Responsible SEGRO Report 2023

Contents

About this report

We publish this Responsible SEGRO Report annually, and it has two main functions above that of our Annual Report & Accounts:

1

To provide more detail to stakeholders on our targets, initiatives and progress to reduce our carbon footprint, invest in our local communities and nurture talent

2

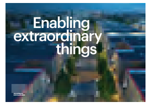
To provide in-depth data (in the appendices) to allow SEGRO's progress to be benchmarked by organisations such as the European Public Real Estate Association and the Sustainability Accounting Standards Board

Responsible SEGRO as a key part of our future success

How this works for our business

Responsible SEGRO is embedded into the day-to-day running of our business and all of our decision making. This helps us to ensure that our business remains fit for the future and delivers long-term value for all of our stakeholders.

Annual Report 2023
See our Annual Report 2023 and read how Responsible SEGRO is part of our strategy



In this report

In this report, you will find information such as:

- Our Responsible SEGRO commitments, the metrics we use to track progress and how we did in 2023
- Our full scopes 1 to 3 carbon footprint
- Our corporate and customer carbon reduction targets and how we are working with our customers to achieve them
- Our targets for reducing the embodied carbon of our developments and how we are working with our contractors to achieve them
- The energy ratings and sustainability certification of our buildings
- Our community engagement activities and achievements
- How we are building a diverse workforce, strengthening our culture and investing in building capability for the future

There is also a full account of SEGRO's response to the risks and opportunities that the climate agenda presents in appendix X, aligned to the recommendations of the Taskforce on Climate-Related Financial Disclosures.

If you come across any terms that are not familiar to you, there is a glossary in appendix XIV.

SEGRO European Logistics Partnership (SELP) is a 50-50 joint venture between SEGRO and the Public Sector Pension Investment Board (PSP Investments), established in 2013 to own big box warehouses in Continental Europe. The information in this report covers all assets managed by SEGRO, including those owned by SELP. Environmental statistics related to SELP properties can be found in the SELP Annual Reports at www.selp.lu.

Cover image: SEGRO Day of Giving, Warsaw, Poland

Responsible SEGRO commitments

ESG is taken very seriously at SEGRO.

Responsible SEGRO demonstrates how our environmental and social contributions are embedded within our business strategy and are fundamental to how we create the space that enables extraordinary things to happen – whether that is the spaces that we create for our customers or enabling our people and the communities and environment close to our warehouses to flourish.

RESPONSIBLE SEGRO

ESG has been a thread running through our business for over 100 years, guiding our strategy, the way we operate and how we engage with people. Responsible SEGRO is our framework which supports our goal to be a force for societal and environmental good and provides a focus for delivery, ensuring it is embedded authentically and consistently into the way we work across the whole of our business.

Contributing positively to the environment and society isn't just an option, it is a necessity. First and foremost it is the right thing to do. But more than that, businesses that integrate sustainable practices are more likely to endure in the long term, which is why Responsible SEGRO will remain at the core of our business now and into the future.

Led by our Board and delivered through our people, our Responsible SEGRO commitments are fundamental to building and enjoying stronger relationships with customers which are themselves increasingly becoming more environmentally conscious. They are vital for attracting and retaining the best people to our organisation, and they are helping drive innovation and operational efficiency to differentiate us from our competitors, manage risks, support financial performance and enable the Group to thrive in a constantly evolving business landscape.

We are focusing our efforts on three priorities, which were informed through consultation with a range of our stakeholders and which we believe provide us with the opportunity to make the greatest contribution to the environment and the communities where we operate, these are:

- Championing low-carbon growth
- Investing in our local communities and environments
- Nurturing talent

"As we make progress along this journey and as the environment we are operating in continues to change, we will evolve too."

It is important to us that the actions we take to deliver against these priorities are not only those that genuinely can make the biggest positive difference, but that have outcomes that can be clearly measured. For each of the areas we have set challenging targets that are linked to non-financial KPIs. These KPIs are interwoven into the values and behaviours expected of all our employees and used as part of the criteria for additional remuneration depending on seniority.

We are now in the third year since our refreshed Responsible SEGRO approach was launched and the evidence to date suggests that it is driving the outcomes that were intended. As we make progress along this journey and as the environment we are operating in continues to change, we will evolve too, setting appropriate and stretching targets and reflecting technological advancement and the priorities of our customers, communities, colleagues and wider stakeholders.

Our Purpose is to create the space that enables extraordinary things to happen. Delivering this space responsibly and sustainably is key to achieving this, and is a critical component of our aspiration to be the best property company.

Paul Dunne
Group Customer & Operations Director

Responsible SEGRO commitments continued

Key highlights during 2023

	Championing low-carbon growth	Investing in our local communities and environments	Nurturing talent
Responsible SEGRO commitments			
Context	SEGRO recognises that the world faces a climate emergency and we are committed to playing our part in tackling climate change, by limiting global temperature rise to less than 1.5°C, in tandem with growth in our business and the wider economy.	SEGRO is an integral part of the communities in which it operates, and we are committed to contributing to their long-term vitality.	SEGRO's people are vital to and inseparable from its success, and we are committed to attracting and retaining a diverse range of talented individuals in our business.
Targets	Our carbon reduction targets are a 42 per cent reduction in corporate and customer emissions, and a 20 per cent reduction in the embodied carbon intensity of our developments, both targets by 2030 against a 2020 baseline. We are reviewing new net-zero target guidelines and we intend to publish any new targets in our 2024 Annual Report and Accounts.	We will create and implement Community Investment Plans for every key market in our portfolio by 2025.	We will increase the overall diversity of our own workforce throughout the organisation.
Actions	We will reduce carbon emissions from our development activities, operation of our buildings, and throughout our value chain. We will set challenging targets and drive to achieve them as early as possible.	We will work with our customers and suppliers to support our local businesses and economies. We will help improve the skills of local people to enhance their career and employment opportunities, by investing in local training programmes. Equally, we will enhance the spaces around our buildings, working with local partners to ensure we meet the needs of our communities.	We will provide a healthy and supportive working environment, develop fulfilling and rewarding careers, foster an inclusive culture and build a more diverse workforce.
UN SDG Alignment			
We have reviewed the United Nations Sustainable Development Goals against our Responsible SEGRO strategic priorities to understand which goals are particularly significant to our business. Elements of our business are aligned with all of the goals but we believe we are able to make the greatest contribution to six of them:	SEGRO is committed to reducing the embodied carbon in its development programme as well as reducing the carbon-intensity of our properties. We want to play our part in tackling climate change and have ambitious net-zero goals. 13 CLIMATE ACTION 7 AFFORDABLE AND CLEAN ENERGY	SEGRO has a strong track record of supporting local communities and employment (including training) is one of the areas that our Community Investment Plans (CIPs) focus on. We want to play our part in reducing inequalities and ensuring more people have the right skills to access meaningful work. 11 SUSTAINABLE CITIES AND COMMUNITIES 10 REDUCED INEQUALITIES	We want our people to have rewarding and fulfilling careers and are committed to fair pay throughout our operations and also our supply chain, and to ensuring that our spaces provide safe working environments and promote health and wellbeing for all. 3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH

Responsible SEGRO materiality assessment refresh

We regularly review our materiality assessment to ensure that our strategic priorities and the targets within them are appropriate and reflect our stakeholders' expectations. Our last review was in 2022 and followed guidelines by the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), now part of the IFRS Foundation

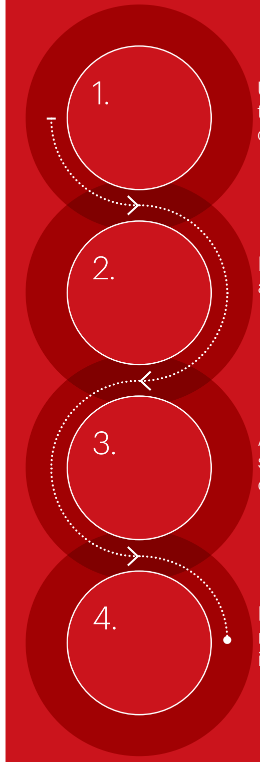
The 2022 process included a review of benchmarks, standards and peer reporting and aligned with internal risk management processes. The aim was to identify those issues (both risks and opportunities) that are most important to the Company and its primary stakeholders, to ensure that they are considered within our Responsible SEGRO strategic priorities, and to inform the structure of our sustainability reporting. Emerging issues were also identified and considered.

