionally, the Nomination Committee recommended to the Board, and the Board approved, an increase in the base NED fee, an increase in the Senior Independent Director fee and the Committee Chair fee of 5% (rounded to the nearest £500), all with effect from 1 July 2024. Again, the Nomination Committee took into consideration the time, complexity and level of responsibility required for each of the Independent Non-Executive Directors to fulfil their roles on the Board of the Company as it's strategy evolves to include a portfolio of greater scale and complexity.

Based upon the above changes, the fees payable during the year ended 31 December 2024 are set out in the table below.

Role	Fee as at 1 January 2024 £	Fee as at 1 July 2024 £	Change in fee
Chair's fee	126,000	145,000	15%
Base fee for Independent Non-Executive Director	56,700	59,500	5%
Additional fee:			
– Senior Independent Director	5,250	5,500	5%
– Committee Chair: Audit and Risk Committee	10,500	11,000	5%
– Committee Chair: Management Engagement Committee	5,250	5,500	5%

Annual Report on Remuneration (audited)

The fees paid to the past and current Independent Non-Executive Directors in the year to 31 December 2024, which have been audited, are set out below. In addition, each Independent Non-Executive Director is entitled to recover all reasonable expenses incurred in connection with performing his or her duties as a Director. Directors' expenses for the year to 31 December 2024 totalled £444 (2023: £607). No other remuneration was paid or payable during the year to any Director. There have been no payments to past Directors or for loss of office.

	Annual fee		Expenses		Total fixed remuneration	
Director	**For year ended 31 December 2024[1,2] £**	For year ended 31 December 2023 £	**For year ended 31 December 2024 £**	For year ended 31 December 2023 £	**For year ended 31 December 2024 £**	For year ended 31 December 2023 £
Aubrey Adams	**135,500**	123,000	**—**	—	**135,500**	123,000
Elizabeth Brown	**63,475**	60,702	**—**	—	**63,475**	60,702
Wu Gang	**58,100**	55,350	**23**	130	**58,123**	55,480
Alastair Hughes	**58,100**	55,558	**—**	—	**58,100**	55,558
Richard Laing	**68,850**	65,600	**421**	477	**69,271**	66,077
Karen Whitworth	**63,475**	60,475	**—**	—	**63,475**	60,475
Kirsty Wilman[3]	**19,833**	—	**—**	—	**19,833**	—

1. The Chair's fee was increased by 15% with effect from 1 July 2024.
2. The Independent Non-Executive Director base fee and additional fees increased by 5% with effect from 1 July 2024.
3. Kirsty Wilman was appointed as an Independent Non-Executive Director on 1 September 2024. Her fee has been pro-rated for the four months that she served as a Director during the year ended 31 December 2024.

Annual change in remuneration

The table below illustrates the year-on-year percentage change in remuneration for the Independent Non-Executive Directors.

	2020	2021	2022*	2023+	**2024#**
Aubrey Adams	3.9%	118%[1]	0%	3%	**10%**
Elizabeth Brown	—	—	18%[2]	11%	**5%**
Wu Gang	—	—	8%	3%	**5%**
Alastair Hughes	0%	10%[3]	-2%[3]	3%	**5%**
Richard Laing	7%	0%	7%	3%	**5%**
Karen Whitworth	0%	10%[4]	7%[4]	3%	**5%**
Kirsty Wilman	—	—	—	—	**—**

* The Independent Non-Executive Director base fee level was increased with effect from 1 January 2022 from £50,000 to £54,000 per annum.

\+ The Independent Non-Executive Director base fee, the Chair's fee, the SID fee and the fees for the roles of the Chair of the Audit & Risk Committee and the Management Executive Committee increased by 5% with effect from 1 July 2023.

\# The Independent Non-Executive Director base fee and additional fees increased by 5% and the Chair's fee increased by 15% with effect from 1 July 2024.

1. Aubrey Adams was appointed Chair effective 5 May 2021.
2. Elizabeth Brown was appointed Chair of the Management Engagement Committee effective 4 November 2022.
3. Alastair Hughes was appointed Senior Independent Director from 5 May 2021 to 4 November 2022.
4. Karen Whitworth was appointed Chair of the Management Engagement Committee from 1 October 2021 to 4 November 2022, then Senior Independent Director effective 4 November 2022.

Each Independent Non-Executive Director has been appointed pursuant to a Letter of Appointment. All Independent Non-Executive Directors are appointed for a three-year term, subject to annual re-election at the Company's AGM. No Director has a service contract with the Company, nor are any such contracts proposed. The Directors' appointments can be terminated in accordance with the notice provisions and the Articles and, in certain circumstances, without compensation. The terms of appointment of the Directors are set out in the below table.

Director	Letter of appointment dated	Expected and actual date of expiry	Unexpired term as at 31 December 2024	Notice period
Aubrey Adams	11 September 2017 11 September 2019 11 September 2021 11 September 2024	11 September 2027	33 months	3 months
Elizabeth Brown	15 December 2021 15 December 2024	15 December 2027	35 months	3 months
Wu Gang	1 October 2021 1 October 2024	1 October 2027	33 months	3 months
Alastair Hughes	1 February 2019 1 February 2021 1 February 2023	1 February 2026	13 months	3 months
Richard Laing	16 May 2018 16 May 2020 4 May 2022	16 May 2025	5 months	3 months
Karen Whitworth	21 October 2019 21 October 2021 21 October 2024	21 October 2027	34 months	3 months
Kirsty Wilman	1 September 2024	1 September 2027	32 months	3 months

External advisers

The Board and its Committees have access to sufficient resources to discharge their duties. As part of the Directors' fee benchmarking exercise, Russell Reynolds Associates provided its view on the NED fee market.

Statement of consideration of Shareholder views

The Company is committed to ongoing Shareholder dialogue and takes an active interest in voting outcomes. If there are substantial votes against any resolutions, the Company will consult with Shareholders in order to understand the reasons for any such vote. The Company will provide an update on the views received from Shareholders no later than six months after the meeting and any resulting action will be detailed in the next Annual Report. Ordinary resolutions require a simple majority of 50% and special resolutions require 75% to be passed.

The Directors' Remuneration Policy and the Directors' Remuneration Report were approved by Shareholders at the Company's AGM held on 1 May 2024. The voting on the respective resolutions was as shown below:

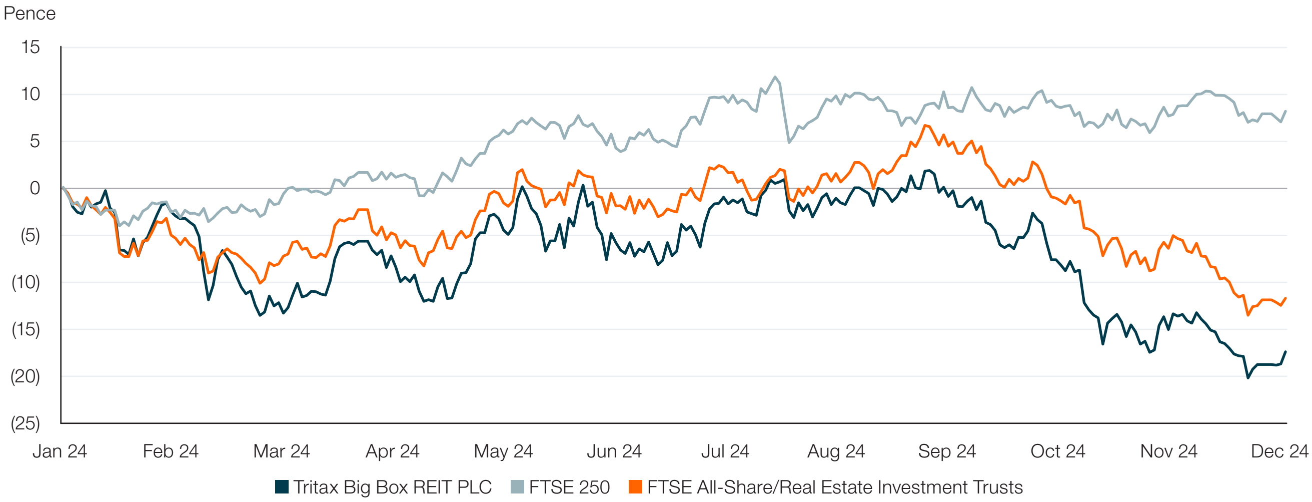
Resolution	For %*	Against %	Votes withheld
Directors' Remuneration Policy	99.97%	0.03%	19,084,621
Directors' Remuneration Report	99.98%	0.02%	12,056,995

* Including votes in favour and discretion.

Total Shareholder Return

The graph below shows the Total Shareholder Return (as required by Company Law) of the Company's Ordinary Shares relative to a return on a hypothetical holding over the same period in the FTSE 250 and the FTSE All-Share REIT Index.

Total Shareholder Return is the measure of returns provided by a company to Shareholders reflecting share price movements and assuming reinvestment of dividends.



Directors' shareholdings (audited)

There is no requirement for the Independent Non-Executive Directors of the Company to own shares in the Company. As at 27 February 2025, the Directors and their persons closely associated held the shareholdings listed below.

Director[1]	Number of shares held	Percentage of issued share capital	**Dividends received 31 December 2024 £**
Aubrey Adams	300,000	0.012%	**21,345**
Elizabeth Brown	20,382	0.001%	**1,534**
Wu Gang	8,600	0.0003%	**524**
Alastair Hughes	76,783	0.003%	**5,157**
Richard Laing	78,610	0.003%	**5,329**
Karen Whitworth	60,498	0.002%	**3,942**
Kirsty Wilman	—	—	**—**

1. Includes shareholdings of Directors and persons closely associated (as defined by the UK Market Abuse Regulation).

The shareholdings of these Directors are not significant and, therefore, do not compromise their independence.

Relative importance on spend on pay (audited)

Director	**2024 £m**	2023 £m	Change %
Directors' remuneration	**0.5**	0.5	0%
Investment management fees	**24.6**	22.0	12%
Dividends paid to Shareholders	**174.9**	135.6	29%

Other items

The Company maintains Directors' and Officers' liability insurance cover, at its expense, on the Directors' behalf.

As the Company does not have any employees, the Company is not required to produce pay ratio tables.

Aubrey Adams OBE, FCA, FRICS
Independent Chair
27 February 2025

Directors' Report

Introduction

The Directors are pleased to present the Annual Report, including the Company's audited financial statements as at, and for the year ended, 31 December 2024.

The Directors' Report and the Strategic Report comprise the "Management Report" for the purposes of Disclosure Guidance and Transparency Rule 4.1.5R.

Statutory information contained elsewhere in the Annual Report

Information required to be part of this Directors' Report can be found elsewhere in the Annual Report and is incorporated into this report by reference, as indicated in the relevant section.

Information	Location in Annual Report
Directors	Pages 80 and 81
Section 172	Page 67
Business relationships	Pages 1 to 76
Directors' interest in shares	Page 113
Future developments of the Company	Pages 10 to 11
Financial instruments	Note 4.3 on page 130
Corporate Governance Statement	Pages 78 to 97
Going Concern and Viability	Page 76
Disclosure of information to Auditor	Page 115
Share capital	Page 114
TCFD	Pages 53 to 64
SECR reporting	Page 65 to 66

Incorporation by reference

The Corporate Governance Report (pages 78 to 116 of this Annual Report and Accounts for the year ended 31 December 2024) is incorporated by reference into this Directors' Report.

Financial results and dividends

The financial results for the year can be found in the Group Statement of Comprehensive Income on page 124.

The following interim dividends amounting to, in aggregate, 7.660 pence per share were declared in respect of the year ended 31 December 2024:

Period covered by interim dividend	Date declared	Dividend payable (pence per share)	Dividend record date	Dividend payment date
1 January 2024 to 31 March 2024	2 May 2024	1.825	24 May 2024	7 June 2024
1 April 2024 to 30 June 2024	7 August 2024	1.825	23 August 2024	6 September 2024
1 July 2024 to 30 September 2024	10 October 2024	1.825	1 November 2024	27 November 2024
1 October 2024 to 31 December 2024	28 February 2025	2.185	14 March 2025	28 March 2025

Political donations

No political donations were made during the year.

Employees

The Group has no employees and therefore no employee share scheme or policies on equal opportunities and disabilities.

Share capital

On 16 May 2024, the Company issued 576,939,134 new Ordinary Shares in the Company, pursuant to the Scheme of Arrangement relating to the Company's acquisition of UK Commercial Property REIT Limited ("UKCM"), whereby those shareholders of UKCM whose names appeared on the UKCM register of members at 6pm on 15 May 2024 were, subject to certain conditions, entitled to received 0.444 Ordinary Shares in the Company for each UKCM ordinary share held.

Following the issue of the new Ordinary Shares on 16 May 2024, the share capital of Company consisted of 2,480,677,459 Ordinary Shares. There were no further issues of new shares during the year.

As at 31 December 2024 (and as at the date of this report), there were 2,480,677,459 Ordinary Shares in issue.

Ordinary Shares	Number	Gross proceeds £
Balance as at 1 January 2024	1,903,738,325	N/A
Shares issued on 16 May 2024	576,939,134	N/A
Balance as at 31 December 2024	2,480,677,459	

Restrictions on transfer of securities in the Company

There are no restrictions on the transfer of securities in the Company, except as a result of:

- the FCA's UK Listing Rules, which require certain individuals to have approval to deal in the Company's shares; and
- the Company's Articles of Association, which allow the Board to decline to register a transfer of shares or otherwise impose a restriction on shares, to prevent the Company or the Manager breaching any law or regulation.

The Company is not aware of any agreements between holders of securities that may result in restrictions on transferring securities in the Company.

Securities carrying special rights

No person holds securities in the Company carrying special rights with regard to control of the Company.

Substantial shareholdings

As at 10 February 2025, the Company is aware of the following substantial shareholdings, which were directly or indirectly interested in 3% or more of the total voting rights in the Company's issued share capital. As at 10 February 2025, the issued share capital remained the same as at 31 December 2024 with 2,480,677,459 Ordinary Shares in issue.

Shareholder name	Holding as at 10 February 2025	%
Phoenix Life Insurance Company*	250,315,411	10.09
BlackRock*	214,324,513	8.64
Vanguard Group	138,502,630	5.58
Aviva Investors	106,707,043	4.30
Cohen & Steers	94,544,040	3.81
Legal & General Investment Management	81,172,415	3.27

* Shareholdings for companies indicated are as at 31 January 2025.

Amendment of Articles of Association

The Articles may be amended by a special resolution of the Company's Shareholders.

Powers of the Directors

The Board will manage the Company's business and may exercise all the Company's powers, subject to the Articles, the Companies Act and any directions given by the Company by special resolution.

Powers in relation to the Company issuing its shares

At the AGM held on 1 May 2024, the Directors were granted a renewed general authority to allot Ordinary Shares in accordance with Section 551 of the Companies Act 2006, up to an aggregate nominal amount of £12,691,588. Of those Ordinary Shares, the Directors were granted authority to issue up to an aggregate nominal amount of £951,869 (which is equivalent to 5% of the Company's issued share capital as at that date) non-pre-emptively and wholly for cash and authority to issue up to an aggregate nominal amount of £951,869 to be used only for the purpose of financing (or refinancing, if the authority is to be used within six months after the original transaction), a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights. These authorities replaced the equivalent authorities given to the Directors at the AGM held on 1 May 2023.

These authorities expire at the next AGM in Q2 2025 to be held on 7 May 2025.

Authority to Purchase Own Shares

At the 2024 AGM Shareholders authorised the Company to make market purchases of its own shares up to a maximum of 190,373,832 Ordinary Shares, equivalent to approximately 10% of the Company's issued share capital at the time. The Company has not exercised this authority to date.

Change of control

Under the Group's financing facilities, any change of control at the borrower or immediate Parent Company level may trigger a repayment of the outstanding amounts to the lending banks or institutions.

In certain facilities including the issue of recent loan notes, the change of control provisions also include a change of control at the ultimate Parent Company level.

Appointment and replacement of Directors

Details of the process by which Directors can be appointed or replaced are included in the Nomination Committee Report on pages 98 to 101.

Disclosure of information to the Auditor

The Directors, who were members of the Board at the time of approving the Directors' Report, have confirmed that:

- so far as each Director is aware, there is no relevant audit information of which the Company's Auditor is not aware; and
- each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Events subsequent to the year-end date

For details of events since the year-end date, please refer to note 36 on page 149 to the consolidated financial statements.

Independent Auditor

BDO LLP has expressed its willingness to continue as Auditor for the financial year ending 31 December 2025.

Manager and service providers

The Manager during the year was Tritax Management LLP. Details of the Manager and certain elements of the Investment Management Agreement are set out in the Management Engagement Committee Report on pages 108 to 110.

Additional information

In accordance with UK Listing Rule ("UKLR") 6.6.4 R, the only disclosure requirement required under UKLR 6.6.1 R is the disclosure of capitalised interest, which is disclosed in note 13 on page 135.

Annual General Meeting

It is planned for the Company's AGM to be held at the offices of Ashurst LLP at London Fruit & Wool Exchange, 1 Duval Square, London E1 6PW, on 7 May 2025.

This report was approved by the Board on 27 February 2025.

Tritax Management LLP
Company Secretary
27 February 2025

Directors' Responsibilities

In respect of the Annual Report and the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with UK adopted international accounting standards and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with UK adopted international accounting standards and have elected to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company Law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss for the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the Group financial statements have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- state whether the Company financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101") subject to any material departures disclosed and explained in the Company financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business; and
- prepare a Directors' Report, a Strategic Report and Directors' Remuneration Report which comply with the requirements of the Companies Act 2006.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Group's performance, business model and strategy.

Website publication

The Directors are responsible for ensuring the Annual Report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Directors' responsibilities pursuant to DTR4

The Directors confirm to the best of their knowledge:

- the Group financial statements have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group; and
- the Annual Report includes a fair review of the development and performance of the business and the financial position of the Group and Parent Company, together with a description of the principal risks and uncertainties that they face.

Aubrey Adams OBE, FCA, FRICS
Independent Chair
27 February 2025

Independent Auditor's Report

To the members of Tritax Big Box REIT plc

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Tritax Big Box REIT plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise the Group Statement of Comprehensive Income, the Group Statement of Financial Position, the Group Statement of Changes in Equity, the Group Cash Flow Statement, the Company Statement of Financial Position, the Company Statement of Changes in Equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the Audit and Risk Committee.

Independence

Following the recommendation of the Audit and Risk Committee, we were appointed by the Directors in November 2013 to audit the financial statements for the year ended 31 December 2014 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 11 years, covering the years ended 31 December 2014 to 31 December 2024. We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group or the Parent Company.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- using our knowledge of the Group and its market sector together with the current general economic environment to assess the Directors' identification of the inherent risks to the Group's business and how these might impact the Group and the Parent Company's ability to remain a going concern for the going concern period, being the period to 28 February 2026, which is at least 12 months from when the financial statements are authorised for issue;
- obtaining an understanding of the Directors' process for assessing going concern including an understanding of the key assumptions used;
- obtaining the Directors' going concern assessment;
- assessing the Group's forecasts cash flows with reference to historic performance and challenging the Directors' forecast assumptions in comparison to the current performance of the Group;
- testing the inputs into the forecasts for reasonableness based on historic performance and corroboration to contractual agreements where available;
- agreeing the Group's available borrowing facilities and the related terms and covenants to loan agreements;
- obtaining covenant calculations and forecast calculations to test for any potential future covenant breaches. We also considered the covenant compliance headroom for sensitivity to both future changes in property valuations and the Group's future financial performance;
- considering board minutes, and evidence obtained through the audit and challenging the Directors on the identification of any contradictory information in the forecast cash flows and the resulting impact on the going concern assessment;
- analysing the Directors' stress testing calculations and challenging the assumptions made using our knowledge of the business and of the current economic climate, to assess the reasonableness of the downside scenarios selected; and
- reviewing the disclosures in the financial statements relating to going concern to check that the disclosure is consistent with the Directors' going concern assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Parent Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

An overview of the scope of our audit

Overview			
Coverage	100% (2023: 100%) of Group profit before tax 100% (2023: 100%) of Group revenue 100% (2023: 100%) of Group total assets		
Key audit matters	Valuation of investment properties, including properties under construction	**2024** ✓	**2023** ✓
Materiality	**Group financial statements as a whole** £67m (2023: £50m) based on 1% (2023: 1%) of total assets		

Our audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

The Group operates solely in the United Kingdom, and all audit procedures were performed by the Group audit team. We identified three significant components for which full scope audits were performed being:

- the Tritax Big Box REIT component (which includes the Parent Company);
- the Tritax Big Box Development component; and
- the UK Commercial Property REIT component.