This process identified 18 material issues, considered through four lenses – environmental, societal, economic and governance – but with recognition that the issues may well be inter-dependent. We refined these to eight priority material issues (PMIs) to focus on the areas which are both important to our stakeholders and where we intend to focus our immediate efforts. We recognise this represents their relative importance at a point in time and is based on the views of a small number of informed participants.

Each issue identified has been allocated to the relevant team within SEGRO for further attention has been embedded into business processes. All financially material PMIs are governed by the SEGRO business risk process (see page 54 of the SEGRO Annual Report and Accounts 2023). These issues remain aligned with our current Responsible SEGRO priorities.

During 2024 we intend to refresh this work and will consider the concept of double materiality, i.e. looking at the impact SEGRO's activities have externally, as well as the financial impact of sustainability and climate issues on SEGRO.

Materiality assessment four-step process



1 SEGRO Park Collégien

2 SEGRO Logistics Centre Tilburg

Responsible SEGRO materiality assessment continued

For 2023, the following priority material issues and material issues continue to form the basis for our reporting.

Our material issues

Ⓟ Priority Material Issues
Ⓜ Material Issues

Championing low-carbon growth

- Ⓟ Driving a pathway to net-zero through effective energy management (including embodied carbon), and by enabling a transition to renewable energy for SEGRO and our customers.
- Ⓟ Ensuring environmental compliance, today and in anticipation of future regulatory changes, and ongoing certification against relevant standards.
- Ⓟ Understanding the need and opportunity for climate adaptation, and building resilience to climate change, for SEGRO and our customers.
- Ⓟ Identifying and executing business and diversification strategies in the renewables sector, that build on our unique positioning and strengths.
- Ⓜ Understanding our biodiversity impacts and supporting urban greening.
- Ⓜ Responsible water management.

Nurturing talent

- Ⓟ Attracting, developing and nurturing talent for rewarding careers.
- Ⓟ Ensuring the safety and health of our employees, our suppliers and those who use our facilities.
- Ⓜ Promoting diversity, equity and inclusion, including and beyond succession planning and compliance.

Investing in our local communities and environments

- Ⓜ Implementing smart technology that makes lives better, and protects the environment.
- Ⓜ Leading in the development and implementation of ethical building standards.
- Ⓜ Engaging with and investing in local communities for mutual positive impact.

Operating in the context of sound governance (see pages 76-133)

- Ⓟ Ensuring sound and ethical business conduct, including through the effective management of our supply chain, and in our customer base (to the extent that this is possible).
- Ⓟ Ensuring ongoing and increasing ESG disclosure and transparency.
- Ⓜ Protecting and upholding human rights (including Modern Slavery) within SEGRO and amongst customers and suppliers.
- Ⓜ Protecting and preserving our reputation, by doing the right thing and anticipating stakeholder concerns.
- Ⓜ Promoting and preserving a positive and caring culture, which is mindful of economic equality and hardship.
- Ⓜ Being mindful of cyber security and the ethical use of information and data.

The material issues therefore remained aligned with our Responsible SEGRO framework. The Priority Material Issues in particular are reported on in this section and elsewhere in this report.

1 SEGRO Park Amsterdam Airport

2 Slough Trading Estate

ESG indices

We monitor our performance across various Environmental, Social and Governance (ESG) indices and review trends to ensure our approach and the information we disclose meet the needs of our stakeholders. There are a number of different organisations and structures for reporting on our wider ESG metrics, and we report against the following either in this report or in the Responsible SEGRO area on our website.

Along with Prologis, GLP and Tritax, we have formed the Logistics Real Estate Sustainability Group, to jointly represent the sector on critical ESG topics such as building standards.

We are an integral part of sustainability and climate change forums of well-established Real Estate industry groups, such as the Better Building Partnership, British Property Federation, European Logistics Federation, European Public Real Estate Association, and the UK Green Building Council. During 2023, our Director, Sustainability, Gabriella Zepf has joined the Nomination Committee of the Better Building Partnership.

ESG reporting and ratings

There are a number of different frameworks that we use to report on our wider ESG metrics, including:
- Global Reporting Initiative (GRI)
- Task Force on Climate-related Financial Disclosures project (TCFD)
- EPRA sustainable Best Practice Reporting: Gold
- Workforce Disclosure Initiative: 80 per cent
- National Equality Standard
- Parker Review
- FTSE Women Leaders

There are also various agencies who review and assess our ESG reporting and performance, including:
- MSCI: AAA
- Carbon Disclosure Project (CDP): A-
- Global Real Estate Sustainability Benchmark (GRESB):
  - Standing investments: three-star
  - Development: four-star
  - Public disclosure: A
- FTSE4GOOD: 3.2 (2.9 sub-sector average)

The above is correct as at 31 December 2023.

1 SEGRO Park Greenford North

Championing low-carbon growth

In this section:

Delivering reductions in our main sources of carbon emissions is a priority for SEGRO. This section outlines what these sources are, what we are doing about them and how we track progress.

Quick links

Embodied carbon

The emissions from making the concrete, steel and other building materials that go into our developments are a core focus of our carbon reduction efforts.

Find out more on page 11

2023 in numbers

Target to reduce absolute corporate and customer carbon emissions by 2030 from a 2020 baseline

-42%

Corporate and customer carbon emissions reduction versus 2020 baseline

-19%

Key achievements during 2023:
- A seven per cent reduction in corporate and customer emissions, putting us a year ahead of plan.
- Significant reductions in our embodied carbon, putting us three years ahead of plan.
- 19 per cent increase in the visibility we have of our customer energy data.
- 92 per cent of our development completions were rated BREEAM 'Excellent' or higher.
- Our first BREEAM 'Outstanding' refurbishment in our London portfolio.
- A record 15 MW increase in our solar capacity.

Priorities for 2024:
- Continuing to drive reductions in our carbon emissions.
- Reassessing our net-zero pathway in light of new guidance.
- Moving away from gas to efficient low-carbon heat sources.
- Increasing the automation of the retrieval of our customers' energy data.
- Helping our local markets take ownership of their carbon footprint.
- Progressing our large scale solar installation strategy.

Carbon management at SEGRO

The world is facing a climate crisis. Governments, business and consumers across the world are making commitments and changing their behaviour to help tackle this challenge and limit global temperature rise to 1.5°C.

The scale of the challenge means there is even more focus on the impact of buildings on the environment. We find many of our customers are equally committed to minimising their carbon footprints and reducing overall energy costs. It is therefore important that landlords and developers own and create buildings that are sustainable and use natural resources efficiently.

Major European conurbations are looking to make their city centres congestion free and to reduce traffic emissions which means it will be even more important for businesses to be located in the properties that help them reach their customers by low-carbon means.