Climate change

Our work on the assessment of potential impacts on climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and to adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector;
- Review of the minutes of Board and Audit Committee meeting and other papers related to climate change to determine if there were any climate related matters affecting the financial statements which we are not already aware of, evaluating the impact of these, if any.
- We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in the Directors' going concern assessment and in management's judgements and estimates in relation to the investment property valuation.

We also assessed the consistency of managements disclosures included as Statutory Other Information on page 53 with the financial statements and with our knowledge obtained from the audit.

Based on our risk assessment procedures, we did not identify there to be any Key Audit Matters materially impacted by climate-related risks.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

An overview of the scope of our audit continued

Key audit matters continued

Key audit matter		How the scope of our audit addressed the key audit matter
Valuation of investment property portfolio, including properties under construction *Refer to note 3 on significant accounting judgements, estimates and assumptions; and note 4 on material accounting policy information.* *Refer to note 17 in relation to investment property.*	The Group's investment property portfolio comprises: • Standing assets: these are existing properties that are currently let or available to let. They are valued using the yield methodology approach in accordance with RICS methodology and IFRS 13 Fair Value Measurement. • Properties under construction: these are properties being built, which have agreed pre lets with clients. Properties under construction have a different risk and investment profile to the standing assets. They are valued using the residual method, which estimates the fair value of the completed project using the yield methodology approach, less estimated costs to completion. The valuation of investment property requires significant judgement and estimates by the Directors, with the assistance of their appointed valuer ("the Valuer") and is therefore considered a significant risk due to the subjective nature of certain assumptions inherent in each valuation. Any input inaccuracies or unreasonable bases used in the valuation judgements (such as capitalisation yields, rental values, and in the case of properties under construction, costs to complete) could result in a material misstatement in the valuation of investment property, therefore impacting the Group's financial statements. There is also a risk that the Directors may unduly influence the significant judgements and estimates in respect of property valuations in order to achieve property valuation or other performance or financial targets or to meet market expectations. For these reasons we consider the valuation of the investment property portfolio, including properties under construction to be a key audit matter.	We responded to this matter by performing the following procedures: We read the external valuation reports prepared by the Group's Valuers and checked that the approaches used were consistent with the requirements of relevant accounting standards. We assessed the Valuers' competence and capabilities and read their terms of engagement with the Group, to determine if any matter could have affected their independence and objectivity, and if the Directors could have influenced their decisions over the significant judgements and estimates, or imposed scope limitations upon their work. We checked the data provided to the Valuers by the Group to determine whether it was consistent with the information that we audited. This data included inputs such as current rent and lease terms, which we have agreed on a sample basis to executed lease agreements as part of our audit work. We engaged our internal valuations experts in discussions with the Valuers to gain an understanding of the valuation methods and assumptions used. With the assistance from our internal valuations experts, we analysed the valuation movements for the properties, and the reasonability of their yields to check if they are in line with the market. We challenged the assumptions utilised by the Valuers within the valuation by benchmarking the valuation to the expectations that we developed using independent data around the year end. We assessed the estimated costs to complete and progress of development for properties under construction by agreeing the total estimated costs of the property to the underlying agreements and relevant supporting documentation. We then verified costs already incurred in the current year to our additions testing (tested on a sample basis), while the total cost incurred in prior years was agreed to the audited numbers in the prior year, with the remainder being costs to complete. The forecasted costs to complete were also agreed to the cost to complete reports produced by the audited entity. We agreed the cost to complete reports to latest invoices where available. We assessed the reasonableness of these forecasts by assessing management's ability to forecast, and we also performed a retrospective review of the accuracy of management's forecast by assessing completed properties, and comparing the estimated total costs for these properties to the actual costs incurred. We checked that the property valuations have been properly included in the financial statements. We also assessed whether the disclosures in the financial statements are appropriate and in accordance with relevant accounting standards. **Key observation:** Based on our work we consider assumptions adopted by the Directors in the valuation were reasonable and the methodology applied was appropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Parent Company financial statements	
	2024 £m	2023 £m	2024 £m	2023 £m
Materiality	67	50	49	38
Basis for determining materiality	1% of total assets	1% of total assets	1% of total assets	1% of total assets
Rationale for the benchmark applied	We determined that total assets would be the most appropriate basis for determining overall materiality as we consider it to be the principal considerations for the users of the financial statements in assessing the financial performance of the Group and Parent Company.			
Performance materiality	50.2	37.5	36.8	28.5
Basis for determining performance materiality	75% of materiality			
Rationale for the percentage applied for performance materiality	The level of performance materiality applied was set based on the low number of components, low value of brought forward adjustments impacting the current year and the expected total value of known and likely misstatements based on past experience.			

Specific materiality

For the Group, we determined that for other account balances and classes of transactions that impact the calculation of European Public Real Estate Association ("EPRA") earnings, a misstatement of less than materiality for the financial statements as a whole, specific materiality, could influence the economic decisions of users. EPRA earnings excludes the impact of the net surplus on revaluation of investment properties, profit on disposals of investment properties, any impairment of land options and interest rate derivatives. We consider this to be a key performance measure of the Group. As a result, we determined materiality for these items to be 5% of EPRA earnings, being £9.8m (2023: £5.6m based on 5% of EPRA earnings).

For the Parent Company, we determined that for trade and other receivables, trade and other payables, borrowings, expenses, interest income and expenses, a misstatement of less than materiality for the financial statements as a whole, specific materiality, could influence the economic decisions of users. As a result, we determined materiality for these items to be £6.6m, (2023: £4.7m) based on 5% of the Parent Company's profit before tax (2023:5% of the Parent Company's profit before tax).

We further applied a performance materiality level of 75% for both the Group and Parent Company (2023: 75%) of specific materiality to ensure that the risk of errors exceeding specific materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit and Risk Committee that we would report to them all individual audit differences impacting the Group in excess of £2.0m (2023: £1.5m) and for those items impacting the calculation of EPRA earnings, all individual audit differences in excess of £0.3m (2023: £0.28m). Regarding the Parent Company, we agreed that we would report all individual audit differences in excess of £1.47m (2023: £1.14m) and for trade and other receivables, trade and other payables, borrowings, expenses, interest income and expenses, all individual audit differences in excess of £0.19m (2032: £0.27m) We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate Governance Statement

The UK Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Parent Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

Going concern and longer-term viability	• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified, set out on page 76. • The Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate, set out on page 76.
Other Code provisions	• Directors' statement on fair, balanced and understandable, set out on page 116. • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks, set out on page 70. • The section of the annual report that describes the review of effectiveness of risk management and internal control systems, set out on page 102. • The section describing the work of the Audit and Risk Committee, set out on page 104 to 107.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic Report and Directors' Report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report
Directors' remuneration	In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Parent Company financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be, but not limited to, the Companies Act 2006, the UK Listing Rules, the REIT tax regime requirements and legislation relevant to the rental of properties. We considered the extent to which non-compliance might have a material effect on the Group and Parent Company's' financial statements. We also considered the Group's own control environment for monitoring its compliance with laws and regulation, and obtained and reviewed their papers on compliance, in addition to performing our own procedures.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax experts in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Irregularities including fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Involvement of forensic specialists in the audit to review our fraud risk assessment in relation to the environment at the entity and the fraud risk to specific financial statement areas;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition, valuation of investment property portfolio, and management override of controls.

Our procedures in response to the above included:

Addressing the risk of management override of controls by:

- testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation and evaluating whether there was evidence of bias by management or the Directors that represented a risk of material misstatement due to fraud; and
- Assessing significant estimates made by management for bias on key audit matters.

Addressing the risk of intentional misstatement of revenue by:

- setting expectations for the annual revenue to be recognised for the year for each property, comparing it to the actual amounts recognised and investigating variances. We confirmed lease details back to the underlying signed agreements and a sample to receipt of cash (where amounts had been received prior to the year-end). We also tested the rent smoothing adjustments to supporting documentation.

Our responses to the valuation of investment property are set out in the key audit matters section above.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were deemed to have the appropriate competence and capabilities, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Auditor's responsibilities for the audit of the financial statements continued

Irregularities including fraud continued

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Levy (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom
27 February 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Group Statement of Comprehensive Income
For the year ended 31 December 2024

	Note	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Gross rental income	6	**281.1**	222.2
Service charge income	6	**13.1**	6.2
Service charge expense	7	**(15.6)**	(6.3)
Direct property expenses		**(2.6)**	—
Net rental income		**276.0**	222.1
Gross operating income	8	**86.3**	—
Other operating costs	9	**(63.3)**	—
Other operating income		**23.0**	—
Administrative and other expenses	10	**(33.7)**	(28.9)
Operating profit before changes in fair value and other adjustments[1]		**265.3**	193.2
Changes in fair value of investment properties	17	**243.7**	(38.1)
Gain/(loss) on disposal of investment properties	17	**8.4**	(1.6)
Share of profit from joint ventures	19	**0.1**	0.4
Dividend income		**0.2**	—
Fair value movements in financial asset	27	**0.9**	(0.1)
Impairment of intangible and other property assets		**(4.0)**	(2.7)
Share-based payment charge	25	**—**	(2.9)
Changes in fair value of contingent consideration payable	25	**—**	(0.4)
Extinguishment of B and C share liabilities	25	**—**	(21.1)
Operating profit		**514.6**	126.7
Finance income	12	**8.4**	10.4
Finance expense	13	**(71.9)**	(55.3)
Changes in fair value of interest rate derivatives	27	**(5.3)**	(11.2)
Profit before taxation		**445.8**	70.6
Taxation	14	**(0.3)**	(0.6)
Profit and total comprehensive income		**445.5**	70.0
Earnings per share	15	**19.67p**	3.72p

1. Operating profit before changes in fair value of investment properties, gain/(loss) on disposal of investment properties, share of profit from joint ventures, dividend income, fair value movements in financial assets, impairment of intangible and other property assets and share-based payment charges.

Group Statement of Financial Position
As at 31 December 2024

	Note	At 31 December 2024 £m	At 31 December 2023 £m
Non-current assets			
Investment property	17	**5,929.4**	4,843.6
Investment in land options	18	**148.8**	157.4
Investment in joint ventures	19	**24.4**	24.8
Other property assets		**1.7**	2.3
Intangible assets		**0.7**	1.1
Financial assets	27	**3.2**	2.3
Interest rate derivatives	27	**7.6**	11.1
Trade and other receivables	22	**3.9**	1.0
Total non-current assets		**6,119.7**	5,043.6
Current assets			
Trade and other receivables	22	**56.0**	22.0
Assets held for sale	20	**440.4**	—
Cash at bank	23	**80.6**	36.4
Tax asset	14	**2.0**	—
Total current assets		**579.0**	58.4
Total assets		**6,698.7**	5,102.0
Current liabilities			
Deferred rental income		**(59.5)**	(38.6)
Trade and other payables	24	**(112.5)**	(106.9)
Tax liabilities	14	**(1.9)**	(2.2)
Total current liabilities		**(173.9)**	(147.7)
Non-current liabilities			
Trade and other payables	24	**(3.9)**	(1.0)
Bank borrowings	26	**(811.7)**	(474.7)
Loan notes	26	**(1,141.8)**	(1,140.5)
Deferred consideration		**—**	(4.1)
Total non-current liabilities		**(1,957.4)**	(1,620.3)
Total liabilities		**(2,131.3)**	(1,768.0)
Total net assets		**4,567.4**	3,334.0
Equity			
Share capital	30	**24.8**	19.0
Share premium reserve	30	**49.2**	49.2
Capital reduction reserve	30	**1,289.0**	1,463.9
Merger reserve	30	**957.0**	—
Retained earnings	30	**2,247.4**	1,801.9
Total equity		**4,567.4**	3,334.0
Net asset value per share	31	**184.12p**	175.13p
EPRA Net Tangible Asset per share	31	**185.56p**	177.15p

These financial statements were approved by the Board of Directors on 27 February 2025 and signed on its behalf by:

Aubrey Adams OBE, FCA, FRICS
Independent Chair

Group Statement of Changes in Equity
For the year ended 31 December 2024

	Note	Share capital £m	Share premium £m	Merger reserve £m	Capital reduction reserve £m	Retained earnings £m	Total £m
1 January 2024		19.0	49.2	—	1,463.9	1,801.9	3,334.0
Profit for the year and total comprehensive income		—	—	—	—	445.5	445.5
		19.0	49.2	—	1,463.9	2,247.4	3,779.5
Contributions and distributions:							
Share issue in relation to the UKCM acquisition	30	5.8	—	957.0	—	—	962.8
Dividends paid	16	—	—	—	(174.9)	—	(174.9)
31 December 2024		**24.8**	**49.2**	**957.0**	**1,289.0**	**2,247.4**	**4,567.4**

	Note	Share capital £m	Share premium £m	Merger reserve £m	Capital reduction reserve £m	Retained earnings £m	Total £m
1 January 2023		18.7	764.3	—	835.1	1,731.9	3,350.0
Profit for the year and total comprehensive income		—	—	—	—	70.0	70.0
		18.7	764.3	—	835.1	1,801.9	3,420.0
Contributions and distributions:							
Shares issued in relation to extinguishment of share-based payment	30	0.3	49.3	—	—	—	49.6
Transfer between reserves		—	(764.4)	—	764.4	—	—
Share-based payments		—	—	—	—	4.5	4.5
Transfer of share-based payments to liabilities to reflect settlement		—	—	—	—	(4.5)	(4.5)
Dividends paid	16	—	—	—	(135.6)	—	(135.6)
31 December 2023		19.0	49.2	—	1,463.9	1,801.9	3,334.0

Group Cash Flow Statement

For the year ended 31 December 2024

	Note	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Cash flows from operating activities			
Profits for the period (attributable to the Shareholders)		**445.5**	70.0
Tax charge		**0.3**	0.6
Changes in fair value of contingent consideration payable		**—**	0.4
Finance income	12	**(8.4)**	(10.4)
Finance expense	13	**71.9**	55.3
Changes in fair value of interest rate derivatives		**5.3**	11.2
Share-based payment charges		**—**	2.9
Extinguishment of B and C share liabilities		**—**	21.1
Impairment of intangible and other property assets		**4.0**	2.7
Amortisation of intangible property assets		**0.6**	—
Movement on valuation of financial asset		**(0.9)**	—
Share of profit from joint ventures		**(0.1)**	(0.4)
(Gain)/loss on disposal of investment properties		**(8.4)**	1.6
Changes in fair value of investment properties	17	**(243.7)**	38.1
Accretion of client lease incentive	6	**(21.4)**	(16.2)
(Increase)/decrease in trade and other receivables		**(33.4)**	3.5
Increase in deferred income		**12.7**	3.9
(Decrease)/increase in trade and other payables		**(26.0)**	0.6
Cash generated from operations		**198.0**	184.9
Taxation (charge)/credit	14	**(2.6)**	0.4
Net cash flow generated from operating activities		**195.4**	185.3
Investing activities			
Additions to investment properties		**(196.2)**	(308.9)
Additions to land options	18	**(16.9)**	(16.8)
Net working capital acquired on the acquisition of UKCM		**(8.1)**	—
Purchase of equity investment		**—**	(66.6)
Purchase of financial asset		**—**	(2.4)
Additions to joint ventures		**—**	(0.3)
Net proceeds from disposal of investment properties		**137.8**	326.8
Interest received	12	**0.7**	0.2
Dividends received from joint ventures		**0.4**	0.8
Net cash flow used in investing activities		**(82.3)**	(67.2)
Financing activities			
Proceeds from issue of Ordinary Share capital		**—**	49.6
Bank borrowings drawn	26	**340.0**	409.0
Bank and other borrowings repaid	26	**(178.0)**	(407.0)
Interest derivatives received	12	**7.0**	9.9
Loan arrangement fees paid		**(1.2)**	(5.1)
Bank interest paid		**(60.6)**	(47.9)
Interest cap premium paid		**(1.8)**	(2.4)
Dividends paid to equity holders		**(174.1)**	(135.3)
Net cash flow used from financing activities		**(68.7)**	(129.2)
Net increase in cash and cash equivalents for the year		**44.4**	(11.2)
Cash and cash equivalents at start of year	23	**36.2**	47.4
Cash and cash equivalents at end of year	23	**80.6**	36.2

Notes to the Consolidated Accounts

1. Corporate information

The consolidated financial statements of the Group for the year ended 31 December 2024 comprise the results of Tritax Big Box REIT plc (the "Company") and its subsidiaries (together, the "Group") and were approved by the Board for issue on 27 February 2025. The Company is a public limited company incorporated and domiciled in England and Wales. The Company's Ordinary Shares are admitted to the official list of the UK Listing Authority, a division of the Financial Conduct Authority, and traded on the London Stock Exchange. The registered address of the Company is disclosed in the Company information.

The nature of the Group's operations and its principal activities are set out in the Strategic Report.

Accounting policies

2. Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The comparative information disclosed relates to the year ended 31 December 2023.

The Group's financial statements have been prepared on a historical cost basis, other than as explained in the accounting policies below.

The consolidated financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest £0.1 million, except where otherwise indicated.

The Group has chosen to adopt European Public Real Estate Association ("EPRA") best practice guidelines for calculating key metrics such as net asset value and earnings per share (www.epra.com/finance/financial-reporting/guidelines).

2.1. Going concern

The Board has assessed the appropriateness of the going concern basis in preparing these financial statements. Any going concern assessment considers the Group's financial position, cash flows, liquidity and capital commitments including its continued access to its debt facilities and headroom under financial loan covenants.

The Directors have considered the cash flow forecasts for the Group for a period of at least twelve months from the date of approval of these consolidated financial statements. These forecasts include the Directors' assessment of plausible downside scenarios. The Directors have reviewed the current and projected financial position of the Group, making reasonable assumptions about its future trading performance. Various forms of sensitivity analysis have been performed having particular regard to the financial performance of its clients' track record of rental receipts, whilst taking into account any discussions held with the client surrounding their future rental obligations. The analysis also included sensitising the impact of portfolio valuation movements through market volatility, rent collection and client default. These scenarios all paid regard to the current economic environment.

The Group has a strong track record around rent collection with no history of significant levels of bad debt or arrears. Generally speaking, we have strong clients with robust balance sheets and strong cash flows. The Directors have also considered the arrears position in light of IFRS 9, expected credit loss model, see Note 22 for further details.

As at 31 December 2024, the Group had an aggregate £519.0 million of undrawn commitments under its senior debt facilities as well as £80.6m of cash held at bank, of which £101.2 million was committed under various development related contracts. In January and February 2025 the Group also acquired a logistical asset for £74.3 million and sold or exchanged to sell £86.8 million of non-strategic assets and £79.0 million of logistics investment assets.

At 31 December 2024 the Group's loan to value ratio stood at 28.8%, with the debt portfolio having an average maturity term of approximately 4.5 years. As at the date of approval of this report, the Group has substantial headroom within its financial loan covenants. As at 31 December 2024 property values would have to fall by more than 50% before loan covenants are breached.

The Group's financial covenants have been complied with for all loans throughout the period and up to the date of approval of these financial statements.

The Directors have assessed the ability of the Group and Company to continue as a going concern and are not aware of any material uncertainties that may cast significant doubt upon the ability of the Group and Company to continue as a going concern. Therefore the Directors are satisfied that the Group has the resources to continue in business until at least 28 February 2026.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

3.1. Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Other operating income

Other operating income is receivable from development management agreements ("DMA") in place with third parties. Development management income is recognised in the accounting period in which the services are rendered and a significant reversal is not expected in future periods.

3. Significant accounting judgements, estimates and assumptions continued

3.1. Judgements continued

Other operating income continued

Judgement is exercised in identifying performance obligations including the sale of land with planning consent, completing land and infrastructure works and managing the construction of an asset. The transaction price is allocated fairly between the different performance obligations (refer to notes 8 and 9). Certain performance obligations are recognised at a point in time (for example a land transaction) and others are recognised over time (such as services under a DMA) each contract outlines the scope, deliverables, milestones, and payment terms. Revenue is recognised based on the work completed to date using the percentage-of-completion method (input method), which is based on costs incurred relative to total expected costs.

Acquisitions of property through corporate vehicles

Some property transactions are large or complex and require management to make judgements when considering the appropriate accounting treatment. These include acquisitions of property through corporate vehicles, which could represent either asset acquisitions or business combinations under IFRS 3 (refer to note 4.9).

During the period the Group acquired the entire issued share capital of UK Commercial Property REIT ('UKCM'). UKCM was a real estate investment trust with its operations managed by abrdn Fund Managers Limited ('abrdn'). The management contract with abrdn made them responsible for the operations required to manage the properties owned by the UKCM. Simultaneously upon acquisition, the management contract between abrdn and UKCM was immediately cancelled as the operations of the Group were taken over by Tritax Management LLP who remain the Investment Manager to the enlarged Group.

As the Group did not acquire any of UKCM's critical processes which enabled them to create outputs, it was concluded that the transaction did not meet the definition of a business combination under IFRS 3, and therefore has been accounted for as an asset acquisition (refer to note 37).

Land options

Land options, and other non-financial assets, are initially capitalised at cost and considered for any impairment indication annually. The impairment review includes consideration of the resale value of the option, likelihood of achieving planning consent and current recoverable value as determined by an independent external valuer. In the calculation of the resale value or recoverable value of land options, several estimates are required which includes the expected size of the development, expected rental and capitalisation rates, estimated build costs, the time to complete the development and anticipated progress with achieving planning consent, as well as the associated risks of achieving the above.

3.2. Estimates

Fair valuation of investment property

The market value of investment property is determined by an independent property valuation expert (see note 17) to be the estimated amount for which a property should exchange on the date of the valuation in an arm's-length transaction. Properties have been valued on an individual basis. The valuation expert uses recognised valuation techniques and the principles of both IAS 40 and IFRS 13.

The valuations have been prepared in accordance with the RICS Valuation – Global Standards January 2022 (the "Red Book"). Factors reflected comprise current market conditions including Net Initial Yield applied, annual rents and estimated rental values, lease lengths, location and building specification which would include climate-related considerations. The Net Initial Yield, being the most significant estimate, is subject to changes depending on the market conditions which are assessed on a periodic basis. The significant methods and assumptions used by the valuers in estimating the fair value of investment property, together with the sensitivity analysis on the most subjective inputs, are set out in note 17.

4. Material accounting policies

4.1. Segmental information

The Directors are of the opinion that the Group is engaged in a single segment business, being the investment in UK logistics assets and land options with a view to developing logistics and holding these for investment purposes. The Directors consider that these properties have similar economic characteristics in nature and as a result they have been reported as a single reportable operating business. During the current year, the Group acquired non-logistics assets as part of the UKCM acquisition. These assets share similar economic characteristics to the existing portfolio and collectively they form an insignificant proportion of the Group's portfolio. In addition to this, the monitoring and strategic decision-making processes are no different from the existing logistics core portfolio. Therefore, the Directors consider there to be a single reportable segment.

4.2. Investment property and investment property under construction

Investment property comprises completed property that is held to earn rentals or for capital appreciation, or both. Property held under a lease is classified as investment property when it is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions.

The corresponding entry upon recognising lease incentives or fixed/minimum rental uplifts is made to investment property. For further details see accounting policy note 4.11.

Investment property is recognised once practical completion is achieved and is measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and other costs incurred in order to bring the property to the condition necessary for it to be capable of operating. Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in the fair values are included in the Group profit or loss in the year in which they arise under IAS 40 "Investment Property".

Long leaseholds are accounted for as investment property as they meet the criteria for right of use assets.

4. Material accounting policies continued

4.2. Investment property and investment property under construction continued

Investment properties under construction are financed by the Group through development contracts to build logistics assets, in the form of pre-let development and with an allowance of up to 5% of GAV in speculative development (with no pre-let secured). Investment properties under construction are initially measured at cost (including the transaction costs), which reflect the Group's investment in the assets. Subsequently, the assets are remeasured to fair value at each reporting date. The fair value of investment properties under construction is estimated as the fair value of the completed asset less any costs still payable in order to complete, which include an appropriate developer's margin.

Additions to properties include costs of a capital nature only. Expenditure is classified as capital when it results in identifiable future economic benefits, which are expected to accrue to the Group. Capitalised expenditure also includes finance costs incurred on qualifying assets under construction. All other property expenditure is expensed in the Group profit or loss as incurred.

Investment properties cease to be recognised when they have been disposed of or withdrawn permanently from use and no future economic benefit is expected from disposal. The difference between the net disposal proceeds and the carrying amount of the asset would result in either gains or losses at the retirement or disposal of investment property. Any gains or losses are recognised in the Group profit or loss in the year of retirement or disposal.

4.3. Financial instruments

Fair value hierarchy

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period.

4.3.1. Financial assets

The Group classifies its financial assets into one of the categories discussed below. The Group's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises in-the-money derivatives and out-of-money derivatives where the time value offsets the negative intrinsic value. They are carried in the Group Statement of Financial Position at fair value with changes in fair value recognised in the Group profit or loss in the finance income or expense line. It also comprises of non-controlling minority interest equity investments, the Group has voluntarily classified these assets to be held at fair value through profit and loss.

Amortised cost

These assets arise principally from the provision of goods and services to clients (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost, being the effective interest rate method, less provision for impairment.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from client default (being the failure of a client to timely pay rent due) to determine the lifetime expected credit loss for the trade receivables. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the Group Statement of Financial Position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

4.3.2. Financial liabilities

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired.

The Group's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises out-of-the-money derivatives where the time value does not offset the negative intrinsic value. They are carried in the Group Statement of Financial Position at fair value with changes in fair value recognised in the Group Statement of Comprehensive Income. Other than these derivative financial instruments, the Group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

4. Material accounting policies continued

4.3. Financial instruments continued

Fair value hierarchy continued

4.3.2. Financial liabilities continued

Other financial liabilities

Other financial liabilities include the following items:

Bank borrowings and the Group's loan notes are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Group Statement of Financial Position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payment while the liability is outstanding.

Debt modification

Debt modifications are subject to a qualitative and quantitative test to determine if a substantial modification has occurred. The outcome of the tests will determine if the modification should be treated as a substantial modification under extinguishment accounting or an adjustment to the existing liability under modification accounting.

4.4. Joint arrangements

The Group is a party to a joint arrangement when there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The Group classifies its interests in joint arrangements as either:

- joint ventures: where the Group has rights to only the net assets of the joint arrangement; or
- joint operations: where the Group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- the structure of the joint arrangement;
- the legal form of joint arrangements structured through a separate vehicle;
- the contractual terms of the joint arrangement agreement; and
- any other facts and circumstances (including any other contractual arrangements).

The Group does not have any joint operations.

Joint ventures are initially recognised in the Group Statement of Financial Position at cost. Subsequently joint ventures are accounted for using the equity method, where the Group's share of post-acquisition profits and losses and other comprehensive income is recognised in the Group Statement of Comprehensive Income.

Profits and losses arising on transactions between the Group and its joint ventures are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the joint venture's profits and losses resulting from these transactions is eliminated against the carrying value of the joint venture.

Any premium paid for an investment in a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the investment in joint venture. Provision for impairment in value is made where there is objective evidence that the investment in a joint venture has been impaired.

4.5. Goodwill

Goodwill is capitalised as an intangible asset, with any impairment in carrying value being charged to the Group Statement of Comprehensive Income. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the Group Statement of Comprehensive Income on the acquisition date as a gain on bargain purchase or negative goodwill.

4.6. Intangible assets

As a result of the acquisition of Tritax Big Box Developments, the DMA between the Company and Tritax Big Box Developments Management Limited is assessed as a favourable contract. It is recognised as an intangible asset on the Group Statement of Financial Position and is amortised over the original eight year term of the DMA. The favourable element of the DMA was assessed with reference to a reasonable mark-up that may be expected for these services if the agreement were set up at arm's length, discounted over the eight-year period.

4.7. Land options

Land options are classified as non-financial assets as they are non-liquid assets with no active market and they cannot be readily converted into cash. The options are exercisable at a future date subject to receiving planning consent. They are initially carried at cost and are tested for impairment annually and whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, the higher of value in use and fair value less costs to sell, the option is written down accordingly as a charge to the Group Statement of Comprehensive Income. Once the options are exercised and the land is drawn down, they are transferred into investment property.

4. Material accounting policies continued

4.8. Impairment of assets

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets including intangible assets, investment in joint ventures and land options are subject to annual impairment tests, or whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (the higher of value in use and fair value less costs to sell), the asset is impaired accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows, its cash-generating units ("CGUs"). Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

Impairment charges are included in Group Statement of Comprehensive Income. An impairment loss recognised for goodwill is not reversed.

4.9. Business combination

The Group acquires subsidiaries that own investment properties. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. Under the Definition of a Business (Amendments to IFRS 3 "Business Combinations"), to be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The optional "concentration test" is also applied; where substantially all of the fair value of gross assets acquired is concentrated in a single asset (or a group of similar assets), the assets acquired would not represent a business. Therefore the Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property.

Where an acquisition is considered to be a business combination the consolidated financial statements incorporate the results of business combinations using the acquisition method. In the Group Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. Any excess of the cost of a business combination over the Group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired is treated as goodwill. Where the fair value of identifiable assets, liabilities and contingent liabilities acquired exceeds the fair value of the purchase consideration, the difference is treated as gain on bargain purchase and credited to the Group Statement of Comprehensive Income. The results of acquired operations are included in the Group Statement of Comprehensive Income from the date on which control is obtained until the date on which control ceases.

Where such acquisitions are not judged to be the acquisition of a business, they are not treated as business combinations. Rather, the cost to acquire the corporate entity is allocated between the identifiable assets and liabilities of the entity based upon their relative fair values at the acquisition date. Accordingly, no goodwill or additional deferred tax arises.

Where amounts payable for the acquisition of a business are subject to a contingent consideration arrangement in which the payments are automatically forfeited if employment terminates, the amounts are treated as remuneration for post-combination services rather than consideration for the acquisition of a business.

4.10. Share-based payments

The Company entered into an agreement with the Tritax Big Box Development Shareholders where future amounts payable are based on the Adjusted NAV of Tritax Big Box Developments Limited and subject to certain provisions around continuing employment. 25% of the amounts payable are to be settled in cash with the remaining 75% settled in cash or shares at the discretion of the Company. Where the Company had a present obligation to settle the amounts in cash, either through its stated intention or past practice, the Company accounted for the amounts as cash settled share-based payments. The fair value of the cash settled obligation was recognised over the vesting period and presented as a liability in the Group Statement of Financial Position. The liability was remeasured at each reporting date with the charge to the profit or loss updated over the vesting period.

4.11. Property income

4.11.1. Rental income

Rental income arising from operating leases on investment property is accounted for on a straight line basis over the lease term and is included in gross rental income in the Group Statement of Comprehensive Income. A rental adjustment is recognised from the rent review date in relation to unsettled rent reviews, where the Directors are reasonably certain that the rental uplift will be agreed. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income. Rental income is invoiced, either monthly or quarterly in advance, and for all rental income that relates to a future period this is deferred and appears within current liabilities on the Group Statement of Financial Position.

For leases, which contain fixed or minimum uplifts, the rental income arising from such uplifts is recognised on a straight-line basis over the lease term.

Client lease incentives are recognised as a reduction of gross rental income on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the client has the option to continue the lease where, at the inception of the lease, the Directors are reasonably certain that the client will exercise that option.

When the Group enters into a pre-let development agreement no rental income is recognised under the agreement for lease until practical completion has taken place, at which point rental income is recognised in the Group Statement of Comprehensive Income from the rent commencement date.

4.11.2. Other operating income

The other operating income is generated through the Group providing development management services to third parties. It is recognised on an accruals basis in the period in which the services have been rendered, performance obligations have been satisfied and a significant reversal is not expected in future periods.

4. Material accounting policies continued

4.12. Taxation

Taxation on the profit or loss for the period not exempt under UK REIT regulations comprises current and deferred tax. Current tax is expected tax payable on any profit not relating to the property rental business for the year, using tax rates enacted or substantively enacted at the year-end date, including any adjustment to tax payable in respect of previous years. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

5. New standards issued

5.1. New standard issued and effective from 1 January 2024

The following standard and amendment to existing standards has been applied in preparing the financial statements.

The following amendments are effective for the period beginning 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to IAS 1.
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16.
- Disclosures: Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7.

There was no material effect from the adoption of the above-mentioned amendments to IFRS effective in the period. They have no significant impact to the Group as they are either not relevant to the Group's activities or require accounting which is already consistent with the Group's current accounting policies.

5.2. New standards issued but not yet effective

The following standards and amendments are effective for the annual reporting period beginning 1 January 2027:

- IFRS 18 "Presentation and Disclosure in Financial Statements" and;
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures".

The Group is assessing the impact of IFRS 18, issued by the IASB in April 2024, which replaces IAS 1 and introduces major amendments to IFRS Standards, including IAS 8. While IFRS 18 does not affect recognition or measurement, it will significantly impact presentation and disclosure, including, but not limited to profit or loss categorisation, aggregation/disaggregation, labelling, and management-defined performance measures. The Group does not expect to be eligible to apply IFRS 19.

There are no standards that are not yet effective that would be expected to have a material impact on the Group in the current or future reporting periods and on the foreseeable future transactions.

6. Total property income

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Rental income – freehold property	**225.5**	175.3
Rental income – long leasehold property	**33.8**	30.5
Spreading of client incentives and guaranteed rental uplifts	**21.4**	16.2
Other income	**0.4**	0.2
Gross rental income	**281.1**	222.2
Property insurance recoverable	**4.9**	4.5
Service charges recoverable	**8.2**	1.7
Total property insurance and service charge income	**13.1**	6.2
Total property income	**294.2**	228.4

There was one individual client representing more than 10% of gross rental income, constituting £37.3 million of rental income in 2024 (2023: £32.6 million).

7. Service charge expenses

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Property insurance expense	**5.2**	4.6
Service charge expense	**10.4**	1.7
Total property expenses	**15.6**	6.3

8. Other operating income

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
DMA income	**67.4**	—
Sale of land	**18.9**	—
Total other operating income	**86.3**	—

9. Other operating costs

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
DMA expense	**47.2**	—
Cost of land	**16.1**	—
Total other operating costs	**63.3**	—

10. Administrative and other expenses

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Investment management fees	**24.6**	22.0
Directors' remuneration (note 11)	**0.5**	0.5
Auditor's fees:		
Fees payable for the audit of the Company's annual accounts	**0.8**	0.4
Fees payable for the review of the Company's interim accounts	**0.1**	0.1
Fees payable for the audit of the Company's subsidiaries	**0.1**	0.1
Total Auditor's fee	**1.0**	0.6
Development management fees	**1.0**	1.0
Corporate administration fees	**0.8**	0.6
Regulatory fees	**0.2**	0.2
Legal and professional fees	**1.8**	1.6
Marketing and promotional fees	**1.6**	0.6
Other costs	**2.2**	1.8
Total administrative and other expenses	**33.7**	28.9

11. Directors' remuneration

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Directors' fees	**0.4**	0.4
Employer's National Insurance	**0.1**	0.1
	0.5	0.5

12. Finance income

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Interest received on bank deposits	**0.7**	0.2
Interest received on swaps and other derivatives	**7.7**	10.2
	8.4	10.4

13. Finance expense

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Interest payable on bank borrowings	**36.9**	23.7
Interest payable on loan notes	**29.8**	29.7
Commitment fees payable on bank borrowings	**2.7**	2.0
Unwinding of deferred consideration	**0.4**	0.1
Amortisation of loan arrangement fees	**4.3**	4.4
Unwinding of discount on fixed rate debt	**3.8**	—
	77.9	59.9
Borrowing costs capitalised against development properties	**(6.0)**	(4.6)
Total finance expense	**71.9**	55.3

The rate at which interest is capitalised is the Group's weighted average cost of debt as detailed in note 26.

14. Taxation

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Tax charge	**0.3**	0.6

The UK corporation tax rate for the financial year is 25%. Accordingly, this rate has been applied in the measurement of the Group's tax liability at 31 December 2024.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Profit/(loss) on ordinary activities before taxation	**445.8**	70.6
Theoretical tax at UK corporation tax rate of 25% (31 December 2023: 23.52%)	**111.5**	16.6
REIT exempt income	**(50.2)**	(37.3)
Non-taxable items	**(62.3)**	15.6
Residual losses	**1.3**	5.7
Total tax charge	**0.3**	0.6

Non taxable items include income and gains that are derived from the property rental business and are therefore exempt from UK corporation tax in accordance with Part 12 of CTA 2010.

REIT exempt income includes property rental income that is exempt from UK corporation tax in accordance with Part 12 of CTA 2010.

The current year tax asset of £2.0 million relates to tax over paid on anticipated non-property profits arising in the year. The prior year there was a current liability of £0.3 million.

A deferred tax liability is recognised for appropriation tax charges of £1.9 million (2023: £1.9 million) in relation to the business combination which occurred in 2019.

A deferred tax asset is not recognised for UK revenue losses or capital losses where their future utilisation is uncertain. At 31 December 2024, the total of such losses was £52.5 million (2023: £41.0 million) and the potential tax effect of these was £13.1 million (2023: £10.3 million).

15. Earnings per share

Earnings per share "EPS" are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period.

The calculation of basic earnings per share is based on the following:

For the year ended 31 December 2024	Net profit attributable to Ordinary Shareholders £m	Weighted average number of Ordinary Shares[1] '000	Earnings per share pence
Basic EPS – basic and diluted	**445.5**	**2,264,719**	**19.67p**
Adjustments to remove:			
Changes in fair value of investment property	**(243.7)**		
Changes in fair value of interest rate derivatives	**5.3**		
Share of profit from joint ventures	**(0.1)**		
Gain or disposal of investment properties	**(8.4)**		
Amortisation of other property assets	**0.6**		
Changes in fair value of financial asset	**(0.9)**		
Impairment of intangible contract and other property assets	**4.0**		
EPRA EPS[1] – basic and diluted	**202.3**	**2,264,719**	**8.93p**
Adjustments to include:			
Fixed rental uplift adjustments	**(8.9)**		
Amortisation of loan arrangement fees and intangibles	**4.1**		
Unwinding of discount on fixed rate debt and deferred consideration	**4.2**		
Adjusted EPS[1] – basic and diluted	**201.7**	**2,264,719**	**8.91p**

1. Based on the weighted average number of Ordinary Shares in issue throughout the year.

For the year ended 31 December 2023 (restated, due to change in EPRA guidance)	Net profit attributable to Ordinary Shareholders £m	Weighted average number of Ordinary Shares[1] '000	Earnings per share pence
Basic EPS – basic and diluted	70.0	1,881,931	3.72p
Adjustments to remove:			
Changes in fair value of investment property	38.1		
Changes in fair value of interest rate derivatives	11.2		
Share of profit from joint ventures	(0.4)		
Loss on disposal of investment properties	1.6		
Share of profit from joint ventures	2.30		
Changes in fair value of financial asset	0.1		
Impairment of intangible contract and other property assets	0.4		
EPRA EPS[2] – basic and diluted (restated)	123.3	1,881,931	6.55p
Adjustments to include:			
Share-based payment charge	2.9		
Fair value movement in contingent consideration	0.4		
Extinguishment of B & C share liabilities[4]	21.1		
Fixed rental uplift adjustments	(6.2)		
Amortisation of loan arrangement fees and intangibles	4.4		
Adjusted EPS[2] – basic and diluted (restated)	145.9	1,881,931	7.75p

15. Earnings per share continued

For the year ended 31 December 2023 (reported)	Net profit attributable to Ordinary Shareholders £m	Weighted average number of Ordinary Shares[1] '000	Earnings per share pence
Basic EPS – basic and diluted	70.0	1,881,931	3.72p
Adjustments to remove:			
Changes in fair value of investment property	38.1		
Changes in fair value of interest rate derivatives	11.2		
Finance income received on interest rate derivatives[3]	(10.2)		
Share of profit from joint ventures	(0.4)		
Loss on disposal of investment properties	1.6		
Share of profit from joint ventures	2.30		
Changes in fair value of financial asset	0.1		
Impairment of intangible contract and other property assets	0.4		
EPRA EPS[2] – basic and diluted (reported)	113.1	1,881,931	6.01p
Adjustments to include:			
Share-based payment charge	2.9		
Fair value movement in contingent consideration	0.4		
Extinguishment of B & C share liabilities[4]	21.1		
Fixed rental uplift adjustments	(6.2)		
Amortisation of loan arrangement fees and intangibles	4.4		
Finance income received on interest rate derivatives[3]	10.2		
Adjusted EPS[2] – basic and diluted (reported)	145.9	1,881,931	7.75p

1. Based on the weighted average number of Ordinary Shares in issue throughout the year.
2. Based on the weighted average number of Ordinary Shares in issue throughout the year, plus potentially issuable dilutive shares.
3. In accordance with the EPRA guidance the finance income received on interest rate derivatives was taken out of EPRA Earnings and was added back into Adjusted Earnings as it gave a better reflection of the Group's net interest expense which was supported by cash flows. During 2024 this guidance has since changed and it is no longer required to be excluded from the EPRA EPS and the prior year has been restated to reflect this change.
4. This is a one-off charge in the prior year relating to the B&C settlement (please refer to note 25 for further details).