What it means for SEGRO

- We have ambitious science-based targets for reducing our embodied and operational carbon emissions and are in the process of reviewing our net-zero targets.
- We factor a building's sustainability into our investment decisions, not only for potential acquisitions but also for deciding whether to dispose of or refurbish assets. We have also assessed our portfolio under different climate scenarios and identified adaptations that need to be made.
- We will continue to adapt our investment process when deciding on allocating new capital to acquiring assets and new developments, to ensure that we take into account the newest information available to us.
- Our urban portfolio is located on the edge of major European cities which makes reaching the city centre possible via electric vehicles. Our newer inner-city assets facilitate delivery by means such as cargo bicycles. A number of our urban estates are located close to canals and waterways which customers are starting to use in innovative ways as part of their distribution networks. Two of the UK big box parks that we have developed in the Midlands have strategic rail freight interchange terminals which allow our customers to transport goods by rail rather than more carbon-intensive HGVs.
- All employees' variable remuneration is linked to SEGRO's performance on metrics linked to corporate and customer emissions, embodied carbon emissions and visibility of customers' energy consumption data.

Our approach to carbon management is dictated by our carbon footprint – i.e. we focus on our two main sources of emissions, making up 88 per cent of our carbon footprint:

- Our corporate and customer emissions: SEGRO's scope 1 and 2 emissions (gas, electricity, transport fuel etc.) plus the gas and electricity use of our customers in our spaces.
- The embodied carbon from our developments: the carbon emitted in the production and transport of our building materials and transport, as well as the construction process.

The following sections present our approach in these two areas, followed by a section presenting our full scope 1 to 3 carbon footprint.

2023 in numbers

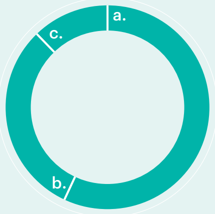
Visibility of customer energy data

81%
2022: 68%

Corporate and customer carbon intensity reduction versus 2022

10%

SEGRO's full scope 1 to 3 carbon footprint
(detail in later sections)



a.	Corporate and customer emissions (including upstream fuel and energy emissions)	57%
b.	Embodied carbon from developments	31%
c.	Other procurement related emissions	12%

1 Electric vehicle charging point at SEGRO Park Coventry

2 SFRI, SEGRO Logistics Park East Midlands Gateway

Corporate and customer carbon emissions

Our corporate emissions are less than one per cent of our total scope 1, 2 and 3 carbon emissions.

In contrast, the emissions generated by the activity of our customers inside our warehouses amount to approximately 57 per cent (including upstream energy emissions).

As with many landlords, responsibility for sourcing energy and monitoring use rests with our customers for the majority of our portfolio. However, given the significant contribution of these customer emissions, we have chosen to include them in our science-based targets, aligned to the SBTi framework. We have made good progress on reducing our carbon footprint, with a 19 per cent absolute reduction in corporate and customer emissions since 2020 (7 per cent since 2022) to 254,168 tonnes CO_2e (2020 baseline: 312,115 tonnes CO_2e). We have also reduced our corporate and customer carbon intensity to 20.2 $kgCO_2e$ per sq m (2022: 22.5 $kgCO_2e$).

With the inclusion of our customers' emissions in our science-based targets, obtaining good quality energy data and prompting our customers to purchase renewable energy is paramount. During 2023 we have improved our energy visibility, collecting data on 81 per cent of our total property floor area (up from 68 per cent during 2022). This helps to increase the accuracy of our carbon data and allows us to better identify priorities for investment in energy efficiency and generation. For the remaining part of the portfolio where we do not yet have the data, we apply best practice estimation methodologies.

All of SEGRO controlled electricity (both for our own operations and for those markets where we procure electricity on behalf of our customers) is zero carbon. This certified renewable energy helps SEGRO and our customers reduce their carbon footprint.

Our solar installations and zero carbon electricity tariffs are reducing emissions from electricity consumption. We are now increasing our focus on our gas consumption. For some years we have been transitioning away from heating our spaces with fossil fuels to efficient low-carbon electrical heat sources, such as heat pumps, and this will be a key part of our strategy going forwards.

During 2023 we added 15 MW of solar capacity across our portfolio – our biggest year-on-year increase so far

Gabriella Zepf, Director – Sustainability

During 2022 we introduced a standardised green lease clause, asking our customers to share their energy data with us and commit to procuring a zero-carbon electricity tariff. We are rolling out automatic meters to facilitate the data collection process for us and our customers. Over 400 customer meters have been upgraded so far. We are introducing the standardised green lease clauses into customer contracts as part of lease negotiations and are monitoring their adoption.

The majority of our portfolio is modern and built to the highest sustainability and energy efficiency standards that our customers have come to expect from our buildings, but there are still some older assets where we can make improvements. We do this through an ongoing maintenance and refurbishment programme.

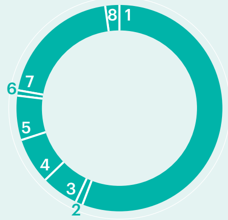
Changes that we make include installing LED lighting, solar panels, air source heat pumps and automatic metering. We aim to have our entire portfolio Energy Performance Certificate (EPC) rated 'B' or equivalent by 2030.

At the end of 2023, 65 per cent of the portfolio now has an EPC rating of B or better (2022: 58 per cent), including 58 per cent of our UK portfolio (2022: 52 per cent).

Photovoltaic electricity generation is a key element of our strategy. We are fitting solar panels to our portfolio both as part of refurbishment work, and on new developments. During 2023 we added 15 MW of solar capacity across our portfolio – our biggest year-on-year increase so far. We have identified a pipeline of other projects, which we anticipate will deliver a significant increase in installed capacity over the next two years.

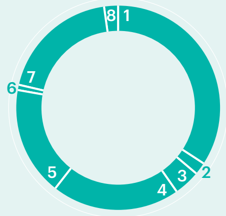
The figures below show where we consume energy and the relative effect of our zero carbon electricity tariffs

Gas and electricity consumption



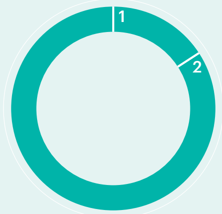
1. UK	56%
2. Czech Republic	1%
3. France	6%
4. Germany	7%
5. Italy	7%
6. The Netherlands	1%
7. Poland	20%
8. Spain	2%

Gas and electricity carbon emissions



1. UK	34%
2. Czech Republic	2%
3. France	4%
4. Germany	20%
5. Italy	17%
6. The Netherlands	1%
7. Poland	19%
8. Spain	2%

Gas and electricity carbon emissions



1. Gas	16%
2. Electricity	84%

Embodied carbon

Carbon in our developments

Embodied carbon intensity reduction target

-20%

by 2030 from a 2020 baseline

Embodied carbon intensity reduction

-13%

Since 2020

31 per cent of our 2023 carbon emissions came from embodied carbon in our development programme. Our targets include a goal to reduce the embodied carbon intensity of our developments by 20 per cent by 2030, compared to a 2020 baseline of 400 kgCO_2e per sq m.

Our corporate-level embodied carbon target helps us to drive innovation across the industry in materials and design. All SEGRO employees have an element of their variable remuneration that is linked to our embodied carbon performance.

In our Scope 3 reporting table (on page 12), life cycle embodied carbon emissions are reported under capital goods and upstream transportation and distribution. Total embodied carbon emissions can fluctuate year-on-year depending on the amount of new leasable space delivered in the reporting year. For this reason, we have chosen an intensity metric for reporting embodied carbon within our net-zero carbon strategy.

Our Mandatory Sustainability Policy commits us to carrying out embodied carbon calculations for all eligible projects greater than 5,000 sq m (roughly 98 per cent of our current development pipeline) and apply lessons learned across the wider development programme as we progress against our target. All of our embodied carbon calculations are externally verified by specialists.

The average embodied carbon intensity of our developments in 2023 was 348 kgCO_2e per sq m of delivered floor space, representing a 13 per cent reduction from the 2020 baseline. Thanks to the great work of our design teams and external partners, we are ahead of plan to our 2030 target of a 20 per cent reduction. In 2024 we will review this target to continue to drive reductions.