Adjusted earnings is a performance measure used by the Board to assess the Group's dividend payments. The metric reduces EPRA earnings by other non-cash items credited or charged to the Group Statement of Comprehensive Income, such as fixed rental uplift adjustments and amortisation of loan arrangement fees.

Fixed rental uplift adjustments relate to adjustments to net rental income on leases with fixed or minimum uplifts embedded within their review profiles. The total minimum income recognised over the lease term is recognised on a straight-line basis and therefore not fully supported by cash flows during the early term of the lease, but this reverses towards the end of the lease.

Share-based payment charges related to the B and C Shareholders. Whilst impacting on earnings in the prior year, this value was considered capital in nature from the perspective it relates to a B&C Share equity holding in Tritax Big Box Developments Limited. It was therefore removed from Adjusted earnings.

16. Dividends paid

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Fourth interim dividend in respect of period ended 31 December 2023 at 2.050 pence per Ordinary Share (fourth interim for 31 December 2022 at 1.975 pence per Ordinary Share)	**39.0**	36.9
First interim dividend in respect of year ended 31 December 2024 at 1.825 pence per Ordinary Share (31 December 2023: 1.750 pence)	**45.3**	32.7
Second interim dividend in respect of year ended 31 December 2024 at 1.825 pence per Ordinary Share (31 December 2023: 1.750 pence)	**45.3**	32.7
Third interim dividend in respect of year ended 31 December 2024 at 1.825 pence per Ordinary Share (31 December 2023: 1.750 pence)	**45.3**	33.3
Total dividends paid	**174.9**	135.6
Total dividends paid for the year (per share)	**5.475**	5.250
Total dividends unpaid but declared for the year (per share)	**2.185**	2.050
Total dividends declared for the year (per share)	**7.660**	7.300

16. Dividends paid continued

On 27 February 2025, the Company approved the fourth interim dividend for declaration in respect of the year ended 31 December 2024 of 2.185 pence per share payable on 28 March 2025. The total dividends declared for the year of 7.66 pence are all property income distribution ("PID").

17. Investment property

In accordance with IAS 40, investment property is stated at fair value as at 31 December 2024. The investment property has been independently valued by CBRE Limited ("CBRE"), Jones Lang LaSalle Limited ("JLL") and Colliers International Valuation UK LLP ("Colliers"), they are accredited independent valuers with recognised and relevant professional qualifications and with recent experience in the locations and categories of the investment properties being valued. CBRE and JLL value all investment property with leases attached or assets under construction. Colliers values all land holdings and land options. The valuations have been prepared in accordance with the RICS Valuation – Global Standards July 2017 (the "Red Book") and incorporate the recommendations of the International Valuation Standards and the RICS Valuation – Professional Standards UK January 2014 (revised April 2015) which are consistent with the principles set out in IFRS 13.

The valuers, in forming their opinion, make a series of assumptions, which are market related, such as Net Initial Yields and expected rental values, and are based on the valuer's professional judgement. The valuers have sufficient current local and national knowledge of the particular property markets involved and has the skills and understanding to undertake the valuations competently. There have been no changes to the assumptions made in the year as a result of a range of factors including the macro-economic environment, availability of debt finance and physical and transition risks relating to climate change.

The valuers of the Group's property portfolio have a working knowledge of the various ways that sustainability and environmental, social and governance factors can impact value and have considered these, and how market participants are reflecting these in their pricing, in arriving at their Opinion of Value and resulting valuations as at the balance sheet date. Currently, assets with the highest standards of ESG are commanding higher rental levels, have lower future capital expenditure requirements, and are transacting at lower yields.

The valuations are the ultimate responsibility of the Directors. Accordingly, the critical assumptions used in establishing the independent valuation are reviewed by the Board.

All corporate acquisitions during the year and prior year have been treated as asset purchases rather than business combinations because they are considered to be acquisitions of properties rather than businesses.

	Investment property freehold £m	**Investment property long leasehold £m**	**Investment property under construction £m**	**Total £m**
As at 1 January 2024	**4,004.3**	**580.9**	**258.4**	**4,843.6**
Property additions[1]	**1,090.5**	**93.8**	**210.7**	**1,395.0**
Fixed rental uplift and client lease incentives[2]	**20.5**	**1.9**	**—**	**22.4**
Disposals	**(134.6)**	**—**	**(22.2)**	**(156.8)**
Transfer of completed property to investment property	**188.4**	**—**	**(188.4)**	**—**
Transfer from land options	**—**	**—**	**21.9**	**21.9**
Transfer to assets held for sale	**(326.1)**	**(34.0)**	**(80.3)**	**(440.4)**
Change in fair value during the year	**158.5**	**19.5**	**65.7**	**243.7**
As at 31 December 2024	**5,001.5**	**662.1**	**265.8**	**5,929.4**

	Investment property freehold £m	Investment property long leasehold £m	Investment property under construction £m	Total £m
As at 1 January 2023	3,811.2	637.2	398.9	4,847.3
Property additions	109.1	0.1	195.8	305.0
Fixed rental uplift and client lease incentives[2]	20.3	0.7	—	21.0
Disposals	(256.2)	(52.2)	—	(308.4)
Transfer of completed property to investment property	357.2	—	(357.2)	—
Transfer from land options	—	—	16.8	16.8
Change in fair value during the year	(37.3)	(4.9)	4.1	(38.1)
As at 31 December 2023	4,004.3	580.9	258.4	4,843.6

1. Acquisitions include UKCM assets at a valuation of £1,216.9 million less a price discount on acquisition of £67.8 million and other acquisitions of £245.9 million (refer to note 37).
2. Included within the carrying value of investment property is £114.0 million (31 December 2023: £91.6 million) in respect of accrued contracted rental uplift income. This balance arises as a result of the IFRS treatment of leases with fixed or minimum rental uplifts and rent-free periods, which requires the recognition of rental income on a straight-line basis over the lease term. The difference between this and cash receipts changes the carrying value of the property against which revaluations are measured.

	31 December 2024 £m	31 December 2023 £m
Investment property at fair value per Group Statement of Financial Position	**5,929.4**	4,843.6
Assets held for sale at fair value	**440.4**	—
Total investment property valuation	**6,369.8**	4,843.6

17. Investment property continued

The Group has other capital commitments which represent financial commitments made in respect of direct construction, asset management initiatives and development land. The Group had also agreed to exchange on the purchase of investment asset at the year end (refer to note 35).

Fees payable under the DMA totalling £2.5 million (2023: £nil) have been capitalised in the year, being directly attributable to completed development projects during the year.

Fair value hierarchy

The Group considers that all of its investment properties fall within Level 3 of the fair value hierarchy as defined by IFRS 13. There have been no transfers between Level 1 and Level 2 during any of the periods, nor have there been any transfers between Level 2 and Level 3 during any of the periods.

The valuations have been prepared on the basis of market value ("MV"), which is defined in the RICS Valuation Standards, as:

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

Market value as defined in the RICS Valuation Standards is the equivalent of fair value under IFRS.

The following descriptions and definitions relating to valuation techniques and key unobservable inputs made in determining fair values are as follows:

Valuation techniques

The yield methodology approach is used when valuing the Group's properties which uses market rental values capitalised with a market capitalisation rate. This is sense-checked against the market comparable method (or market comparable approach) where a property's fair value is estimated based on comparable transactions in the market.

For investment property under construction and the land held for development, the properties are valued using both the residual method approach and comparable method approach. Under the residual approach, the valuer initially assesses the investment value (using the above methodology for completed properties). Then, the total estimated costs to complete (including notional finance costs and developer's profit) are deducted from the value to take into account the hypothetical purchaser's management of the remaining development process and their perception of risk with regard to construction and the property market (such as the potential cost overruns and letting risks). Under the comparable approach, the value of the land is considered in the context of market transactions and what a hypothetical purchaser may pay for the land, typically on a per acre basis. It is common for the valuer to consider both approaches when formulating their opinion of value, where appropriate. Land values are sense-checked against the rate per acre derived from actual market transactions.

The key unobservable inputs made in determining fair values are as follows:

Unobservable input: estimated rental value ("ERV")

The rent per square foot at which space could be let in the market conditions prevailing at the date of valuation.

Passing rents are dependent upon a number of variables in relation to the Group's property. These include: size, location, client covenant strength and terms of the lease.

Unobservable input: Net Initial Yield

The Net Initial Yield is defined as the initial gross income as a percentage of the market value (or purchase price as appropriate) plus standard costs of purchase.

	Unobservable Inputs			
31 December 2024 Industrials	ERV range £ psf	ERV average £ psf	Net Initial Yield range %	Net Initial Yield average %
South East	6.25 – 19.00	11.52	3.99 – 5.94	4.51
South West	7.00 – 12.07	8.34	3.99 – 4.92	4.57
East Midlands	3.18 – 9.00	7.80	3.55 – 5.46	4.55
West Midlands	7.32 – 10.74	8.80	3.87 – 6.44	4.78
North East	4.90 – 8.00	6.42	4.39 – 5.74	4.93
North West	5.01 – 11.50	8.73	4.10 – 5.72	4.95
Scotland	5.03 – 7.15	6.14	5.50 – 7.53	6.10

	Unobservable Inputs			
31 December 2024 Non strategic	ERV range £ psf	ERV average £ psf	Net Initial Yield range %	Net Initial Yield average %
Office	22.31 – 39.19	30.13	6.72 – 12.85	8.86
Retail	16.59 – 30.88	23.69	5.69 – 7.40	6.51
Alternative	13.63 – 44.20	23.96	4.88 – 14.40	6.66

17. Investment property continued

31 December 2023	Unobservable Inputs ERV range £ psf	ERV average £ psf	Net Initial Yield range %	Net Initial Yield average %
South East	5.46 – 16.81	10.20	3.86 – 5.82	4.77
South West	6.50 – 6.50	6.50	4.75 – 4.75	4.75
East Midlands	6.39 – 11.25	7.88	3.75 – 5.82	4.72
West Midlands	6.82 – 9.96	8.10	3.27 – 6.00	4.54
Yorkshire and the Humber	6.20 – 8.00	6.99	4.32 – 6.00	4.96
North East	3.91 – 4.25	4.08	4.75 – 4.83	4.79
North West	5.00 – 11.25	7.95	4.23 – 5.75	4.90

Sensitivities of measurement of significant unobservable inputs

As set out within significant accounting estimates and judgements above, the Group's property portfolio valuation is open to judgements and is inherently subjective by nature.

As a result the following sensitivity analysis has been prepared:

	-5% in passing rent £m	+5% in passing rent £m	+0.25% Net Initial Yield £m	-0.25% Net Initial Yield £m
(Decrease)/increase in the fair value of investment properties as at 31 December 2024	(283.2)	283.2	(282.6)	313.9
(Decrease)/increase in the fair value of investment properties as at 31 December 2023	(229.3)	229.3	(238.2)	265.9

The above includes data from the standing portfolio and does not include data from investment properties under construction. No reasonable change in unobservable input in relation to investment properties under construction would have a material impact on the carrying value of investment properties.

18. Investment in land options

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Opening balance	**157.4**	157.4
Costs capitalised in the year	**16.9**	16.8
Transferred to investment property	**(21.9)**	(16.8)
Impairment	**(3.6)**	—
Closing balance	**148.8**	157.4

The average maturity date across land options held is approximately 7.4 years (2023: 8.0 years) term remaining.

Fees payable under the DMA totalling £2.2 million (2023: £5.9 million) have been capitalised in the year, being directly attributable to the ongoing development projects.

19. Investment in joint ventures

As at 31 December 2024 the Group has two joint ventures which have been equity accounted for.

The Group has the following joint ventures as at 31 December 2024:

	Principal activity	Country of incorporation	Ownership	Joint venture partner
HBB (J16) LLP	Property development	UK	50%	HB Midway Limited
Magnitude Land LLP	Property investment	UK	50%	Pochin Midpoint Limited

The registered office for the above joint ventures is: Unit B, Grange Park Court, Roman Way, Northampton, England NN4 5EA.

	31 December 2024		31 December 2023	
Net investment	**Total 100% £m**	**Group's share £m**	Total 100% £m	Group's share £m
At beginning of year	**49.6**	**24.8**	54.4	27.2
Total comprehensive income	**0.2**	**0.1**	0.8	0.4
Impairment of JV asset	**(0.2)**	**(0.1)**	(4.6)	(2.3)
Capital repaid	**(0.8)**	**(0.4)**	(1.6)	(0.8)
Cash contributed	**—**	**—**	0.6	0.3
As at 31 December 2024	**48.8**	**24.4**	49.6	24.8

19. Investment in joint ventures continued

As at 31 December 2024 the Group has two joint ventures which have been equity accounted for.

The Group has the following joint ventures as at 31 December 2024:

Comprehensive Income Statement

Year ended 31 December 2024	31 December 2024 Total 100% £m	31 December 2024 Group's share £m	31 December 2023 Total 100% £m	31 December 2023 Group's share £m
Net income	**0.6**	**0.3**	0.8	0.4
Administrative expenses	**—**	**—**	—	—
Profit before taxation	**0.6**	**0.3**	0.8	0.4
Taxation	**—**	**—**	—	—
Total comprehensive Profit	**0.6**	**0.3**	0.8	0.4

Statement of Financial Position

As at 31 December 2024	31 December 2024 Total 100% £m	31 December 2024 Group's share £m	31 December 2023 Total 100% £m	31 December 2023 Group's share £m
Investment property	**5.4**	**2.7**	4.8	2.4
Options to acquire land	**43.2**	**21.6**	43.2	21.6
Non-current assets	**48.6**	**24.3**	48.0	24.0
Other receivables	**—**	**—**	—	—
Cash	**0.6**	**0.3**	1.9	1.0
Current assets	**0.6**	**0.3**	1.9	1.0
Trade and other payables	**(0.4)**	**(0.2)**	(0.3)	(0.2)
Current liabilities	**(0.4)**	**(0.2)**	(0.3)	(0.2)
Net assets	**48.8**	**24.4**	49.6	24.8

20. Assets held for sale

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Industrial	**79.0**	—
Land	**29.4**	—
Non-strategic	**332.0**	—
Assets held for sale	**440.4**	—

As shown above, assets held for sale relate to one industrial asset which completed on 11 February 2025, one piece of land which forms part of a DMA contract which completed on 6 January 2025 and 10 non-strategic assets acquired a part of the UKCM acquisition which management has committed to a plan to dispose of these assets, with disposal expected to occur within a 12 month period.

Please refer to note 17 details into the inputs and assumptions used in determining the fair value of these assets as at 31 December 2024.

21. Investments

The Group comprises a number of Special Purpose Vehicle (SPV) subsidiaries. All SPV subsidiaries that form these financial statements are noted within the Company financial statements in note 5.

22. Trade and other receivables

Non-current trade and other receivables	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Cash in public institutions	**3.9**	1.0

The cash in public institutions is a deposit of £3.9 million paid by certain clients to the Company, as part of their lease agreements.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Trade receivables	**26.5**	9.4
Prepayments, accrued income and other receivables	**29.5**	7.4
VAT	**—**	5.2
Total trade and other receivables	**56.0**	22.0

22. Trade and other receivables continued

The carrying value of trade and other receivables classified at amortised cost approximates fair value. The increase in trade receivables in the period was due to an increase in receivables relating to DMA projects and from the acquisition of UKCM.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing.

The expected loss rates are based on the Group's historical credit losses experienced over the three-year period prior to the year end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's clients. The expected credit loss provision as at 31 December 2024 was £0.6 million (31 December 2023: £0.3 million). No reasonably possible changes in the assumptions underpinning the expected credit loss provision would give rise to a material expected credit loss.

23. Cash held at bank

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Cash and cash equivalents to agree with cash flow	**80.6**	36.2
Restricted cash	**—**	0.2
Total cash and cash equivalents	**80.6**	36.4

Restricted cash is cash where there is a legal restriction to specify its type of use, i.e. this may be where there is a joint arrangement with a client under an asset management initiative.

Cash and cash equivalents reported in the Consolidated Statement of Cash Flows totalled £80.6 million (2023: £36.2 million) as at the year end, which excludes long-term restricted and ring-fenced cash deposits totalling £nil million (2023: £0.2 million). Total cash held at bank as reported in the Group Statement of Financial Position is £80.6 million (2023: £36.4 million).

24. Trade and other payables

Non-current trade and other payables	**Year ended 31 December 2024 £m**	Year ended 31 December 2023 £m
Other payables	**3.9**	1.0

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Trade and other payables	**72.5**	57.4
Bank loan interest payable	**12.1**	9.3
Deferred consideration	**4.3**	4.8
VAT	**5.2**	—
Accruals	**18.4**	35.4
Total trade and other payables	**112.5**	106.9

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

25. Amounts that were due to B and C Shareholders

Amounts that were due to B and C Shareholders comprised the fair value of the contingent consideration element of B and C Shares along with the fair value of the obligation under the cash settled share-based payment element of B and C Shares.

Amounts that were due to B and C Shareholders are detailed in the table below:

31 December 2023	Contingent consideration £m	Share-based payment £m	Extinguishment £m	Fair value £m
Opening balance	25.6	16.6	—	42.2
Fair value movement recognised	0.4	—	—	0.4
Share-based payment charge	—	2.9	—	2.9
Extinguishment of B and C share liabilities	—	—	21.1	21.1
Settlement of liabilities	(26.0)	(19.5)	(21.1)	(66.6)
Closing balance	—	—	—	—

The Group considered that the amounts due to the B and C Shareholders fall within Level 3 of the fair value hierarchy as defined by IFRS 13. There have been no transfers between Level 1 and Level 2 during any of the periods, nor have there been any transfers between Level 2 and Level 3 during any of the periods.

26. Borrowings

The Group has a £300 million and £500 million sustainably linked unsecured revolving credit facility (RCF), providing significant operational flexibility. Both facilities are provided by a syndicate of large multi-national banks.

During the period, the Group acquired an undrawn RCF of £150 million through the acquisition of UKCM on 16 May 2024. This facility was extinguished on 24 July 2024, and the Group entered into a new £150 million RCF agreement on the same date. This RCF includes a fixed element of £75 million, drawn at inception, with the remaining £75 million being variable. The loan matures on 24 July 2026, although the facility benefits from two one year extension periods.

The Group also extended the term of the £500 million RCF by one year, from 12 October 2028 to 12 October 2029. This extension was not considered a substantial modification as there were no significant changes to the loan's terms and conditions.