We carry out embodied carbon analysis on development projects to track performance against our embodied carbon KPI and to identify opportunities to make further reductions to our buildings' carbon footprints over their full life cycle – from procuring materials through to deconstruction at the end of the building's useful life. We mandate the use of Building Information Modelling in our development projects, which greatly improves the accuracy of our embodied carbon data.

We will continue to adopt the latest techniques to reduce embodied carbon within our developments, including low-carbon concrete and timber or recycled steel beams which we are already using in several of our current developments – as well as considering alternative, lower carbon layouts.

Full Scope 3 emissions inventory

Our full Scope 3 emissions inventory is presented below, with extended explanatory notes following.

GHG Protocol Reporting Category	2022 tCO_2e	2023 tCO_2e
Scope 1	2,329	**1,403**
Scope 2 market-based	1,662	**1,707**
Scope 2 location-based	*4,835*	*2,516*
Scope 3 category 1: purchased goods and services	49,534	**66,722**
Scope 3 category 2: capital goods	256,382	**190,842**
Scope 3 category 3: fuel and energy related activities	147,403	**110,798**
Scope 3 category 4: upstream transportation and distribution	14,997	**6,013**
Scope 3 category 5: waste generated from operations	2,023	**9,378**
Scope 3 category 6: business travel	211	**818**
Scope 3 category 7: employee commuting (incl. homeworking for 2023)	285	**341**
Scope 3 category 8: upstream leased assets	n/a	**n/a**
Scope 3 category 9: downstream transportation and distribution	n/a	**n/a**
Scope 3 category 10: processing of sold products	n/a	**n/a**
Scope 3 category 11: use of sold products	2,747	**183**
Scope 3 category 12: end-of-life treatment of sold products	n/a	**n/a**
Scope 3 category 13: downstream Leased Assets (market-based)	268,227	**251,058**
Scope 3 category 14: franchises	n/a	**n/a**
Scope 3 category 15: investments	n/a	**n/a**
Total	745,800	**639,263**

Notes to table

Corporate emissions

Scope 1 and 2 emissions: scope 1 and 2 emissions are defined as those that the reporting company has direct control of. Scope 1 is fuel we burn in equipment we own (boilers, cars etc.); scope 2 is electricity we procure. We refer to scope 1 and 2 emissions as our 'corporate emissions', which account for less than 1 per cent of our total emissions. We include our offices where we are a tenant in our corporate emissions, even though we do not procure the energy ourselves in most cases and have limited operational control over the spaces.

SEGRO's main carbon reduction target is for our 'corporate and customer' emissions – which includes our customer emissions under scope 3 category 13 – downstream leased assets – see below.

Our corporate emissions are substantially affected by how much of our floor space has been under our control for a period during the year – usually as a result of refurbishments and vacancies. In 2023 we made improvements in the methodology for calculating the extent of this space under our control – also, we changed our methodology for estimating energy use in vacant spaces where we don't have data, the combined result of which has been significant reductions in our scope 1 and location-based scope 2 emissions.

One source of scope 1 emissions that we do not currently report is 'fugitive' emissions – for SEGRO this would predominantly be refrigerant gas used in air conditioning and cooling systems. This is a challenging dataset to gather, and likely to be an immaterial emissions source as our customers usually install and maintain these systems, and therefore have responsibility for reporting on the emissions – but we intend to explore reporting this data point in 2024.

Market-based/location-based: market-based carbon reporting reflects the procurement of low-carbon electricity tariffs by SEGRO (scope 2) or by our customers in scope 3 category 13 below. This is as opposed to 'location-based' reporting, which uses national grid averages of carbon intensity. This is in line with the Greenhouse Gas Protocol.

Scope 3 – customer emissions

Scope 3 is all emissions that do not fall into scope 1 and 2. Scope 3 emissions are broken down by the Greenhouse Gas Protocol into 15 categories (see below), but for SEGRO are generally the scopes 1 and 2 emissions of the companies who provide the goods and services we procure or the energy our customers use in our spaces.

Scope 3 category 13 – downstream leased assets

Category 13 is emissions resulting from the procurement of gas and electricity by our customers (or procured by SEGRO and passed through) but used in our spaces. However, given the significant contribution of these customer emissions – our largest source of emissions, we have chosen to include them in our main science-based target, aligned to the SBTi framework.

Much of this data point is based on actual consumption figures, but in some cases we have to extrapolate based on partial data, and in other cases we have to estimate for the whole year where our customers have not provided data.

We report these emissions using the market-based methodology, which reflects where our customers have told us that they procure low-carbon electricity tariffs.

We combine these emissions with our corporate emissions to form the number that we track as our '**corporate and customer emissions**', which is our main carbon reduction target alongside our embodied carbon intensity target.

Continued on next page

Full Scope 3 emissions inventory continued

Scope 3 – embodied carbon emissions

Scope 3 category 2 – capital goods: capital goods are final products that have an extended life and are used by the company to manufacture a product; provide a service; or sell, store, and deliver merchandise – for SEGRO, this is predominantly the buildings we commission. We calculate this scope 3 category using lifecycle analysis calculations of our development projects – we report emissions from building life cycle stages A1-A3 (manufacture of construction products) and A5 (construction site energy use).

Emissions in this area will be affected by our efforts to reduce the embodied carbon intensity of our developments.

Some of our construction projects are not just for buildings, sometimes there are large infrastructure projects – such as bridges or train stations. We have not undertaken any life cycle assessments of infrastructure projects in 2023, so we have used spend data where available to estimate the emissions from these projects following the methodology outlined for scope 3 category 1 below – purchased goods and services. We intend to carry out lifecycle assessments of some of our infrastructure projects in 2024 to improve the quality of this data.

We also do not currently report emissions from our refurbishment projects under this category due to data collection challenges, but this is an improvement we are exploring for future years.

Scope 3 category 4 – upstream transportation and distribution: we calculate this scope 3 category using our life cycle analysis calculations of our development projects. Specifically, we use life cycle stage A4 (emissions from transportation of materials/products to construction sites). We use actual data where our contractors provide it, or industry averages where they don't.

We combine our category 2 and category 4 emissions and report them as our **'embodied carbon' emissions**, for which we have an intensity target.

Scope 3 – other emissions

These are the categories of scope 3 emissions that are not covered by either our corporate and customer emissions or our embodied carbon emissions.

Scope 3 category 1 – purchased goods and services: the emissions related to our procurement of goods and services, excluding procurement related to our developments, which is included scope 3 categories 2 and 4.

We estimate this category by applying conversion factors to our spend data. We made a significant improvement in our methodology in 2023, applying the latest best-practice conversion factors from the CEDA database.

Scope 3 category 3 – fuel and energy related activities: the 'upstream' emissions of our and our customers' gas and electricity use, and 'transmission and distribution losses' in getting the gas and electricity to our sites. For example, the upstream emissions of electricity consumption would include the extraction, production, and transportation of fuels consumed in the generation of the electricity – whereas the fuel used in generating SEGRO's electricity falls into our scope 2 emissions.

We calculate these emissions by applying best practice conversion factors to our and our customers' gas and electricity consumption data.

We have restated our 2022 emissions in this category following a significant change in methodology – it now covers all of our sites, rather than just the ones that we have energy data for, and we have extended the emission factor applied to include the full well-to-tank emissions.

Scope 3 category 5 – waste generated from operations: under this category we report our contractors' emissions from the management of our construction waste. We do not report emissions from our office waste due to the challenge of getting good data, and the immateriality of this emissions source compared to our construction waste.

In 2023 we changed our approach to estimating these emissions to make it more comprehensive. We now derive this figure from the life cycle analysis calculations of our development projects. Specifically, we use module A5w – site waste.

Scope 3 category 6 – business travel: emissions from the transportation of employees for business related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars. This is based on actual data gathered from across our business. This category saw an increase in 2023 driven by our Group Conference in Amsterdam, for which we purchased carbon offsets in a local bioenergy project.

Scope 3 category 7 – employee commuting: this is travel to and from our offices and home by our staff. In 2023 for the first time, we added homeworking emissions to this category to reflect our hybrid working policy. We estimate this data point using best practice assumptions based on our staff numbers.

Scope 3 category 8 – upstream leased assets: emissions from office space where SEGRO is a tenant and the utility bills are paid by the landlord and not directly by SEGRO. This category is marked n/a because we instead report these emissions under our scope 1 and 2 emissions, as this better reflects our approach to corporate and customer carbon. We do not have access to this data for all our offices, so we estimate by applying per person intensities where we do have data to where we don't.

Scope 3 category 9 – downstream transportation and distribution: not applicable, as SEGRO does not sell or distribute consumable products.

Scope 3 category 10 – processing of sold products: not applicable, as emissions from the refurbishment of sold buildings has been determined to be insignificant and impossible to estimate with any accuracy.

Scope 3 category 11 – use of sold products: this category, as it applies to SEGRO, is the estimated emissions from gas and electricity use in our sold buildings from the point of sale to the end of the reporting year.

Scope 3 category 12 – end-of-life treatment of sold products: not applicable, as SEGRO did not sell any properties which were immediately awaiting demolition.

Scope 3 category 14 – franchises: not applicable, as SEGRO has no brand, product or service licences.

Scope 3 category 15 – investments: not applicable, as SEGRO invests through its core business operations, and these emissions are captured in other categories above.

Carbon reduction metrics and targets

If we think something is important, we establish a metric, a baseline, and a target to drive progress. And, in some cases we link this performance to employees' variable annual remuneration. This section presents our key carbon-reduction metrics.

We made good progress towards our science-based target to reduce the absolute corporate and customer carbon emissions from our portfolio by 42 per cent by 2030 (compared to a 2020 baseline). During 2023, we reduced absolute carbon emissions by 7 per cent. Progress to date is a 19 per cent reduction vs. our 2020 baseline. Our corporate and customer carbon intensity has also improved from 22.5 kgCO_2e per sq m to 20.2 kgCO_2e per sq m.

All electricity for our own operations, and where we procure electricity on behalf of our customers, has been on renewable tariffs since 2021. During 2023, we focused our efforts on the customer emissions that we do not directly control. An important step in this is gaining better visibility of this usage, so that we do not have to rely on estimates. We now have visibility of energy consumption for 81 per cent of our portfolio (2022: 68 per cent).

The proportion of electricity used at our sites that is renewable has also increased to 51 per cent (2022: 49 per cent). This data reflects the portfolio over which we have visibility of electricity supply.

During 2022, we introduced the inclusion of green lease clauses on all new leases across our portfolio. These clauses require our customers to provide us with visibility of their energy use and, where feasible, procure it via a renewable tariff.

We continue to improve the carbon footprint of our portfolio through the ongoing maintenance and refurbishment of our warehouses. At the end of 2023, 65 per cent of the portfolio had an EPC rating of B or better (2022: 58 per cent).

We also made great progress with our ambition to expand the solar capacity of our portfolio. During 2023 we increased our total capacity by 15 MW (our biggest increase in a single year) taking it to 59 MW. We continue to add solar capacity through our development programme, installing panels on every asset where it is feasible.

Carbon reduction metrics and targets

		2021	2022	2023
Corporate and customer carbon emissions (SBTi aligned target)	We will reduce absolute CO_2e emissions from our portfolio by 42 per cent by 2030 against a 2020 baseline, this includes Scope 1, 2 and Scope 3 Downstream Leased Assets. All employees' variable annual remuneration is partly linked to this metric.	280,575 tCO_2e	272,218 tCO_2e	**254,168 tCO_2e**
Corporate and customer carbon intensity	This metric is based on the CO_2e emissions of the portfolio for which we have visibility of the data. This reflects 81 per cent of the portfolio floorspace under management.	27.9 kgCO_2e/m²	22.5 kgCO_2e/m²	**20.2 kgCO_2e/m²**
Embodied carbon intensity (SBTi aligned target)	We will reduce the embodied carbon intensity of new developments by 20 per cent by 2030, against a 2020 baseline. All employees' variable annual remuneration is partly linked to this metric.	391 kgCO_2e/m²	353 kgCO_2e/m²	**348 kgCO_2e/m²**
Group floorspace rated EPC B equivalent or better:	We are conscious of demands by our customers and by governments to provide energy-efficient buildings to reduce both carbon emissions and operating costs. We monitor these by use of Energy Performance Certificates (EPC). We are aiming for every building to have an EPC rating of B equivalent or better.	49%	58%	**65%**
Visibility of energy data by floor area	In most cases, our customers procure their own energy. Nonetheless, the emissions from this energy consumption are part of SEGRO's corporate and customer carbon reduction targets, so we need accurate data. We are rolling out automatic metering, but in the meantime we are dependent on our customers providing their data. To show progress here, we track what proportion of our floor area we have actual data for. All employees' variable annual remuneration is partly linked to this metric.	54%	68%	**81%**
On-site renewable energy capacity and generation	With significant roof space, our portfolio is capable of supporting on-site renewable energy capacity through the use of photovoltaic (solar) panels. We intend to increase this by installing solar panels on our new developments and on appropriate existing assets. The small amount of energy exported to the grid is not currently used as an offset in our operational carbon reporting.	Capacity: 35 MW Generated: 24,781 MWh	Capacity: 44 MW Generated: 30,131 MWh	**Capacity: 59 MW** **Generated: 35,567 MWh**
Off-site renewable electricity procurement as a proportion of total electricity procurement	Where on-site renewable energy is either unavailable or insufficient, we are working towards ensuring that all off-site electricity supplies are sourced from 100 per cent certified renewables. This data reflects the portfolio over which we have visibility of electricity supply.	53%	49%	**51%**

SEGRO's pathway to net-zero

SEGRO's carbon emission reduction targets focus on the most material aspects for the Group, namely our corporate and customer emissions and embodied carbon emissions, representing over 85 per cent of SEGRO's value chain emissions.

We have made significant progress in transitioning to low or zero-carbon energy sources and materials in recent years and we are committed to continuing this progress and accelerating it wherever possible.

Our carbon reduction targets were set and approved under the international Science-Based Targets Initiative (SBTi). The SBTi methodology identified a pathway for companies to reduce the emissions within their value chains to align with reaching net-zero in eligible 1.5°C pathways by 2050 or sooner.

SEGRO's carbon reduction targets are based primarily on an absolute reduction in emissions and comprise the following key actions:

- Purchase certified renewable electricity for SEGRO's own (scope 2) use and for those customers for whom we procure energy on their behalf (scope 3).
- Most of our customers are responsible for procuring their own energy. In these cases, we encourage them to agree to our green leases and procure certified renewable electricity where possible and confirm this to us.
- Remove gas-powered heating in units which become vacant or through negotiation with customers occupying premises heated with gas.
- Install solar photovoltaic panels to generate clean energy for our customers to use and, where the grid connectivity allows, install additional capacity to sell to the grid.
- Improve the energy efficiency of our units through construction and refurbishment by targeting at least BREEAM Excellent certification and an Energy Performance Certificate of B-grade or better.
- Reduce embodied carbon emissions in our developments by working with our partners to procure and utilise low-carbon materials and designs.
- Offset residual emissions as a last resort, and as far as possible, identify schemes within our operating geographies with clearly measurable, long-term impacts.