As of 31 December 2024, 63% (December 2023: 61%) of the Group's drawn debt is fixed term, with 37% floating term (December 2023: 39%). Including interest rate hedging, the Group has fixed term or hedged facilities totalling 93.4% of drawn debt as of 31 December 2024 (December 2023: 96%).

The weighted average cost of debt was 3.05% as of 31 December 2024 (December 2023: 2.93%). On the same date, the Group had undrawn debt commitments of £519.0 million (31 December 2023: £531.0 million).

To remain compliant with its tightest financial covenants, the Group must maintain an interest cover above 1.5x, a loan-to-value ratio below 60%, and a gearing ratio below 150%. As at 31 December 2024, the Group had an interest cover of 4.4x, a loan-to-value ratio of 28.8%, and a gearing ratio of 42.8%. Consequently, the Group has adhered to all these covenants throughout the year and is also expected to comfortably meet these targets over the next twelve months.

A large part of the Group's borrowings are unsecured financing arrangements. Below is a summary of the drawn and undrawn bank borrowings for the period:

	Bank borrowings drawn £m	**Bank borrowings undrawn £m**	**Total £m**
As at 1 January 2024	**481.9**	**531.0**	**1,012.9**
Bank borrowings drawn in the year under existing facilities	**265.0**	**(265.0)**	**—**
Bank borrowings repaid in the year under existing facilities	**(178.0)**	**178.0**	**—**
Book value of UKCM borrowings	**200.0**	**—**	**200.0**
New bank borrowing facility	**75.0**	**75.0**	**150.0**
As at 31 December 2024	**843.9**	**519.0**	**1,362.9**

	Bank borrowings drawn £m	Bank borrowings undrawn £m	Total £m
As at 1 January 2023	479.9	483.0	962.9
Bank borrowings drawn in the year under existing facilities	215.0	(215.0)	—
Bank borrowings repaid in the year under existing facilities	(260.0)	260.0	—
Cancellation of bank borrowing facility	(147.0)	(303.0)	(450.0)
New bank borrowing facility	194.0	306.0	500.0
As at 31 December 2023	481.9	531.0	1,012.9

	31 December 2024 £m	31 December 2023 £m
Bank borrowings drawn: due in more than one year	**843.9**	481.9
Less: unamortised costs on bank borrowings	**(6.7)**	(7.2)
Fair value gain on UKCM borrowings on acquisition	**(25.5)**	—
	811.7	474.7

Bonds	**31 December 2024 £m**	31 December 2023 £m
2.625% Bonds 2026	**249.8**	249.7
3.125% Bonds 2031	**248.3**	248.0
2.860% USPP 2028	**250.0**	250.0
2.980% USPP 2030	**150.0**	150.0
1.500% Green Bonds 2033	**247.4**	247.1
Less: unamortised costs on loan notes	**(3.7)**	(4.3)
	1,141.8	1,140.5

The weighted average term to maturity of the Group's debt as at the year end is 4.5 years (31 December 2023: 5.2 years).

26. Borrowings continued

Maturity of borrowings

	31 December 2024 £m	31 December 2023 £m
Repayable between one and two years	**424.0**	—
Repayable between two and five years	**819.9**	909.9
Repayable in over five years	**750.0**	722.0
	1,993.9	1,631.9

27. Financial instruments and fair values

27.1. Financial assets

	31 December 2024 £m	31 December 2023 £m
Non-current assets: financial asset	**3.2**	2.3

On 31 March 2023, the Group retained a 4% interest after the disposal of certain investment properties. The asset is valued using Level 2 observable inputs.

	31 December 2024 £m	31 December 2023 £m
Financial asset valuation brought forward	**2.3**	—
Additions	**—**	2.4
Changes in fair value of financial asset	**0.9**	(0.1)
	3.2	2.3

27.2. Interest rate derivatives

To manage the interest rate risk from variable rate loans, the Group has entered into several interest rate derivatives. These include interest rate caps and one interest rate swap, which fix or cap the rate to which compounded SONIA can rise. These derivatives match the initial term of the respective loans.

As of the year end, the weighted average capped rate, excluding any margin payable, was 2.59% (2023: 2.43%). This effectively caps the level to which SONIA can rise on £349.3 million (2023: £249.3 million) of notional hedged debt, limiting the impact of an interest rate rise on this amount. The interest rate derivatives ensure that 93.4% of the Group's drawn borrowings at the year end have a fixed or hedged interest rate. The Group's weighted average cost of debt at year end was 3.05% (2023: 2.93%). The total premium paid during the year to secure the interest rate caps was £1.8 million (2023: £2.4 million).

The Group aims to hedge at least 90% of its total drawn debt portfolio using interest rate derivatives or fixed-rate loan arrangements. As of the year end, the total proportion of drawn debt either hedged via interest rate derivatives or subject to fixed-rate loan agreements was 93.4%, as shown below:

	31 December 2024 £m	31 December 2023 £m
Non-current assets: interest rate derivatives	**7.6**	11.1

The interest rate derivatives are valued by the relevant counterparty banks on a quarterly basis in accordance with IFRS 9. Any movement in the mark-to-market values of the derivatives are taken to the Group profit or loss.

	31 December 2024 £m	31 December 2023 £m
Interest rate derivative valuation brought forward	**11.1**	19.9
Premium paid	**1.8**	2.4
Changes in fair value of interest rate derivatives	**(5.3)**	(11.2)
Total interest rate derivatives	**7.6**	11.1

	31 December 2024 Drawn £m	31 December 2023 Drawn £m
Total borrowings drawn (note 26)	**1,993.9**	1,631.9
Notional value of effective interest rate derivatives and fixed-rate loans	**1,862.3**	1,561.4
Proportion of hedged debt	**93.4%**	95.7%

27. Financial instruments and fair values continued

Fair value hierarchy

The fair value of Group's interest rate derivatives is recorded in the Group Statement of Financial Position and is determined by forming an expectation that interest rates will exceed strike rates and discounting these future cash flows at the prevailing market rates as at the year end. This valuation technique falls within Level 2 of the fair value hierarchy as defined by IFRS 13. There have been no transfers between Level 1 and Level 2 during any of the years, nor have there been any transfers between Level 2 and Level 3 during any of the years.

28. Financial risk management

Financial instruments

The Group's principal financial assets and liabilities are those that arise directly from its operations: trade and other receivables, trade and other payables and cash held at bank. The Group's other principal financial assets and liabilities are bank borrowings and interest rate derivatives. The main purpose of bank borrowings and derivatives is to finance the acquisition and development of the Group's investment property portfolio and hedge against the interest rate risk arising.

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the financial statements:

	Book value 31 December 2024 £m	**Fair value 31 December 2024 £m**	Book value 31 December 2023 £m	Fair value 31 December 2023 £m
Financial assets				
Interest rate derivatives	**7.6**	**7.6**	2.3	2.3
Trade and other receivables[1]	**26.5**	**26.5**	9.4	9.4
Cash held at bank	**80.6**	**80.6**	36.4	36.4
Financial liabilities				
Trade and other payables[2]	**107.3**	**107.3**	90.1	90.1
Borrowings	**1,989.4**	**1,797.0**	1,626.7	1,485.3

1. Excludes certain VAT, prepayments and other debtors.
2. Excludes tax and VAT liabilities.

Financial assets, interest rate derivatives are the only financial instruments measured at fair value through profit and loss. All other financial assets and all financial liabilities are measured at amortised cost. All financial instruments were designated in their current categories upon initial recognition.

The following table sets out the fair value of those financial liabilities measured at amortised cost where there is a difference between book value and fair value.

	Date of valuation	Total £m	Quoted prices in active markets (Level 1) £m	Significant observable inputs (Level 2) £m	Significant unobservable inputs (Level 3) £m
Borrowings	**31 December 2024**	**1,315.1**	**992.5**	**322.6**	**—**
Borrowings	31 December 2023	1,165.4	1,012.1	153.3	—

The Group has four fixed-rate loans totalling £362.0 million, provided by PGIM (£90.0 million), Canada Life (£72.0 million) and Barings (£200.0 million). The fair value is determined by discounting the delta between contractual and market cash flows at a weighted average cost of capital discount rate. Market cash flows were built using the 12-year UK Gilt of 4.74% with an implied margin of 1.99% for the 2027 loan and 1.90% for the 2031 loan. The loans are considered to be a Level 2 fair value measurement. For all other bank loans there is considered no other difference between fair value and carrying value.

The fair value of financial liabilities traded on active liquid markets, including the 2.625% Bonds 2026, 3.125% Bonds 2031, 1.5% Bonds 2033, 2.860% USPP 2028 and 2.980% USPP 2030, is determined with reference to the quoted market prices. These financial liabilities are considered to be a Level 1 fair value measure.

The fair value of the financial liabilities at Level 1 fair value measure were £992.5 million (2023: £1,012.1 million) and the financial liabilities at Level 2 fair value measure were £322.6 million (2023: £153.3 million).

Risk management

The Group is exposed to market risk (including interest rate risk), credit risk and liquidity risk. The Board of Directors oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks that are summarised below.

Market risk

Market risk is the risk that the fair values of financial instruments will fluctuate because of changes in market prices. The financial instruments held by the Group that are affected by market risk are principally the Group's cash balances and bank borrowings along with a number of interest rate derivatives entered into to mitigate interest rate risk.

The Group monitors its interest rate exposure on a regular basis. A sensitivity analysis performed to ascertain the impact on the Group Statement of Comprehensive Income and net assets of a 100 basis point shift in interest rates would result in an increase of £4.8 million (2023: £3.2 million) or a decrease of £4.8 million (2023: £3.2 million).

28. Financial risk management continued

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or client contract, leading to a financial loss. The Group is exposed to credit risks from both its leasing activities and financing activities, including deposits with banks and financial institutions. Credit risk is mitigated by clients being required to pay rentals in advance under their lease obligations. The credit quality of the client is assessed based on an extensive credit rating scorecard at the time of entering into a lease agreement.

Outstanding trade receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset. We conduct ongoing covenant analysis of our clients and strengthened our team to support this work during the period. The analysis combines publicly available financial and trading information with our own observations and client conversations as well as the opinions of third-party professionals to form a view over the credit risk of counter-parties under our leases.

Trade receivables

Trade receivables, primarily client rentals, are presented in the Group Statement of Financial Position net of allowances for doubtful receivables and are monitored on a case by case basis. Credit risk is primarily managed by requiring clients to pay rentals in advance and performing tests around strength of covenant prior to acquisition and on an ongoing annual basis.

Credit risk related to financial instruments and cash deposits

One of the principal credit risks of the Group arises with the banks and financial institutions. The Board of Directors believes that the credit risk on short-term deposits and current account cash balances is limited because the counterparties are banks, who are committed lenders to the Group, with high credit ratings assigned by international credit-rating agencies.

Liquidity risk

Liquidity risk arises from the Group's management of working capital, the finance charges, principal repayments on its borrowings and its commitments under forward funded development arrangements. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due, as the majority of the Group's assets are property investments and are therefore not readily realisable. The Group's objective is to ensure it has sufficient available funds for its operations and to fund its capital expenditure. This is achieved by continuous monitoring of forecast and actual cash flows by management, ensuring it has appropriate levels of cash and available drawings to meet liabilities as they fall due.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Less than 1 Year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	More than 5 years £m	Total £m
31 December 2024					
Borrowings	**67.9**	**486.6**	**937.9**	**783.7**	**2,276.1**
Trade and other payables	**112.5**	**—**	**—**	**3.9**	**116.4**
	180.4	**486.6**	**937.9**	**787.6**	**2,392.5**
31 December 2023					
Borrowings	54.8	54.6	1,033.8	832.1	1,975.2
Trade and other payables	106.9	—	—	1.0	107.9
	161.7	54.6	1,033.8	833.1	2,083.1

Included within the contracted payments is £282.3 million (2023: £343.2 million) of loan interest payable up to the point of maturity across the facilities.

29. Capital management

The Board, with the assistance of the Investment Manager, monitors and reviews the Group's capital so as to promote the long-term success of the business, facilitate expansion and to maintain sustainable returns for Shareholders. The Group considers proceeds from share issuances, bank borrowings and retained earnings as capital. The Group's policy on borrowings is as set out below:

The level of borrowing will be on a prudent basis for the asset class, and will seek to achieve a low cost of funds, while maintaining flexibility in the underlying security requirements, and the structure of both the portfolio and the REIT Group.

The Directors intend that the Group will maintain a conservative level of aggregate borrowings with a medium-term target of 30%–35% of the Group's gross assets.

The Group has complied with all covenants on its borrowings up to the date of this report (see note 26). All of the targets mentioned above sit comfortably within the Group's covenant levels, which include loan to value ("LTV"), interest cover ratio and loan to projected project cost ratio. The Group LTV at the year end was 28.8% (2023: 31.6%) and there is substantial headroom within existing covenants.

Debt is drawn at the asset and corporate level, subject to the assessment of the optimal financing structure for the Group and having consideration to key metrics including lender diversity, debt type and maturity profiles.

30. Equity reserves

Share capital

The share capital relates to amounts subscribed for share capital at its nominal value:

Issued and fully paid at 1 pence each	31 December 2024 Number	31 December 2024 £m	31 December 2023 Number	31 December 2023 £m
Balance at beginning of year – £0.01 Ordinary Shares	**1,903,738,325**	**19.0**	1,868,826,992	18.7
Extinguishment of share based payment	**—**	**—**	34,911,333	0.3
Shares issued in relation to the acquisition of UKCM	**576,939,134**	**5.8**	—	—
Balance at end of year	**2,480,677,459**	**24.8**	1,903,738,325	19.0

On 17 May 2024, the Company issued 576.9 million Ordinary Shares at 166.9p per share (1p nominal value and a premium of 165.9p). These shares were issued as consideration for acquiring 100% of the issued share capital of UK Commercial Property REIT. Shareholders of UK Commercial Property REIT were entitled to receive 0.444 shares for each UK Commercial Property REIT share they held.

Share premium

The share premium relates to amounts subscribed for share capital in excess of its nominal value.

Merger reserve

Movements in the current period relate to the shares issued in relation the UKCM merger as described above (refer to note 17).

Capital reduction reserve

In 2015, 2018 and 2023, the Company by way of Special Resolution cancelled the then value of its share premium account, by an Order of the High Court of Justice, Chancery Division. As a result of these cancellations, £422.6 million, £932.4 million and £764.4 million respectively were transferred from the share premium account into the capital reduction reserve account. The capital reduction reserve account is classed as a distributable reserve. Movements in the current year relate to dividends paid.

Retained earnings

Retained earnings relates to all net gains and losses not recognised elsewhere.

31. Net asset value ("NAV") per share

Basic NAV per share is calculated by dividing net assets in the Group Statement of Financial Position attributable to ordinary equity holders of the Parent by the number of Ordinary Shares outstanding at the end of the year. As there are dilutive instruments outstanding, both basic and diluted NAV per share are shown below.

	31 December 2024 £m	31 December 2023 £m
Net assets per Group Statement of Financial Position	**4,567.4**	3,334.0
EPRA NTA	**4,603.2**	3,372.5
Ordinary Shares:		
Issued share capital (number)	**2,480,677,459**	1,903,738,325
Net asset value per share	**184.12p**	175.13p

	31 December 2024			31 December 2023		
	EPRA NTA £m	EPRA NRV £m	EPRA NDV £m	EPRA NTA £m	EPRA NRV £m	EPRA NDV £m
NAV attributable to shareholders	**4,567.4**	**4,567.4**	**4,567.4**	3,334.0	3,334.0	3,334.0
Revaluation of land options	**18.0**	**18.0**	**18.0**	26.5	26.5	26.5
Mark-to-market adjustments of derivatives	**18.5**	**18.5**	**—**	13.1	13.1	—
Intangibles	**(0.7)**	**—**	**—**	(1.1)	—	—
Fair value of debt	**—**	**—**	**192.4**	—	—	141.4
Real estate transfer tax[1]	**—**	**444.6**	**—**	—	342.3	—
NAV	**4,603.2**	**5,048.5**	**4,777.8**	3,372.5	3,715.9	3,501.9
NAV per share	**185.56p**	**203.51p**	**192.60p**	177.15p	195.19p	183.95p

1. See notes to the EPRA NAV calculations for further details.

32. Operating leases

The future minimum lease payments under non-cancellable operating leases receivable by the Group are as follows:

	Less than 1 year £m	Between 1 and 2 years £m	Between 2 and 3 years £m	Between 3 and 4 years £m	Between 4 and 5 years £m	More than 5 years £m	Total £m
31 December 2024	**295.3**	**284.1**	**274.8**	**247.4**	**232.8**	**1,952.1**	**3,286.5**
31 December 2023	201.9	204.5	199.3	195.1	179.6	1,808.5	2,788.9

The majority of the Group's investment properties are leased to single clients, some of which have guarantees attached, under the terms of a commercial property lease. Each has upward-only rent reviews that are linked to either RPI/CPI, open market or with fixed uplifts. The weighted average unexpired lease term is 10.3 years (2023: 11.4 years).

33. Transactions with related parties

For the year ended 31 December 2024, all Directors and some of the Members of the Manager are considered key management personnel. The terms and conditions of the Investment Management Agreement are described in the Management Engagement Committee Report. Details of the amount paid for services provided by Tritax Management LLP ("the Manager") are provided in note 11.

The total amount payable in the period relating to the Investment Management Agreement was £24.6 million (31 December 2023: £22.0 million), with the total amount outstanding at the period end was £6.6 million (31 December 2023: £5.6 million).

The Manager receives a net fee relating to asset management services provided to three properties which are 4% owned by the Group, amounting to £0.05 million for the period ended 31 December 2024 (31 December 2023: £0.05 million).

The total expense recognised in the Group Statement of Comprehensive Income relating to share-based payments under the Investment Management Agreement was £5.0 million (2023: £4.5 million), of which £2.7 million (2023: £2.3 million) was outstanding at the year end.

Details of amounts paid to Directors for their services can be found within the Directors' Remuneration Report.

During the year the six Members of the Manager included Colin Godfrey, James Dunlop, Henry Franklin, Petrina Austin, Bjorn Hobart and Frankie Whitehead.

During the year the Directors who served during the year received the following dividends Aubrey Adams: £21,345 (2023: £17,340), Alastair Hughes: £5,157 (2023: £3,358), Richard Laing: £5,329 (2023: £3,613), Karen Whitworth £3,942 (2023: £2,218) Wu Gang £524 (2023: £188) and Elizabeth Brown £1,534 (2023: £1,255). See note 11 and Directors' Remuneration Report for further details.

During the year the Members of the Manager received the following dividends: Colin Godfrey: £225,247 (2022: £196,830), James Dunlop: £220,554 (2023: £194.074), Henry Franklin: £163,645 (2023: £144,283), Petrina Austin: £29,564 (2023: £25,334), Bjorn Hobart: £33,672 (2023: £29,188) and Frankie Whitehead £17,174 (2023: £13,766).

In January 2025, the Company entered into a development management agreement with Tritax Management. For full details please see the Management Engagement Committee Report.

34. Reconciliation of liabilities to cash flows from financing activities

	Borrowings £m	Derivative financial instruments £m	Loan notes £m	Total £m
Balance on 1 January 2024	**474.7**	**(11.1)**	**1,140.5**	**1,604.1**
Cash flows from financing activities:				
Bank borrowings advanced	**340.0**	**—**	**—**	**340.0**
Bank borrowings repaid	**(178.0)**	**—**	**—**	**(178.0)**
Interest rate cap premium paid	**—**	**(1.8)**	**—**	**(1.8)**
Loan arrangement fees paid	**(1.0)**	**—**	**(0.2)**	**(1.2)**
Non-cash movements:				
Book value of UKCM borrowings	**174.5**	**—**	**—**	**174.5**
Amortisation of loan arrangement fees	**1.4**	**—**	**1.5**	**2.9**
Fair value movement	**—**	**5.4**	**—**	**5.4**
Balance on 31 December 2024	**811.6**	**(7.5)**	**1,141.8**	**1,945.9**

In addition to the above cash flow movements in borrowings, interest was also paid of £60.6 million (2023: £47.9 million); this is included in the movement in accruals.

34. Reconciliation of liabilities to cash flows from financing activities continued

	Borrowings £m	Derivative financial instruments £m	Loan notes £m	Total £m
Balance on 1 January 2023	474.8	(19.9)	1,139.1	1,594.0
Cash flows from financing activities:				
Bank borrowings advanced	409.0	—	—	409.0
Bank borrowings repaid	(407.0)	—	—	(407.0)
Interest rate cap premium paid	—	(2.4)	—	(2.4)
Loan arrangement fees paid	(5.1)	—	—	(5.1)
Non-cash movements:				
Change in creditors for loan arrangement fees payable	0.1	—	—	0.1
Amortisation of loan arrangement fees	2.9	—	1.4	4.3
Fair value movement	—	11.2	—	11.2
Balance on 31 December 2023	474.7	(11.1)	1,140.5	1,604.1

35. Capital commitments

The Group had capital commitments of £101.2 million in relation to its development activity, asset management initiatives and commitments under development land, outstanding as at 31 December 2024 (31 December 2023: £128.1 million). All commitments fall due within one year from the date of this report.

36. Subsequent events

In January 2025, the Company announced it had purchased a 74-acre site at Heathrow, London within the Slough Availability Zone, a key FLAP-D prime EMEA data centre location (the "Manor Farm site"), for £70.0 million.

Simultaneously, the Company acquired a 50% share in a joint venture with a leading European renewable and low carbon energy power generator. The JV enables accelerated power delivery to the Manor Farm site using pre-existing grid connection agreements.

In connection with these arrangements, the Company has entered into a development management agreement with Tritax Management pursuant to which Tritax Management has been appointed to provide development management and technical services, including pursuing planning, overseeing construction, pre-letting services, technical electricity expertise and overseeing the technical aspects of the Company's role in the JV and all power related elements.

Tritax Management is a related party of the Company pursuant to UKLR 11.5.3R. The development management fee and profit share payments outlined above to Tritax Management are deemed to be relevant related party transactions under UKLR 11.5.4R.

In January 2025, the Company acquired a 627k sq ft asset in Haydock, a core North West location, for £74.3 million.

In January and February 2025, the Company sold or exchanged to sell £86.8 million of non-strategic assets and £79.0 million of logistics investment assets.

There were no other significant events occurring after the reporting period, but before the financial statements were authorised for issue.

37. Asset acquisition

The Group acquired all the shares of UKCM in exchange for shares in the Group. The shares issued in consideration for the acquisition qualify for merger relief and as a result no share premium has been recognised and merger reserve has been established. The target operations were solely the ownership of investment properties complete with extant client operating leases along with related cash, leverage, other associated assets and working capital balances.

The consideration paid in shares of the company has been allocated across the net assets acquired by fair valuing the debt acquired, fair valuing working capital acquired (given the short term nature of the amounts these values have been taken to represent cost), fair valuing cash acquired (being the principal amount) with the remaining consideration being allocated across the investment properties acquired (refer to note 17 and 26).

Assets and liabilities acquired:	**16 May 2024 £m**
Investment property fair value	**1,216.9**
Discount to cost on acquisition	**(67.8)**
Investment property recognised at cost	**1,149.1**
Cash	**26.7**
Third party debt	**(169.6)**
Other net assets	**(26.4)**
Acquisition costs	**(16.9)**
Consideration paid – shares	**962.9**

Company Statement of Financial Position

As at 31 December 2024

Company Registration Number: 08215888

	Note	At 31 December 2024 £m	At 31 December 2023 £m
Fixed assets			
Investment in subsidiaries	5	**3,798.9**	2,166.9
Interest rate derivatives	10	**0.7**	1.0
Total fixed assets		**3,799.6**	2,167.9
Current assets			
Trade and other receivables	6	**1,278.3**	1,710.9
Cash held at bank	7	**7.6**	1.1
Total current assets		**1,285.9**	1,712.0
Total assets		**5,085.5**	3,879.9
Current liabilities			
Trade and other payables	8	**(23.9)**	(19.4)
Loans from Group companies		**(174.6)**	(87.4)
Total current liabilities		**(198.5)**	(106.8)
Non-current liabilities			
Bank borrowings	9	**(426.1)**	(263.1)
Loan notes	9	**(1,141.8)**	(1,140.5)
Total non-current liabilities		**(1,567.9)**	(1,403.6)
Total liabilities		**(1,766.4)**	(1,510.4)
Total net assets		**3,319.1**	2,369.5
Equity			
Share capital	11	**24.8**	19.0
Share premium reserve		**49.2**	49.1
Capital reduction reserve		**1,289.0**	1,463.9
Merger reserve		**957.0**	—
Retained earnings		**999.1**	837.5
Total equity		**3,319.1**	2,369.5

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The profit attributable to the Parent Company for the year ended 31 December 2024 amounted to £161.6 million (31 December 2023: £160.8 million).

These financial statements were approved by the Board of Directors on 27 February 2025 and signed on its behalf by:

Aubrey Adams OBE, FCA, FRICS
Independent Chair

Company Statement of Changes in Equity

For the year ended 31 December 2024

	Note	Undistributable reserves			Distributable reserves		
	Note	Share capital £m	Share premium £m	Merger reserve £m	Capital reduction reserve £m	Retained earnings £m	Total £m
1 January 2024		**19.0**	**49.1**	**—**	**1,463.9**	**837.5**	**2,369.5**
Profit for the year and total comprehensive income		**—**	**—**	**—**	**—**	**161.6**	**161.6**
		19.0	**49.1**	**—**	**1,463.9**	**999.1**	**2,531.1**
Contributions and distributions							
Share issue for UKCM acquisition		**5.8**	**0.1**	**957.0**	**—**	**—**	**962.9**
Dividends paid	4	**—**	**—**	**—**	**(174.9)**	**—**	**(174.9)**
31 December 2024		**24.8**	**49.2**	**957.0**	**1,289.0**	**999.1**	**3,319.1**

	Note	Undistributable reserves			Distributable reserves		
	Note	Share capital £m	Share premium £m	Merger reserve £m	Capital reduction reserve £m	Retained earnings £m	Total £m
1 January 2023		18.7	764.3	—	835.1	676.7	2,294.8
Profit for the year and total comprehensive income		—	—	—	—	160.8	160.8
		18.7	764.3	—	835.1	837.5	2,455.6
Contributions and distributions							
Shares issued in relation extinguishment of B and C liabilities		0.3	49.2	—	—	—	49.5
Transfer between reserves		—	(764.4)	—	764.4	—	—
Share-based payments		—	—	—	—	4.5	4.5
Transfer of share-based payments to liabilities to reflect settlement		—	—	—	—	(4.5)	(4.5)
Dividends paid	4	—	—	—	(135.6)	—	(135.6)
31 December 2023		19.0	49.1	—	1,463.9	837.5	2,369.5

Notes to the Company Accounts

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). Assets are classified in accordance with the definitions of fixed and current assets in the Companies Act 2006.

Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- certain comparative information as otherwise required by adopted IFRS;
- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of Tritax Big Box REIT plc.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the Company's consolidated financial statements. These financial statements do not include certain disclosures in respect of:

- share-based payments;
- financial instruments;
- fair value measurement other than certain disclosures required as a result of recording financial instruments at fair value.

Principal accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of accounting

These financial statements have been presented as required by the Companies Act 2006 and have been prepared under the historical cost convention and in accordance with applicable Accounting Standards and policies in the United Kingdom ("UK GAAP").

Currency

The Company financial statements are presented in Sterling which is also the Company's functional currency and all values are rounded to the nearest 0.1 million (£m), except where otherwise indicated.

Other income

Other income represents dividend income which has been declared by its subsidiaries and is recognised when it is received.

Dividends payable for Shareholders

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the Shareholders at an Annual General Meeting.

1.1 Financial assets

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises in-the-money derivatives and out-of-money derivatives where the time value offsets the negative intrinsic value. They are carried in the Company Statement of Financial Position at fair value with changes in fair value recognised in the profit or loss in the finance income or expense line. Other than derivative financial instruments which are not designated as hedging instruments, the Company does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Amortised cost

These assets arise principally from the provision of goods and services to clients (such as trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost being the effective interest rate method, less provision for impairment.

Impairment provisions for current receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

1. Accounting policies continued

1.1 Financial assets continued

Amortised cost continued

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset, 12-month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the Company Statement of Financial Position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Investments in subsidiaries

The investments in subsidiary companies are included in the Company's Balance Sheet at cost less provision for impairment.

Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future years. There were no significant accounting judgements, estimates or assumptions in preparing these financial statements.

2. Standards issued and effective from 1 January 2024

There was no material effect from the adoption of other amendments to IFRS effective in the year. They have no impact to the Company significantly as they are either not relevant to the Company's activities or require accounting which is consistent with the Company's current accounting policies.

3. Taxation

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
UK corporation tax	**—**	—

The UK corporation tax rate for the financial year is 25%. Accordingly, this rate has been applied in the measurement of the Group's tax liability at 31 December 2024.

4. Dividends paid

For details of dividends paid by the Company during the year, refer to note 16 of the Group's financial statements.

5. Investment in subsidiaries

	31 December 2024 £m	31 December 2023 £m
As at 1 January	**2,166.9**	2,243.3
Increase in investments via share purchase	**979.9**	66.6
Debt for equity swap	**661.2**	—
Disposals	**(9.1)**	(143.0)
As at 31 December	**3,798.9**	2,166.9

The increase in investments were as a result of capitalisation of inter-company loans to fund the acquisitions made in the periods.

5. Investment in subsidiaries continued

The Company had the following undertakings as at 31 December 2024:

	Principal activity	Country of incorporation	Ownership %
TBBR Holdings 1 Limited	Investment holding company	Jersey	100%*
TBBR Holdings 2 Limited	Investment holding company	Jersey	100%
Baljean Properties Limited	Property investment	Isle of Man	100%
Tritax Acquisition 2 Limited	Investment holding company	Jersey	100%
Tritax Acquisition 2 (SPV) Limited	Investment holding company	Jersey	100%
The Sherburn RDC Unit Trust	Property investment	Jersey	100%
G Avonmouth Unit Trust[#]	Property Investment	Jersey	100%
Tritax Acquisition 4 Limited	Property investment	Jersey	100%
Tritax Acquisition 5 Limited	Property investment	Jersey	100%
Sonoma Ventures Limited	Property investment	BVI	100%
Tritax REIT Acquisition 9 Limited	Investment holding company	UK[1]	100%*
Tritax Acquisition 10 Limited	Property investment	Jersey	100%
Tritax Acquisition 11 Limited	Property investment	Jersey	100%
Tritax Acquisition 12 Limited	Property investment	Jersey	100%
Tritax Acquisition 13 Limited	Property investment	Jersey	100%
Tritax Acquisition 14 Limited	Property investment	Jersey	100%
Tritax Worksop Limited	Property investment	BVI	100%
Tritax REIT Acquisition 16 Limited	Investment holding company	UK[1]	100%*
Tritax Acquisition 16 Limited	Property investment	Jersey	100%
Tritax Acquisition 17 Limited	Property investment	Jersey	100%
Tritax Acquisition 18 Limited	Property investment	Jersey	100%
Tritax Harlow Limited	Property investment	Guernsey	100%
Tritax Lymedale Limited	Property investment	Jersey	100%
Tritax Acquisition 21 Limited	Property investment	Jersey	100%
Tritax Acquisition 22 Limited	Property investment	Jersey	100%
Tritax Acquisition 23 Limited	Property investment	Jersey	100%
Tritax Acquisition 24 Limited	Property investment	Jersey	100%
Tritax Burton Upon Trent Limited	Property investment	BVI	100%
Tritax Acquisition 28 Limited	Property investment	Jersey	100%
Tritax Peterborough Limited	Property investment	Jersey	100%
Tritax Littlebrook 2 Limited	Property investment	Jersey	100%
Tritax Littlebrook 4 Limited	Property investment	Jersey	100%
Tritax Atherstone (UK) Limited	Property investment	UK[1]	100%
Tritax Stoke DC1&2 Limited	Investment holding company	Jersey	100%*
Tritax Stoke DC3 Limited	Investment holding company	Jersey	100%*
Tritax Holdings CL Debt Limited	Investment holding company	Jersey	100%*
Tritax Portbury Limited	Property investment	Jersey	100%
Tritax Newark Limited	Property investment	Jersey	100%
Tritax Carlisle Limited	Investment holding company	Jersey	100%*
Tritax Stoke Management Limited	Management company	UK[1]	100%
Tritax Holdings PGIM Debt Limited	Investment holding company	Jersey	100%*
Tritax Merlin 310 Trafford Park Limited	Property investment	Jersey	100%*
Tritax West Thurrock Limited	Property investment	Jersey	100%
Tritax Tamworth Limited	Property investment	Jersey	100%
Tritax Acquisition 35 Limited	Property investment	Jersey	100%
Tritax Acquisition 36 Limited	Property investment	Jersey	100%*
Tritax Acquisition 37 Limited	Property investment	Jersey	100%*
Tritax Acquisition 38 Limited	Property investment	Jersey	100%*
Tritax Acquisition 39 Limited	Property investment	Jersey	100%*
Tritax Acquisition 40 Limited	Property investment	Jersey	100%*
Tritax Acquisition 41 Limited	Property investment	Jersey	100%*
Tritax Littlebrook 1 Limited	Property investment	Jersey	100%
Tritax Littlebrook 3 Limited	Property investment	Jersey	100%
Tritax Atherstone Limited	Investment holding company	Jersey	100%*
Tritax Acquisition 42 Limited	Property investment	Jersey	100%*
Tritax Acquisition 43 Limited	Property investment	Jersey	100%*

5. Investment in subsidiaries continued

	Principal activity	Country of incorporation	Ownership %
Tritax Carlisle UK Limited	Investment holding company	UK[1]	100%
Tritax Edinburgh Way Harlow Limited	Property investment	Jersey	100%*
Tritax Acquisition 45 Limited	Property investment	Jersey	100%*
Tritax Acquisition 46 Limited	Property investment	Jersey	100%*
Tritax Acquisition 47 Limited	Property investment	Jersey	100%*
Tritax Acquisition 48 Limited	Property investment	Jersey	100%*
Tritax Acquisition 49 Limited	Property investment	Jersey	100%*
Tritax Littlebrook Management Limited	Property investment	UK[1]	100%*
TBBR Holdings 4 Limited	Investment holding company	Jersey	100%*
Tritax Acquisition 50 Limited	Property investment	Jersey	100%*
Tritax Acquisition Electric Avenue Limited	Property investment	Jersey	100%*
Tritax Acquisition 51 Limited	Property investment	Jersey	100%*
Tritax Powerbox (Chelmsford) Propco Ltd (formally known as TBBR Finance (Jersey) Limited)	Financing company	Jersey	100%*
Tritax PowerBox Member Co 1 Limited#	Investment holding company	UK[1]	100%*
Tritax PowerBox Member Co 2 Limited#	Investment holding company	UK[1]	100%*
UK Commercial Property REIT Limited#	Investment holding company	Guernsey	100%*
UK Commercial Property Estates Holdings Limited#	Property investment	Guernsey	100%
UK Commercial Property Finance Holdings Limited#	Property investment	Guernsey	100%
UK Commercial Property Estates Limited#	Investment holding company	Guernsey	100%
UK Commercial Property Holdings Limited#	Investment holding company	Guernsey	100%
St Georges Leicester Unit Trust#	Property investment	Jersey	100%
Junction 27 Retail Unit Trust#	Property investment	Jersey	100%
Rotunda Kingston Property Unit Trust#	Property investment	Jersey	100%
Tritax Big Box Development Holdings Ltd (formally known as Tritax Symmetry Holdings Limited)	Investment holding company	Jersey	100%*
Tritax Big Box Developments Holdco 1 Ltd (formally known as db Symmetry Group Ltd)	Investment holding company	UK[2]	100%
db Symmetry Ltd	Investment holding company	UK[2]	100%
Tritax Symmetry Power Ltd	Investment holding company	UK[2]	100%
Tritax Symmetry Power Biggleswade Ltd	Investment holding company	UK[2]	100%
Tritax Big Box Developments (BVI) Ltd (formally known as Tritax Symmetry (BVI) Ltd)	Investment holding company	British Virgin Islands	100%
Tritax Symmetry Holdings (Biggleswade) Co. Limited	Investment holding company	British Virgin Islands	100%
Tritax Symmetry Properties (Biggleswade) Co. Limited	Property investment	British Virgin Islands	100%
Tritax Symmetry Holdings (Blyth) Co. Limited	Investment holding company	British Virgin Islands	100%
Tritax Symmetry Properties (Blyth) Co. Limited	Property investment	British Virgin Islands	100%
Tritax Symmetry Holdings (Middlewich) Co. Limited	Investment holding company	British Virgin Islands	100%
Tritax Symmetry Properties (Middlewich) Co. Limited	Property investment	British Virgin Islands	100%
Tritax Symmetry Development (Blyth) UK Ltd	Property development	UK[2]	100%
Tritax Symmetry Development (Biggleswade) UK Ltd	Property development	UK[2]	100%
Tritax Park Ardley Ltd (formally known as Tritax Symmetry Ardley Ltd)	Property investment	Jersey	100%
Tritax Symmetry Bicester 2 Ltd	Property investment	Jersey	100%
Tritax Park Northampton West Ltd (formally known as Tritax Symmetry Northampton West Ltd)	Property investment	Jersey	100%
Tritax Symmetry Rugby South Ltd	Property investment	Jersey	100%
Tritax Park St Helens Ltd (formally known as Tritax symmetry St Helens Ltd)	Property investment	Jersey	100%
Tritax Park Wigan Ltd (formally known as Tritax Symmetry Wigan Ltd)	Property investment	Jersey	100%
Tritax Park Oxford Ltd (formally known as Tritax Symmetry Oxford Ltd)	Property investment	Jersey	100%
Tritax Park Northampton Ltd (formally known as Tritax Symmetry Northampton Ltd)	Property investment	Jersey	100%
Tritax Symmetry Merseyside 1 Ltd	Property investment	Jersey	100%
Tritax Park South Elmsall Ltd (formally known as Tritax Symmetry South Elmsall Ltd)	Property investment	Jersey	100%
Tritax Symmetry (Goole) Ltd	Property investment	UK[2]	100%

Notes to the Company Accounts continued

5. Investment in subsidiaries continued

	Principal activity	Country of incorporation	Ownership %
Tritax Big Box Development (Midlands) Ltd (formally known as Tritax Symmetry (Midlands) Ltd)	Investment holding company	UK[2]	100%
Tritax Symmetry (Aston Clinton) Ltd	Property investment	UK[2]	100%
Tritax Park Leicester South Ltd (formally known as Tritax Symmetry Leicester South Ltd)	Property investment	Jersey	100%
Tritax Park Gloucester Ltd (formally known as Tritax Symmetry Gloucester Ltd)	Property investment	Jersey	100%
Tritax Symmetry (Speke) Ltd	Property investment	UK[2]	100%
Tritax Symmetry (Barwell) Ltd	Property investment	UK[2]	100%
Tritax Symmetry (Rugby) Ltd	Property investment	UK[2]	100%
Tritax Symmetry (Hinckley) Ltd	Property investment	UK[2]	100%
Tritax Symmetry (Darlington) Ltd	Property investment	UK[2]	100%
Tritax Symmetry (Blyth) Ltd	Property investment	UK[2]	100%
Tritax Symmetry (Bicester Reid) Ltd	Property investment	UK[2]	100%
Tritax Park Wigan UK Ltd (formally known as Tritax Symmetry (Wigan) Ltd)	Property investment	UK[2]	100%
Tritax Symmetry (Land) LLP (formally known as Tritax Symmetry (Land) LLP)	Investment holding company	UK[2]	100%
Tritax Symmetry (Kettering) LLP	Property investment	UK[2]	100%
Tritax Symmetry (Lutterworth) LLP	Property investment	UK[2]	100%
Tritax Big Box Developments (Northampton) LLP (formally known as Tritax Symmetry (Northampton) LLP)	Investment holding company	UK[2]	100%
Symmetry Park Darlington Management Company Ltd	Management company	UK[2]	100%
Symmetry Park Aston Clinton Management Company Limited	Management company	UK[2]	100%
Tritax Symmetry Glasgow East Ltd	Property investment	Jersey	100%
Symmetry Park Biggleswade Management Company Limited	Management company	UK[2]	100%
Tritax Symmetry Biggleswade 2 Ltd	Property investment	Jersey	100%
Tritax Symmetry Biggleswade 3 Ltd	Property investment	Jersey	100%
Tritax Symmetry Middlewich 1 Ltd	Property investment	Jersey	100%
Tritax Symmetry Biggleswade 4 Ltd	Property investment	Jersey	100%
Tritax Symmetry Biggleswade Land Ltd	Property investment	UK[2]	100%
Symmetry Park Merseyside Management Company Limited	Management company	UK[2]	100%
Symmetry Park Kettering Management Company Limited	Management company	UK[2]	100%
Tritax Park Wigan Management Company Ltd (formally known as Symmetry Park Wigan Management Company Limited)	Management company	UK[2]	100%
Symmetry Park Rugby Management Company Limited	Management company	UK[2]	100%
Tritax Symmetry Merseyside Land Ltd	Property investment	UK[2]	100%
Tritax Park Rugby West Ltd (formally known as Tritax Symmetry West Ltd)	Property investment	Jersey	100%
Tritax Symmetry Darlington 2 Ltd#	Property investment	Jersey	100%
Intermodal Logistics Park North Ltd (formally known as Tritax Symmetry SFRI North Ltd)#	Property investment	Jersey	100%
Symmetry Park Biggleswade Management Company No 3 Ltd#	Management company	UK[2]	100%
Tritax Park Crewe Ltd#	Property investment	Jersey	100%
Tritax Symmetry Bicester 3 Ltd#	Property investment	Jersey	100%
Tritax Park Oxford Management Company Ltd#	Management company	UK[2]	100%
Tritax symmetry Rugby South 2 Ltd#	Property investment	Jersey	100%

* These are direct subsidiaries of the Company.