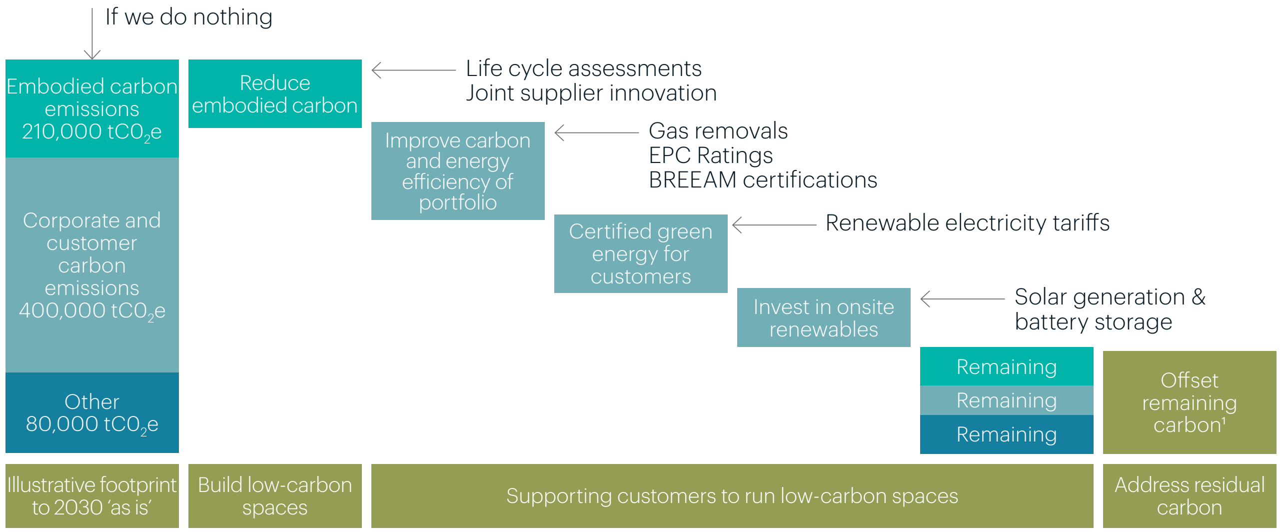
The results since 2020 (our baseline year) are encouraging. We have reduced our corporate and customer emissions by 19 per cent and the average embodied carbon intensity of our development programme has fallen by 13 per cent, meaning that we are tracking ahead of our near- to mid-term SBTi Standard Net-Zero trajectory on both of these key metrics (see charts to the right). In addition, our installed solar capacity has more than doubled over the same timeframe.

Since 2021, the science-based target framework landscape has evolved and, during 2023, the SBTi developed a new Standard, specifically designed for the Real Estate industry. At the time of writing this SBTi Building Standard is in its pilot phase, with further guidance under preparation. We will evaluate the new Standard once this has been published, which is expected during 2024, and consider any changes to our targets or approach as part of this work. We intend to publish any new targets in our 2024 Annual Report & Accounts.

In addition to delivering absolute reductions, we have also invested in an emissions forecasting and modelling tool, which is expected to support the creation of new net-zero commitments and target dates at a local market as well as a corporate level.

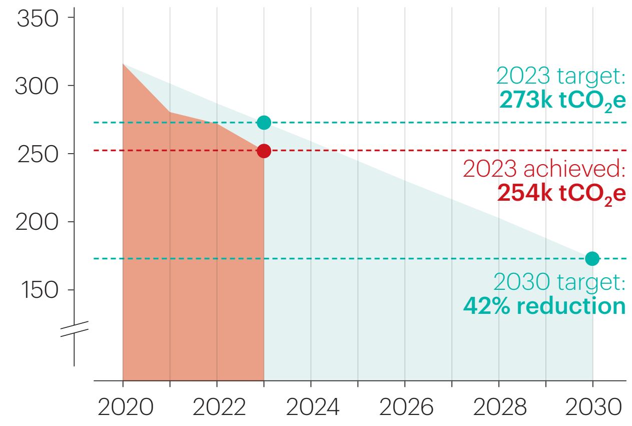
Until then, we continue to pursue a collaborative approach to working with stakeholders throughout our value chain to reduce our carbon footprint as swiftly as we can.

SEGRO's pathway to net-zero

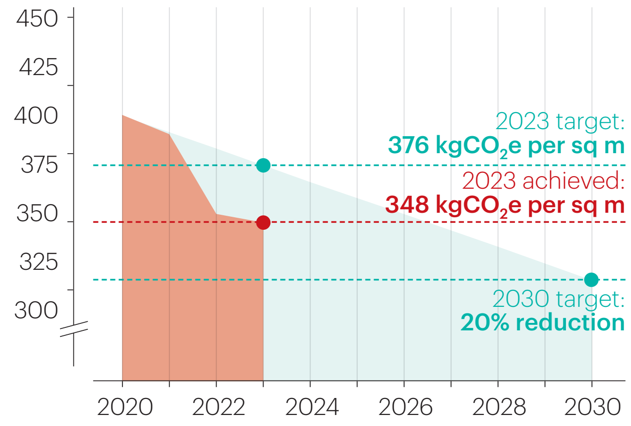


1 We are aware that offsetting is currently not part of the permitted net-zero pathway as set out by the SBTi. We are committed to finding solutions and use the term as a placeholder for residual emissions.

Corporate and customer emissions
(000s tonnes of CO_2e)



Embodied carbon intensity of developments
(kg CO_2e per sq m of lettable area)



Building certifications

Development completion ratings

Development completions rated BREEAM 'Very Good' or better (or local equivalent)

99%

Development completions rated BREEAM 'Excellent' or better (or local equivalent)

92%

The sustainability credentials of a building are increasingly important for potential customers deciding on where to locate their businesses.

We target BREEAM 'Excellent' certification (or equivalent) unless local circumstances (such as supply chains) prevent it. BREEAM is a well-respected and established sustainability certification, which goes beyond carbon and energy to take a holistic approach to sustainability. BREEAM covers such diverse aspects as biodiversity impacts, rainwater runoff, occupant wellbeing and community engagement. 99 per cent of our development completions in 2023 have or are expecting to be accredited BREEAM 'Very Good' (or local equivalent) or better and 92 per cent have been or are expected to be rated BREEAM 'Excellent' or above.

Case study: **SEGRO Logistics Centre Venray**

Underfloor heating infrastructure went into the floor slab at SEGRO Logistics Centre Venray and all light industrial and logistic units at SEGRO Park Amsterdam Airport. This heating and cooling technique will allow our customers to make the most efficient use of sustainable (solar) energy. Whether the heat and cold come from the buildings air pumps or from ground sourced heat and cold storage, this technique avoids the use of gas for heating and delivers a perfect indoor climate in the warehouse and office space, without losing loading capacity in the warehouse.

Enabling extraordinary things: Space for innovation

Scan the QR code to see our video on innovation

www.segro.com/ara23/space-for-innovation

Putting the green in Greenford

Enabling extraordinary things to happen is not limited to the new space that we create. Whilst most of our portfolio consists of modern and sustainable space, we have opportunities in supply-constrained cities such as London and Paris to redevelop and refurbish some older assets and create significant value.

During 2023 we completed the refurbishment of a unit in SEGRO Park Greenford, one of our West London estates, however this was no ordinary refurbishment. Having spotted the increased importance that our customers are placing on the sustainability of the space they use, we decided to use this opportunity to raise the bar in terms of what can be achieved from a refurbishment.

We moved the EPC rating from a C to A+ and were awarded BREEAM 'Outstanding' certification, achieving the highest score ever lodged by the Building Research Establishment for a refurbished industrial unit.

This newly modernised, sustainable space will now become home to a new business and will deliver a significant reduction in carbon footprint for both our customer and SEGRO.

Investing in our local communities and environments

In this section:
Investing in our local communities and environments is the commitment we make to support our communities over and above our responsibilities as an owner, manager, and developer of industrial and warehouse space. Community investment is a crucial and integral part of our Purpose and strategy. It is about doing the right thing by tackling inequality in our communities and wanting to make a positive impact on the lives of local people.