\# These are new investments of the Company in the year.

The registered addresses for subsidiaries across the Group are consistent based on their country of incorporation and are as follows:

Jersey entities: 26 New Street, St Helier, Jersey JE2 3RA

Guernsey entities: Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 2JA

Isle of Man entities: 33-37 Athol Street, Douglas, Isle of Man IM1 1LB

British Virgin Islands entities: Jayla Place, Wickhams Cay 1, Road Town, Tortola, BVI VG1110

UK[1] entities: 72 Broadwick Street, London, W1F 9QZ

UK[2] entities: Unit B, Grange Park Court, Roman Way, Northampton, England NN4 5EA

5. Investment in subsidiaries continued

The Company also has interests in the following joint arrangements as at 31 December 2024:

	Principal activity	Country of incorporation	Ownership %
Symmetry Park Doncaster Management Company Limited	Management company	UK[2]	50%
Symmetry Park Bicester Management Company Limited	Management company	UK[2]	33%

All of the companies registered offshore are managed onshore and are UK residents for UK corporation tax purposes, save for the Sherburn Unit Trust, G Avonmouth Trust, St Georges Leicester Unit Trust, Junction 27 Retail Unit Trust and Rotunda Kingston Property Unit Trust.

6. Trade and other receivables

	31 December 2024 £m	31 December 2023 £m
Amounts receivable from Group companies	**1,276.9**	1,709.7
Prepayments	**0.1**	0.1
Other receivables	**1.3**	1.1
Total trade and other receivables	**1,278.3**	1,710.9

All amounts that fall due for repayment within one year and are presented within current assets as required by the Companies Act. The loans to Group companies are repayable on demand with no fixed repayment date although it is noted that a significant proportion of the amounts may not be sought for repayment within one year depending on activity in the Group companies. Interest is charged between 0%–10% (2023: 0%–10%).

7. Cash held at bank

	31 December 2024 £m	31 December 2023 £m
Cash held at bank	**7.6**	1.1

8. Trade and other payables

	31 December 2024 £m	31 December 2023 £m
Trade and other payables	**14.9**	12.9
Accruals	**9.0**	6.5
Total trade and other payables	**23.9**	19.4

9. Borrowings

Bank borrowings drawn

	31 December 2024 £m	31 December 2023 £m
Bank borrowings drawn: due in more than one year	**431.0**	269.0
Less: unamortised costs on bank borrowings	**(4.9)**	(5.9)
Total bank borrowings drawn	**426.1**	263.1

Loan notes

Bonds	31 December 2024 £m	31 December 2023 £m
2.625% Bonds 2026	**249.8**	249.7
3.125% Bonds 2031	**248.3**	248.0
2.860% USPP 2028	**250.0**	250.0
2.980% USPP 2030	**150.0**	150.0
1.500% Green Bonds 2033	**247.4**	247.1
Less: unamortised costs on loan notes	**(3.7)**	(4.3)
Non-current liabilities: net borrowings	**1,141.8**	1,140.5

Maturity of loan notes	31 December 2024 £m	31 December 2023 £m
Repayable between one and two years	**—**	—
Repayable between two and five years	**249.8**	249.7
Repayable in over five years	**895.7**	895.1
Total Borrowings	**1,145.5**	1,144.8

10. Interest rate derivatives

	31 December 2024 £m	31 December 2023 £m
Total interest rate derivatives	**0.7**	1.0

The interest rate derivatives are valued by the relevant counterparty banks on a quarterly basis in accordance with IFRS 9. Any movement in the mark-to-market values of the derivatives are taken to the Group profit or loss.

	31 December 2024 £m	31 December 2023 £m
Interest rate derivative valuation brought forward	**1.0**	—
Premium paid	**0.9**	1.2
Changes in fair value of interest rate derivatives	**(1.2)**	(0.2)
Total interest rate derivatives	**0.7**	1.0

An interest rate cap is used to mitigate the interest rate risk that arises as a result of entering into a variable rate linked loan to cap the rate to which SONIA can rise and is coterminous with the initial term of the loan.

The interest rate derivative is marked to market by the relevant counterparty banks on a quarterly basis in accordance with IFRS 9. Any movement in the mark to market values of the derivatives are taken to the Statement of Comprehensive Income.

11. Equity reserves

Refer to note 30 of the Group's financial statements.

12. Related party transactions

The Company has taken advantage of the exemption not to disclose transactions with other members of the Group as the Company's own financial statements are presented together with its consolidated financial statements.

For all other related party transactions make reference to note 33 of the Group's financial statements.

13. Directors' remuneration

Refer to note 11 of the Group's financial statements.

14. Subsequent events

Refer to note 36 of the Group's financial statements.

Notes to the EPRA and Other Key Performance Indicators (Unaudited)

Please note that the below measures may not be comparable with similarly titled measures presented by other companies and should not be viewed in isolation, but as supplementary information.

1. Adjusted earnings income statement

The Adjusted earning reflects our ability to generate earnings from our portfolio, which ultimately underpins dividend payments.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Gross rental income	**281.1**	222.2
Service charge income	**13.1**	6.2
Service charge expense	**(15.6)**	(6.3)
Direct property expenses	**(2.6)**	—
Fixed rental uplift adjustments	**(8.9)**	(6.2)
Net rental income	**267.1**	215.9
Other operating income	**23.0**	—
Amortisation of other property assets	**0.6**	—
Dividend Income	**0.2**	—
Administrative expenses	**(33.7)**	(28.9)
Adjusted operating profit before interest and tax	**257.2**	187.0
Net finance costs	**(63.5)**	(44.9)
Amortisation of loan arrangement fees	**4.1**	4.4
Unwinding of discount on fixed rate debt and deferred consideration	**4.2**	—
Adjusted earnings before tax	**202.0**	146.5
Tax on adjusted profit	**(0.3)**	(0.6)
Adjusted earnings after tax	**201.7**	145.9
Adjustment to remove additional DMA income	**(19.3)**	—
Adjusted earnings (exc. additional DMA income)	**182.4**	145.9
Weighted average number of Ordinary Shares	**2,264,719,368**	1,881,930,698
Adjusted earnings per share	**8.91p**	7.75p
Adjusted earnings per share (exc. additional DMA income)	**8.05p**	7.75p

2. EPRA Earnings per share

A key measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 (restated) £m	Year ended 31 December 2023 (reported) £m
Total comprehensive income (attributable to shareholders)	**445.5**	70.0	70.0
Adjustments to remove:			
Changes in fair value of investment properties	**(243.7)**	38.1	38.1
Changes in fair value of interest rate derivatives	**5.3**	11.2	11.2
Changes in fair value of financial asset	**(0.9)**	0.1	0.1
Share of loss/(profits) from joint ventures	**(0.1)**	(0.4)	(0.4)
Loss on disposal of investment properties	**(8.4)**	1.6	1.6
Finance income received on interest rate derivatives[1]	**—**	—	(10.2)
Amortisation of other property assets	**0.6**	—	—
Impairment of intangible and other property assets	**4.0**	2.7	2.7
Profits to calculate EPRA Earnings per share	**202.3**	123.3	113.1
Weighted average number of Ordinary Shares	**2,264,719,368**	1,881,930,698	1,881,930,698
EPRA Earnings per share – basic	**8.93p**	6.55p	6.01p

1. There is no longer a requirement for Interest on derivatives to be taken out of EPRA EPS, per the latest EPRA best practice guidance and there for this has been excluded in 2024.

3. EPRA NAV per share

A net asset value per share calculated in accordance with EPRA's methodology.

31 December 2024	Note	EPRA NTA £m	EPRA NRV £m	EPRA NDV £m
NAV attributable to shareholders		**4,567.4**	**4,567.4**	**4,567.4**
Revaluation of land options		**18.0**	**18.0**	**18.0**
Mark-to-market adjustments of derivatives		**18.5**	**18.5**	**—**
Intangibles		**(0.7)**	**—**	**—**
Fair value of debt		**—**	**—**	**192.4**
Real estate transfer tax[1]		**—**	**444.6**	**—**
At 31 December 2024	31	**4,603.2**	**5,048.5**	**4,777.8**
NAV per share		**185.56p**	**203.51p**	**192.60p**

31 December 2023	Note	EPRA NTA £m	EPRA NRV £m	EPRA NDV £m
NAV attributable to shareholders		3,334.0	3,334.0	3,334.0
Revaluation of land options		26.5	26.5	26.5
Mark-to-market adjustments of derivatives		13.1	13.1	—
Intangibles		(1.1)	—	—
Fair value of debt		—	—	141.4
Real estate transfer tax[1]		—	342.3	—
At 31 December 2023	31	3,372.5	3,715.9	3,501.9
NAV per share		177.15p	195.19p	183.95p

1. EPRA NTA and EPRA NDV reflect IFRS values which are net of RETT. RETT are added back when calculating EPRA NRV.

4. EPRA Net Initial Yield ("NIY") and EPRA "Topped Up" NIY

A measure to make it easier for investors to judge for themselves how the valuations of two portfolios compare.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Investment property – wholly owned	**6,369.8**	4,843.7
Investment property – share of joint ventures	**4.4**	4.2
Less: development properties	**(321.1)**	(262.7)
Completed property portfolio	**6,053.1**	4,585.2
Allowance for estimated purchasers' costs	**408.6**	309.5
Gross up completed property portfolio valuation (B)	**6,461.7**	4,894.7
Annualised passing rental income	**313.5**	225.3
Less: contracted rental income in respect of development properties	**(16.7)**	(4.6)
Property outgoings	**(4.4)**	(0.2)
Less: contracted rent under rent-free period	**(17.3)**	(17.5)
Annualised net rents (A)	**275.1**	203.0
Contractual increases for fixed uplifts	**22.6**	22.1
Topped up annualised net rents (C)	**297.7**	225.1
EPRA Net Initial Yield (A/B)	**4.26%**	4.15%
EPRA Topped Up Net Initial Yield (C/B)	**4.61%**	4.60%

5. EPRA Vacancy rate

Estimated market rental value (ERV) of vacant space divided by the ERV of the whole portfolio.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Annualised estimated rental value of vacant premises	**21.5**	6.7
Portfolio estimated rental value[1]	**377.9**	268.2
EPRA Vacancy rate	**5.7%**	2.5%

1. Excludes land held for development.

6. EPRA Cost Ratio

A key measure to enable meaningful measurement of the changes in a company's operating costs.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Property operating costs	**4.4**	0.2
Administration expenses	**9.1**	6.9
Management fees	**24.6**	22.0
Total costs including vacant property costs (A)	**38.1**	29.1
Vacant property cost	**(2.8)**	(0.1)
Total costs excluding vacant property costs (B)	**35.3**	29.0
Gross rental income – per IFRS	**281.1**	222.2
Gross rental income (C)	**281.1**	222.2
Total EPRA cost ratio (including vacant property costs)	**13.6%**	13.1%
Total EPRA cost ratio (excluding vacant property costs)	**12.6%**	13.1%

7. EPRA like-for-like rental income

Like-for-like net rental growth compares the growth of the net rental income of the portfolio that has been consistently in operation, and not under development, during the two full preceding periods that are described.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m	Change £m	Change %
Like-for-like rental income	**192.0**	185.0		
Other rental income	**0.4**	0.2		
Like-for-like gross rental income	**192.4**	185.2	7.2	3.9%
Like-for-like irrecoverable property expenditure	**(0.2)**	(0.1)		
Like-for-like net rental income	**192.2**	185.1	7.1	3.8%
Reconciliation to Net rental income per Statement of Comprehensive Income:				
Development properties	**15.1**	4.9		
Properties sent back to development	**0.5**	4.7		
Properties acquired	**49.3**	1.6		
Properties disposed	**2.4**	9.6		
Spreading of client incentives and guaranteed uplifts	**21.4**	16.2		
Irrecoverable property expenditure	**(4.9)**	—		
Total per Statement of Comprehensive Income	**276.0**	222.1	53.9	24.3%

Notes to the EPRA and Other Key Performance Indicators (Unaudited) continued

8. EPRA property-related capital expenditure

	Year end 31 December 2024 £m	Year ended 31 December 2023 £m
Acquisition[1]	**1,184.3**	109.2
Development[2]	**243.6**	208.1
Transfers to Investment Property	**(21.9)**	(16.8)
Investment properties:		
Client incentives	**22.4**	21.0
Capitalised interest	**6.0**	4.6
Total Capex	**1,434.4**	326.1
Share for share acquisition of UKCM	**(1,149.1)**	—
Conversion from accrual to cash basis	**(50.5)**	(17.2)
Total Capex on a cash basis	**234.8**	308.9

1. See note 17.
2. See note 17 and note 18.
3. Fixed rental uplift and client lease incentives after adjusting for amortisation on rental uplift and client lease incentives.

9. Total Accounting Return ("TAR")

Net total return, being the percentage change in EPRA NTA over the relevant period plus dividends paid.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Opening EPRA NTA	**177.15p**	180.37p
Closing EPRA NTA	**185.56p**	177.15p
Change in EPRA NTA	**8.41p**	(3.22p)
Dividends paid	**7.53p**	7.23p
Total growth in EPRA NTA plus dividends paid	**15.94p**	4.01p
Total return	**9.00%**	2.2%

10. Total Expense Ratio

The ratio of total administration and property operating costs expressed as a percentage of average net asset value throughout the period.

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Total operating costs	**33.7**	28.9
Average net assets over the period	**4,059.0**	3,371.5
Total Expense Ratio	**0.83%**	0.86%

11. Loan to value ratio

The proportion of our gross asset value that is funded by net borrowings

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Gross debt drawn	**1,963.9**	1,626.7
Less: cash	**(80.6)**	(36.4)
Net debt	**1,883.3**	1,590.3
Gross property value	**6,548.6**	5,030.4
Loan to value ratio	**28.8%**	31.6%

12. EPRA loan to value ratio

The proportion of our gross asset value that is funded by net borrowings and working capital

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Gross debt drawn	**1,993.9**	1,626.7
Working capital	**58.4**	87.1
Less: cash	**(80.6)**	(36.4)
Net debt	**1,971.7**	1,677.4
Gross property value	**6,548.6**	5,030.4
Loan to value ratio	**30.1%**	33.3%

Five Year Summary

Group Statement of Comprehensive Income

	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m
Gross rental income	**281.1**	222.2	206.2	184.7	161.6
Service charge income	**13.1**	6.2	6.3	5.1	4.6
Service charge expense	**(15.6)**	(6.3)	(6.5)	(5.2)	(4.7)
Direct property expenses	**(2.6)**	—	—	—	—
Net rental income	**276.0**	222.1	206.0	184.6	161.5
Other operating income	**23.0**	—	9.3	18.9	8.6
Administrative and other expenses	**(33.7)**	(28.9)	(32.2)	(25.5)	(22.6)
Operating profit before changes in fair value of investment properties, share of profit from joint ventures and share-based payment charges	**265.3**	193.2	183.1	178.0	147.5
Changes in fair value of investment properties	**243.7**	(38.1)	(759.5)	840.9	351.1
Gain/(loss) on disposal of investment properties	**8.4**	(1.6)	—	2.0	0.1
Share of profit from joint ventures	**0.1**	0.4	0.5	0.1	(0.1)
Dividend Income	**0.2**	—	—	—	—
Fair value movements in financial asset	**0.9**	(0.1)	—	—	—
Impairment of intangible and other property assets	**(4.0)**	(2.7)	(1.4)	(2.9)	(0.4)
Share-based payment charge	**—**	(2.9)	(1.9)	(5.5)	(5.9)
Changes in fair value of contingent consideration payable	**—**	(0.4)	1.1	(4.2)	(2.9)
Extinguishment of B and C share liabilities	**—**	(21.1)	—	—	—
Operating profit	**514.6**	126.7	(578.1)	1,008.4	489.4
Finance income	**8.4**	10.4	1.6	—	—
Finance expense	**(71.9)**	(55.3)	(39.4)	(40.1)	(37.6)
Changes in fair value of interest rate derivatives	**(5.3)**	(11.2)	14.9	2.8	(2.3)
Profit before taxation	**445.8**	70.6	(601.0)	971.1	449.5
Tax on profit for the period	**(0.3)**	(0.6)	1.6	1.5	(0.1)
Profit and total comprehensive income	**445.5**	70.0	(599.4)	972.6	449.4
Earnings per share – basic	**19.67p**	3.72p	(32.08)p	55.4p	26.3p
Earnings per share – diluted	**19.67p**	3.72p	(32.08)p	55.3p	26.3p

Group Statement of Financial Position

	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m
Non-current assets					
Intangible assets	**0.7**	1.1	1.4	1.7	2.0
Investment property	**5,929.4**	4,843.6	4,847.3	5,249.1	4,053.5
Investment in land options	**148.8**	157.4	157.4	201.5	228.1
Investment in joint ventures	**24.4**	24.8	27.2	25.6	28.5
Financial asset	**3.2**	2.3	—	—	—
Other property assets	**1.7**	2.3	2.3	4.0	9.4
Trade and other receivables	**3.9**	1.0	2.0	2.0	2.0
Interest rate derivatives	**7.6**	11.1	19.9	1.8	0.1
Total non-current assets	**6,119.7**	5,043.6	5,057.5	5,485.7	4,323.6
Current assets					
Rent and other receivables	**56.0**	22.0	24.9	37.1	25.1
Assets held for sale	**440.4**	—	25.1	—	—
Tax asset	**2.0**	—	—	—	—
Cash at bank	**80.6**	36.4	47.6	71.1	57.8
Total current assets	**579.0**	58.4	97.6	108.2	82.9
Total assets	**6,698.7**	5,102.0	5,155.1	5,593.9	4,406.5
Current liabilities					
Deferred rental income	**(59.5)**	(38.6)	(34.7)	(38.6)	(36.1)
Trade and other payables	**(112.5)**	(106.9)	(111.2)	(85.9)	(69.3)
Tax liabilities	**(1.9)**	(2.2)	(1.1)	(4.3)	(1.9)
Total current liabilities	**(173.9)**	(147.7)	(147.0)	(128.8)	(107.3)
Non-current liabilities					
Trade and other payables	**(3.9)**	(1.0)	(2.0)	(2.0)	(2.0)
Interest rate derivatives	**—**	—	—	—	(1.1)
Bank borrowings	**(811.7)**	(474.7)	(474.8)	(207.6)	(206.7)
Loan notes	**(1,141,8)**	(1,140.5)	(1,139.1)	(1,137.6)	(1,136.4)
Deferred consideration	**—**	(4.1)	—	—	—
Amounts due to third parties	**—**	—	(42.2)	(41.4)	(31.7)
Total non-current liabilities	**(1,957.4)**	(1,620.3)	(1,658.1)	(1,388.6)	(1,377.9)
Total liabilities	**(2,131.3)**	(1,768.0)	(1,805.1)	(1,517.4)	(1,485.2)
Total net assets	**4,567.4**	3,334.0	3,350.0	4,076.5	2,921.3
Equity					
Share capital	**24.8**	19.0	18.7	18.7	17.2
Share premium reserve	**49.2**	49.2	764.3	762.0	466.5
Capital reduction reserve	**1,289.0**	1,463.9	835.1	964.5	1,078.9
Merger Reserve	**957.0**	—	—	—	—
Retained earnings	**2,247.4**	1,801.9	1,731.9	2,331.3	1,358.7
Total equity	**4,567.4**	3,334.0	3,350.0	4,076.5	2,921.3
Net asset value per share – basic	**184.12p**	175.13p	179.25p	218.26p	169.92p
Net asset value per share – diluted	**184.12p**	175.13p	179.25p	218.18p	169.92p
EPRA net asset value per share – basic and diluted	**185.56p**	177.15p	180.37p	222.52p	175.61p

Glossary of Terms

"Adjusted earnings"

Post-tax earnings attributable to shareholders, adjusted to include licence fees receivable on forward funded development assets and adjusts for other earnings not supported by cash flows. "Adjusted Earnings per share" or "Adjusted EPS" on a per share basis.

"B and C Shares"

The B and C Shares in Tritax Big Box Developments Holdings Limited that were issued to the Tritax Big Box Development Management shareholders.

"Big Box"

A "Big Box" property or asset refers to a specific subsegment of the logistics sector of the real estate market, relating to very large logistics warehouses (each with typically over 500,000 sq ft of floor area) with the primary function of holding and distributing finished goods, either downstream in the supply chain or direct to consumers, and typically having the following characteristics: generally a modern constructed building with eaves height exceeding 12 metres; let on long leases with institutional-grade clients; with regular, upward-only rental reviews; having a prime geographical position to allow both efficient stocking (generally with close links to sea ports or rail freight hubs) and efficient downstream distribution; and increasingly with sophisticated automation systems or a highly bespoke fit out.

"Board"

The Directors of the Company.

"BREEAM"

The Building Research Establishment Environmental Assessment Method certification of an asset's environmental, social and economic sustainability performance, using globally recognised standards. Annualised rent, adjusting for the inclusion of rent free periods.

"Contracted annual rent"

Annualised rent, adjusting for the inclusion of rent free period

"Company" or "TBBR"

Tritax Big Box REIT plc (Company number 08215888).

"CPI"

Consumer Price Index, a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care as calculated on a monthly basis by the Office of National Statistics.

"Current development pipeline"

Assets that are in the course of construction or assets for which we have made a construction commitment.

"CVA"

A company voluntary liquidation, a legally binding agreement between a business and its creditors which sets out a debt repayment plan and enables a viable business to avoid insolvency.

"db Symmetry"

db Symmetry Group Ltd and db symmetry BVI Limited, together with their subsidiary undertakings and joint venture interests, which were acquired by the Group in February 2019.

"Directors"

The Directors of the Company as of the date of this report being the Independent Non-Executive Directors of the Company, being Aubrey Adams, Elizabeth Brown, Alastair Hughes, Richard Laing, Karen Whitworth, Wu Gang and Kirsty Wilman.

"Development Management Agreement" or "DMA"

An agreement between the Group and a developer setting out the terms in respect of the development of an asset. In particular, the development of the Symmetry Portfolio is the subject of a DMA between Tritax Symmetry and Symmetry ManCo.

"Development portfolio" or "Development assets"

The Group's Development portfolio comprises its property assets which are not Investment assets, including land, options over land as well as any assets under construction on a speculative basis.

"Dividend payout ratio"

Dividend per share divided by Adjusted Earnings per share.

"EPC rating"

A review of a property's energy efficiency.

"EPRA"

European Public Real Estate Association.

"EPRA Earnings"

Earnings from operational activities (which excludes the licence fees receivable on our Forward Funded Development assets).

"EPRA NAV" or "EPRA Net Asset Value"

The Basic Net Asset Value adjusted to meet EPRA Best Practices Recommendations Guidelines (2016) requirements by excluding the impact of any fair value adjustments to debt and related derivatives and other adjustments and reflecting the diluted number of Ordinary Shares in issue.

"EPRA Triple Net Asset Value ("NNNAV")"

EPRA NAV adjusted to include the fair values of financial instruments, debt and deferred taxes.

"EPRA Net Tangible Asset ("NTA")"

The Basic Net Asset Value adjusted to meet EPRA Best Practices Recommendations Guidelines (2019) requirements by excluding intangibles and the impact of any fair value adjustments to related derivatives. This includes the revaluation of land options.

"EPRA Net Reinstatement Value ("NRV")"

IFRS NAV adjusted to exclude the impact of any fair value adjustments to related derivatives. This includes the revaluation of land options and the Real estate transfer tax ("RETT").

"EPRA Net Disposal Value ("NDV")"

IFRS NAV adjusted to include the fair values of debt and the revaluation of land options.

"EPRA Net Initial Yield ("NIY")"

Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchaser's costs.

"EPRA 'Topped-Up' NIY"

This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives, such as discounted rent periods and step rents).

"EPRA Vacancy"

Estimated market rental value ("ERV") of vacant space divided by the ERV of the whole portfolio.

"EPRA Cost Ratio"

Administrative and operating costs (including and excluding costs of direct vacancy) divided by gross rental income.

"ESG"

Environmental, Social and Governance.

"Estimated cost to completion"

Costs still to be expended on a development or redevelopment to practical completion, including attributable interest.

"Estimated rental value" or "ERV"

The estimated annual market rental value of lettable space as determined biannually by the Group's valuers. This will normally be different from the rent being paid.

"FCA"

The United Kingdom Financial Conduct Authority (or any successor entity or entities).

"Forward Funded Development"

Where the Company invests in an asset which is either ready for, or in the course of, construction, pre-let to an acceptable counterparty. In such circumstances, the Company seeks to negotiate the receipt of immediate income from the asset, such that the developer is paying the Company a return on its investment during the construction phase and prior to the client commencing rental payments under the terms of the lease. Expert developers are appointed to run the development process.

"Foundation asset"

Foundation assets provide the core, low-risk income that underpins our business. They are usually let on long leases to clients with excellent covenant strength. These buildings are commonly new or modern and in prime locations, and the leases have regular upward only rent reviews, often either fixed or linked to Inflation Indices.

"FRI Lease"

Full Repairing and Insuring Lease. During the lease term, the client is responsible for all repairs and decoration to the property, inside and out, and the building insurance premium is recoverable from the client.

"Future development pipeline"

The Group's land portfolio for future development typically controlled under option agreements which do not form part of the Current or Near Term development pipelines.

"Gearing"

Net borrowings divided by total shareholders' equity excluding intangible assets and deferred tax provision.

"GIA"

Under the RICS Code of Measuring Practice (6th Edition) the Gross Internal Area ("GIA") is the basis of measurement for valuation of industrial buildings (including ancillary offices) and warehouses. The area of a building measured to the internal face of the perimeter walls at each floor level (including the thickness of any internal walls). All references to building sizes in this document are to the GIA.

"GAV"

The Group's gross asset value.

"Global Real Estate Sustainability Benchmark ("GRESB") Assessment"

GRESB assesses the ESG performance of real estate and infrastructure portfolios and assets worldwide, providing standardised and validated data to the capital markets.

"Gross rental income"

Contracted rental income recognised in the period, in the income statement, including surrender premiums and interest receivable on finance leases. Lease incentives, initial costs and any contracted future rental increases are amortised on a straight-line basis over the lease term.

"Group" or "REIT Group"

The Company and all of its subsidiary undertakings.

"Growth Covenant asset"

Growth Covenant assets are fundamentally sound assets in good locations, let to clients we perceive to be undervalued at the point of purchase and who have the potential to improve their financial strength, such as young e-retailers or other companies with growth prospects. These assets offer value enhancement through yield compression.

"IMA"

The Investment Management Agreement between the Manager and the Company.

"Investment portfolio" or "Investment assets"

The Group's Investment Portfolio comprises let or pre-let (in the case of Forward Funded Developments) assets which are income generating, as well as any speculative development assets which have reached practical completion but remain unlet.

"Investment property"

Completed land and buildings held for rental income return and/or capital appreciation.

"Land asset"

Opportunities identified in land which the Manager believes will enable the Company to secure, typically, pre-let Forward Funded Developments in locations which might otherwise attract lower yields than the Company would want to pay, delivering enhanced returns but controlling risk.

"Listing Rules"

The listing rules made by the Financial Conduct Authority under section 73A of FSMA.

"Loan Notes"
The loan notes issued by the Company on 4 December 2018.

"Loan to Value ("LTV")"
The proportion of our gross asset value that is funded by net borrowings.

"London Stock Exchange"
London Stock Exchange plc.

"Manager"
Tritax Management LLP (partnership number 0C326500).

"Minimum Energy Efficiency Standards ("MEES")"
The legal standard for minimum energy efficiency which applies to rented commercial buildings as regulated by the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015.

"Near-term Development Pipeline"
Sites which have either received planning consent or sites where planning applications have been submitted prior to the year end.

"Net Initial Yield ("NIY")"
The annual rent from a property divided by the combined total of its acquisition price and expenses.

"Net rental income"
Gross rental income less ground rents paid, net service charge expenses and property operating expenses.

"Net zero carbon"
Highly energy efficient and powered from on-site and/or off-site renewable energy sources, with any remaining carbon balance offset.

"Non-PID Dividend"
A dividend received by a shareholder of the principal company that is not a PID.

"Ordinary Shares"
Ordinary Shares of £0.01 each in the capital of the Company.

"Passing rent"
The annual rental income currently receivable on a property as at the balance sheet date (which may be more or less than the ERV). Excludes rental income where a rent-free period is in operation. Excludes service charge income (which is netted off against service charge expenses).

"PID" or "Property income distribution"
A dividend received by a shareholder of the principal company in respect of profits and gains of the Property Rental Business of the UK resident members of the REIT group or in respect of the profits or gains of a non-UK resident member of the REIT group insofar as they derive from their UK Property Rental Business.

"Portfolio"
The overall portfolio of the Company including both the Investment and Development portfolios.

"Portfolio Value"
The value of the Portfolio which, as well as the Group's standing assets, includes capital commitments on Forward Funded Developments, Land Assets held at cost, the Group's share of joint venture assets and other property assets.

"Pre-let"
A lease signed with a client prior to commencement of a development.

"REIT"
A qualifying entity which has elected to be treated as a Real Estate Investment Trust for tax purposes. In the UK, such entities must be listed on a recognised stock exchange, must be predominantly engaged in property investment activities and must meet certain ongoing qualifications.

"Rent roll"
See "Passing rent".

"RPI"
Retail price index, an inflationary indicator that measures the change in the cost of a fixed basket of retail goods as calculated on a monthly basis by the Office of National Statistics.

"SDLT"
Stamp Duty Land Tax – the tax imposed by the UK Government on the purchase of land and properties with values over a certain threshold.

"Shareholders"
The holders of Ordinary Shares.

"SONIA"
Sterling Overnight Index Average.

"Speculative development"
Where a development has commenced prior to a lease agreement being signed in relation to that development.

"sq ft"
Square foot or square feet, as the context may require.

"Tritax Big Box Developments Management Shareholders"
The holders of B and C Shares in Tritax Big Box Developments.

"Tritax Big Box Developments ManCo"/"TBBD"
Tritax Big Box Developments Limited, a private limited company incorporated in England and Wales (registered number 11685402) which has an exclusive development management agreement with Tritax Big Box Developments Holdings Limited to manage the development of the Tritax Big Box Development Portfolio.

"TBBDHL"
Tritax Big Box Development Holdings Limited (Company number 127784, incorporated in Jersey).

"TBBR"
Tritax Big Box REIT plc (Company number 08215888).

“TMLLP”

Tritax Management LLP, the Manager of TBBR.

“Topped up net initial yield”

Net initial yield adjusted to include notional rent in respect of let properties which are subject to a rent-free period at the valuation date thereby providing the Group with income during the rent-free period. This is in accordance with EPRA’s Best Practices Recommendations.

“Total Expense Ratio” or “TER”

The ratio of total administration and property operating costs expressed as a percentage of average net asset value throughout the period.

“Total Accounting Return”

Net total return, being the percentage change in EPRA NTA over the relevant period plus dividends paid.

“Total Shareholder Return”

A measure of the return based upon share price movement over the period and assuming reinvestment of dividends.

“Triple Net Leases”

A triple net lease (NNN lease) is a commercial lease agreement in which the client is responsible for paying property taxes, insurance, and maintenance costs in addition to rent and utilities. This type of lease shifts most property expenses from the landlord to the client.

“Tritax Big Box Developments”

Tritax Big Box Developments Holdings Limited, a limited company incorporated in Jersey (registered number 127784).

“Tritax Big Box Portfolio”

The portfolio of assets held through Tritax Symmetry following the acquisition of db Symmetry in February 2019, including land, options over land and a number of assets under development.

“True Equivalent Yield (“TEY”)”

The internal rate of return from an Investment property, based on the value of the property assuming the current passing rent reverts to ERV on the basis of quarterly in advance rent receipts and assuming the property becomes fully occupied over time.

“UK AIFMD Rules”

The laws, rules and regulations implementing AIFMD in the UK, including without limitation, the Alternative Investment Fund Managers Regulations 2013 and the Investment Funds sourcebook of the FCA.

“Value Add asset”

These assets are typically let to clients with good covenants and offer the chance to grow the assets’ capital value or rental income, through lease engineering or physical improvements to the property. We do this using our asset management capabilities and understanding of client requirements. These are usually highly re-lettable. It also includes assets developed on a speculative basis which have reached practical completion but remain unlet at the period end.

“WAULT” or “Weighted Average Unexpired Lease Term”

The income for each property applied to the remaining life for an individual property or the lease and expressed as a portfolio average in years. In respect of Forward Funded Developments, the unexpired term from lease start date.

“Waystone” or “Waystone Services”

A trading name of Waystone Fund Services Limited (company number 02056193).

“Yield on cost”

The expected gross yield based on the estimated current market rental value (“ERV”) of the developments when fully let or actual rental value for completed developments or those pre-let, as appropriate, divided by the estimated or actual total costs of the development.

Company Information

Company Registration Number: 08215888

Incorporated in the United Kingdom

Directors, Management and Advisers

Directors

Aubrey Adams OBE, FCA, FRICS
Independent Non-Executive Chair

Karen Whitworth FCA
Senior Independent Director

Alastair Hughes FRICS
Independent Non-Executive Director

Elizabeth Brown
Independent Non-Executive Director

Wu Gang
Independent Non-Executive Director

Richard Laing FCA
Independent Non-Executive Director

Kirsty Wilman FCA
Independent Non-Executive Director

Registered office

72 Broadwick Street
London W1F 9QZ

Manager

Tritax Management LLP
280 Bishopsgate
London
EC2M 4AG

Joint Financial Adviser

Akur Limited
66 St James's Street
London
SW1A 1NE

Joint Financial Adviser and Joint Corporate Broker

Jefferies International Limited
100 Bishopsgate
London
EC2N 4JL

Joint Corporate Broker

JP Morgan Cazenove Limited
27th Floor
25 Bank Street
London
E14 5JP

Legal Advisers to the Company

Ashurst LLP
London Fruit & Wool Exchange
1 Duval Square
London
E1 6PW

Burges Salmon LLP
One Glass Wharf
Bristol
BS2 0ZX

Maples Teesdale LLP
30 King Street
London
EC2V 8EE

Auditor

BDO LLP
55 Baker Street
London
W1U 7EU

Company Secretary

Tritax Management LLP
c/o 72 Broadwick Street
London
W1F 9QZ

Registrar

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ

Administrator

Waystone Fund Services Limited
Broadwalk House,
Southernhay West
Exeter
EX1 1TS
United Kingdom

Depository

Langham Hall UK Depositary LLP
8th Floor
1 Fleet Place
London
EC4M 7RA

Valuers

CBRE Limited
Henrietta House Henrietta Place
London
W1G 0NB

Colliers International Valuation UK LLP
50 George Street
London
W1U 7GA

Jones Lang LaSalle Limited
30 Warwick Street
London
W1B 5NH

Bankers

Bank of China Limited
London Branch
1 Lothbury
London
EC2R 7DB

Barclays Bank PLC
PO Box 3333
One Snowhill
Snow Hill Queensway
Birmingham
B3 2WN

BNP Paribas
10 Harewood Avenue
London
NW1 6AA

Canada Life Investments
1-6 Lombard Street
London
EC3V 9JU

Helaba Landesbank Hessen-Thüringen Girozentrale
3rd Floor
95 Queen Victoria Street
London
EC4V 4HN

HSBC Bank plc
Level 2
8 Canada Square
Canary Wharf
London
E14 5HQ

J. P. Morgan Chase Bank N.A.
25 Bank Street
London
E14 5JP

PGIM Real Estate Finance
8th Floor
One London Bridge
London
SE1 9BG

Royal Bank of Scotland
250 Bishopsgate
London
EC2M 4AA

Santander
2 Triton Square
Regent's Place
London
NW1 3AN

SMBC Bank International plc
100 Liverpool Street
London
EC2M 2AT

Sumitomo Mitsui Trust Bank
155 Bishopsgate
London
EC2M 3XU

Wells Fargo Bank, N.A.
33 King William Street
London
EC4R 9AT

Cautionary statement

This Annual Report and the Tritax Big Box REIT plc website may contain certain ‘forward-looking statements’ with respect to Tritax Big Box REIT plc’s (“Company”) financial condition, results of its operations and business, and certain plans, strategy, objectives, goals and expectations with respect to these items and the economies and markets in which the Company operates. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as ‘anticipates’, ‘aims’, ‘due’, ‘could’, ‘may’, ‘should’, ‘will’, ‘would’, ‘expects’, ‘believes’, ‘intends’, ‘plans’, ‘targets’, ‘goal’ or ‘estimates’ or, in each case, their negative or other variations or comparable terminology. Forward-looking statements are not guarantees of future performance. By their very nature forward-looking statements are inherently unpredictable, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future.

Many of these assumptions, risks and uncertainties relate to factors that are beyond the Company’s ability to control or estimate precisely. There are a number of such factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, changes in the economies and markets in which the Company operates; changes in the legal, regulatory and competition frameworks in which the Company operates; changes in the markets from which the Company raises finance; the impact of legal or other proceedings against or which affect the Company; changes in accounting practices and interpretation of accounting standards under IFRS, and changes in interest and exchange rates. Any forward-looking statements made in this Annual Report or Tritax Big Box REIT plc website, or made subsequently, which are attributable to the Company, or persons acting on their behalf, are expressly qualified in their entirety by the factors referred to above. Each forward-looking statement speaks only as of the date it is made.

Except as required by its legal or statutory obligations, the Company does not intend to update any forward-looking statements. Nothing in this Annual Report or the Tritax Big Box REIT plc website should be construed as a profit forecast or an invitation to deal in the securities of the Company.

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Tritax Big Box REIT plc’s commitment to environmental stewardship is reflected in this Annual Report, which has been printed on Revive 100 Silk, which is 100% post-consumer recycled, FSC® certified and totally chlorine free (TCF) paper. Printed in the UK by Pureprint Group using vegetable-based inks, with 99% of dry waste being diverted from landfill. The printer is a CarbonNeutral® company. Both the mill and the printer are certified to ISO 14001 (Environmental Management System) and ISO 9001 (Quality Management System).

Produced by designportfolio

Tritax Big Box REIT plc
72 Broadwick Street
London
W1F 9QZ

www.tritaxbigbox.co.uk

ACCOMMODATING THE FUTURE