Quick links

Employment
Our first Community Investment Plan was launched in Slough, UK, in 2022. To date the plan has supported 43 long-term unemployed people into work.

2023 in numbers

Number of Community Investment Plans
12
2022: 11

Charitable giving in 2023
£2.5m
2022: £2.5m

Key achievements during 2023
- Pilot project with LandAid inspires launch of national employment programme
- First jointly funded project with Heathrow Airport
- New Community Investment Plan launched in Amsterdam
- Record number of SEGRO employees, customers, and suppliers volunteering
- Improved outcomes across all community projects

Priorities for 2024
- Embed social value into SEGRO's procurement process
- Expand UK community programme in London, Hertfordshire, and Derbyshire
- Launch new community investment plans in Italy and Spain
- Continue to drive the involvement of our customers and suppliers to maximise positive outcomes for our local communities
- Implement social value measure

Introduction

Investing in our local communities and environments

Enabling the communities that live close to our key industrial assets to thrive is a core part of our Purpose and strategy and something we are incredibly passionate about. We are committed to building and nurturing long-term relationships with local organisations that can enable us to have a positive impact in the areas where we have a major presence.

Scan the QR code to hear our Partnership Development Director talk about our progress with Investing in our local communities and environments..

www.segro.com/ara23/communities

Young people inspired about the world of work
7,943
2022: 7,000
+12% increase on 2022 outcomes
14,943 Total impact since launch of CIP programme

Students mentored by SEGRO employees and customers*
89
2022: 35
+61% increase on 2022 outcomes
124 Total impact since launch of CIP programme

Unemployed people benefiting from training support
1,303
2022: 780
+40% increase on 2022 outcomes
2,083 Total impact since launch of CIP programme

Unemployed people into employment
347
2022: 62
+82% increase on 2022 outcomes
409 Total impact since launch of CIP programme

Projects delivered that enhanced the environment, biodiversity, or health and wellbeing of our local communities
44
2022: 26
+41% increase on 2022 outcomes
70 Total impact since launch of CIP programme

Employee volunteering days
707
2022: 387
+45% increase on 2022 outcomes
1,094 Total impact since launch of CIP programme

*Customers were not included in the 2022 programme.

We believe that partnering with organisations that really understand the needs of residents enables us to have the biggest impact in tackling inequality and help improve the lives, and prospects, for our communities in the UK and across Continental Europe.

We are working with a range of partners who have the knowledge and insight of the most pressing local challenges our communities face as well as the expertise to ensure we deliver an impactful and outcome-driven programme, which will make a long-term difference for those that need our help the most.

We do this by creating Community Investment Plans that provide the framework to invest in projects that help to improve the quality of life for local people, especially those that are disadvantaged or living in poverty.

This approach enables our teams in our key markets to respond to the needs of the local community with a range of highly impactful community and environmental programmes by:

- creating a strategic, coherent and outcome-driven approach across SEGRO;
- empowering the local teams to respond to local needs;
- maximising our impact by putting our customers and suppliers at the heart of the programme;
- working in partnership with local stakeholders such as charity partners, local government, business groups and the community.

We have created plans in collaboration with our partners that focus on areas that we are passionate about, **education, employment**, and the **environment**. Our community investment plans are helping to prepare young people for the world of work, supporting unemployed people into sustainable employment, and creating a better environment to enhance biodiversity and improve the health and wellbeing of local people.

New Community Investment Plans

In 2023, we launched a new community investment plan in Amsterdam taking the total number of plans across our UK and European portfolio to 12. We also started to develop new plans in the UK, Italy and Spain, which we will launch in 2024.

1 Partners pledging their support to the Amsterdam Community Investment Plan launched on 27 June 2023

2 SEGRO's team in Spain on their Day of Giving. The Community Investment Plan for Spain will be launched in 2024

Volunteering

Volunteering is a vital part of the success of our Community Investment Programme and our employees, customers and suppliers have proved once again the incredible impact they can have when they come together with a shared goal of improving the lives of local people.

In 2023, we experienced record levels of volunteering from our employees, customers, and suppliers.

Number of volunteers
436
2022: 271

Volunteer days delivered
707
2022: 387

Number of customers involved in volunteering projects
84

Number of suppliers involved in volunteering projects
59

With no limit to the number of days employees can volunteer, a total of 436 employees (90 per cent of the workforce) stepped forward to support the Community Investment Programme, with 85 per cent (398) participating in a minimum of one day of volunteering. Our annual Day of Giving which predominately focuses on improving the local environment and outdoor space to enhance the health and wellbeing of the community but also targets projects that support vulnerable groups, attracted record numbers of volunteers. Across our portfolio, over 300 employees participated in 33 Day of Giving projects.

Alongside our employees we had a tremendous response from our customers and suppliers, who supported our community investment plans by providing volunteers, opening their businesses and construction sites to young people to help bring to life the world of work and inspire careers in a broad range of sectors. A total of 143 customers (including investors) and suppliers supported our community investment including DHL, Winvic, Volkswagen Group, Kier, UPS, DB Schenker and Geodis, Aberdeen and CapeView Capital.

1 Day of Giving (France)

2 Day of Giving (UK)

Case study: **Heathrow Airport**

Geographic location:
Heathrow, UK

What we are doing
For the first time in the UK, we partnered with customer Heathrow Airport to deliver a joint community project to support students with special educational needs and disabilities (SEND). The pilot project supported 30 students who are facing barriers to growth and education by helping them develop their communication and social interaction skills.

How are we making a difference
The programme gave students an opportunity for a guided site tour by Heathrow and SEGRO employees of the Terminal 5 as well as the Cargo Centre, providing an opportunity to see first-hand how one of the busiest airports in the world operates.

Students from Marjory Kinnon, one of the UK's largest special education needs and disabilities schools, visit Heathrow airport and SEGRO's Cargo Centre

Community Investment Plan projects

Our Community Investment Plans provide the framework to deliver a range of educational, employability and environmental projects designed to meet the needs of the local community.

7,943
young people inspired about the world of work

1,540
young people visited our construction sites and customer/partner workplaces

171
young people benefited from work experience

89
young people participated in our mentoring programme

Education

Our schools work programme is designed to work with schools and colleges to help prepare young people for the world of work through a range of interventions from in-school careers advice, competitions, site visits, mentoring and work experience.

Since its launch in 2022, the programme has engaged over 14,900 young people predominantly from diverse and deprived backgrounds in UK, Poland, Germany, and France.

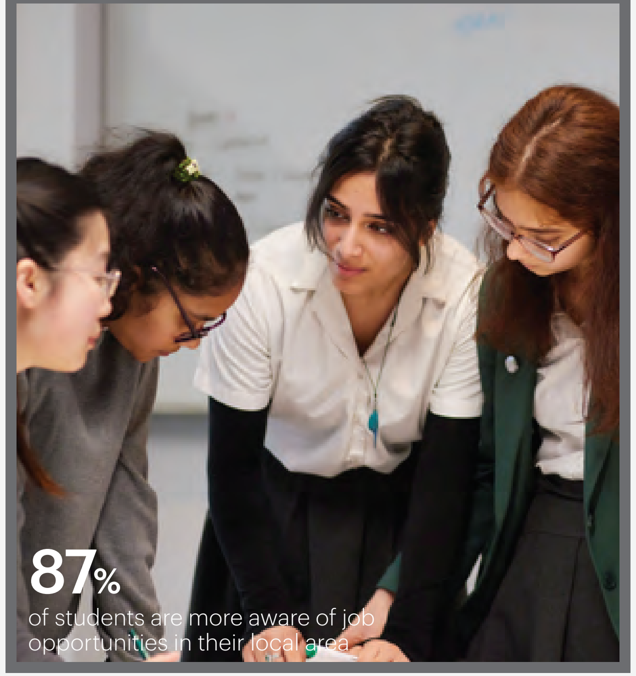
In 2023, 7,943 students participated in over 180 activities as part of our education programme with over 5,500 students receiving careers advice and business insight talks from our employees, customers, and suppliers through a mix of in-school and online sessions. However, we have sought to enhance the experience and improve the knowledge of young people by encouraging more customers to host visits to their place of work, contractors to arrange construction site visits and increasing the numbers of mentors and work experience opportunities. In 2023, our customers and suppliers enabled 1,540 young people to visit their places of work to help them better understand the diversity of sectors and careers available to them.

Case study: **Learning to Work**

Geographic location: Slough, UK

What we are doing
In partnership with Learning to Work, our schools work programme in Slough continues to engage with thousands of young people using a range of channels including, online platforms, school assemblies, site visits and competitions, to help bring the world of work to life for over 4,300 students.

How are we making a difference
Over the last two years we have measured the impact of the programme, which has highlighted that 87 per cent of students are more aware of job opportunities in their local area, and 83 per cent of students have a better understanding of the work environment.



87%
of students are more aware of job opportunities in their local area

Case study: **Innowatorium Foundation**

Geographic location: Warsaw, Łódź, Poznań, Gliwice and Wrocław, Poland

What we are doing
Since 2021, SEGRO Poland has worked in partnership with the Innowatorium Foundation to enable 2,000 students to develop their teamworking, negotiating, communication and English language skills by creating board and negotiation games where students compete to develop the best managing and leasing terms for a fictional industrial and warehouse scheme.

How are we making a difference
In 2023, the project was also supported by our customers including Volkswagen, Żabka and AQ Wiring Systems to introduce their business and sector, and the career opportunities for young people.

2,000
students enabled to develop their industry understanding and language skills

Community Investment Plan Projects continued

Employment

Helping people from disadvantaged or marginalised backgrounds into employment or better paid jobs was a key focus of the community investment programme in 2023. Our employment partners understand the deep and often complex challenges unemployed people face when trying to get a job. Our funding helped to deliver our employability programme to over 1,300 people in the UK, Poland, Czech Republic, Germany, and France. Building on the foundations we put in place in 2022 and the approach to investing in employability programmes over the long term, we saw an 80 per cent increase in the number of participants in the programme getting jobs.

Case study: **LandAid**

Geographic location:
Slough, London and the West Midlands, UK

What we are doing
Alongside our long-term community partner LandAid, we funded four £10,000 grants to homeless charities across the UK to pilot a new employability programme. An incredible 142 young people benefited from education and employment support, enabling 20 to secure permanent paid employment.

How are we making a difference
Due to the success of the pilot programme, LandAid will work with SEGRO and other industry players to roll out the project across the country to enable more homeless young people to gain meaningful employment.

142
young people benefited from education and employment training

20
young people secured permanent paid employment

LandAid is delighted to work closely with SEGRO in the pilot of our Employability Programme. As a result of SEGRO's commitment, we have been able to provide vulnerable young people with sustainable routes out of homelessness in Ealing, Barking. Birmingham and Slough. This hugely successful pilot project has enabled us to accelerate this arm of LandAid's work and help even more young people to reach their full potential.

Alice Lamb
Deputy Chief Executive and Director of Operations
LandAid

Community Investment Plan Projects continued

Employment continued

Case study: **Franzfreunde**

Geographic location:
Dusseldorf, Germany

What we are doing
The SEGRO Dusseldorf team has been a long-term supporter of Franzfreunde, a charity that provides safe places for over 370 homeless people. Services for the homeless include street work, three emergency sleeping facilities, inpatient care in six facilities, assisted living and employment assistance. Our partnership started in 2021 with a COVID-19 emergency fund for essential goods, food and services and in 2022, we equipped five homeless centres with internet access to enable searches for job opportunities and permanent accommodation.

How are we making a difference
In 2023, SEGRO partnered with Franzfreunde to create a new workshop that provides homeless people with the opportunity to develop their carpentry skills by restoring furniture that is sold via a charitable department store. The project is still in its infancy but aims to develop the skills of over 255 vulnerable people.

370
safe places for homeless people

255+
vulnerable people aimed for to develop skills

Case study: **JBH and Hispi**

Geographic location:
Düsseldorf, Germany

What we are doing
In Germany, our team is working with two employability charities, JBH and Hispi, which are helping refugees and immigrants with linguistic integration to support their employment opportunities. Hispi works with apprentices who receive additional tutoring in German, maths and other subjects related to their specific apprenticeship, whilst JBH offers unemployed people practical skills and experience and alternative routes into the workplace.

How are we making a difference
In 2023, 30 unemployed beneficiaries who participated in the programme secured jobs.

Case study: **Tereza Maxova Foundation**

Geographic location:
Prague, Czech Republic

What we are doing
In Czech Republic we have worked closely with the Tereza Maxova Foundation for Children which offers a comprehensive service to support disadvantaged young people aged 16+ living in institutional care to enter the employment market.

How are we making a difference
In 2023, we became the lead funder of the charities employability programme which enabled 225 young people to benefit from skills, training and confidence building courses, of which 136 secured employment.

225
young people benefited from skills, training and confidence building courses

136
secured employment

Community Investment Plan Projects continued

Environment

Whilst our buildings are vital enablers of economic growth and job creation it is vital we continue to play our role in tackling climate change. A major focus of this is creating a modern sustainable industrial portfolio, but we also want the environment in which our local communities live to thrive.

Helping to improve the local environment to encourage biodiversity and support the health and wellbeing of local people is important to us. In 2024, we delivered 35 environmental-focused projects from cleaning rivers to planting trees, revitalising community gardens to enhancing nature reserves and creating outdoor learning spaces to renovating playgrounds for children with disabilities.

How are we making a difference

In 2023, we carried out an exercise to establish the biodiversity contribution that our developments make to the local area. Based on a small sample of sites (less than 1 per cent of our total portfolio), we concluded the following:
- 100 per cent of projects are subject to a Landscape and Biodiversity Management Plan, carried out to best practice standards, and applicable to at least the first five years, following completion.
- Accounting for actual biodiversity value changes across all area based habitats present, an overall 8 per cent increase in the biodiversity metric, for area based habitats, was achieved.

Case study: **Groundwork**

Geographic location:
Midlands, London and Slough, UK

What we are doing
December 2023 marked the 20th environmental community project delivered in the UK through our partnership with Groundwork. All projects helped to revitalise outdoor space to enhance biodiversity and improve the health and wellbeing of local people. The projects were delivered with the support of over 100 unemployed people, helping them to gain practical skills in horticulture and landscaping, with many receiving qualifications such as Horticulture and Land Management, Health and Safety and Carbon Literacy.

How are we making a difference
A total over 23,000 sq m of outdoor community space has been improved with many projects leaving a legacy for the community to enjoy.

Case study: **Water dispensers in schools**

Geographic location:
Łódź and Gliwice, Poland

What we are doing
In Poland, the SEGRO team have worked tirelessly to introduce free water dispensers in schools, sports facilities and parks to encourage young people to drink water sustainably rather than buying water in plastic bottles. This programme is designed to tackle the challenge of plastic waste and educate young people about the health and sustainability benefits of using water dispensers.

How are we making a difference
To date, the programme has installed 70 water dispensers in schools, sports facilities and parks, benefiting thousands of students in Łódź and Gliwice.

70 dispensers
Installed in schools, sports facilities and parks

Environment continued

Case study: **Day of Giving**

Geographic location:
UK and continental Europe

What we are doing
Our annual Day of Giving is our flagship volunteering programme, which enables SEGRO employees to come together, give back and support charities that make a significant difference to people's lives. Since the launch of the Community Investment Programme, the Day of Giving has provided the platform to deliver projects that enhance the environment or biodiversity of a local area. In 2023, over 300 colleagues across the UK and continental Europe delivered a total of 33 projects.

How are we making a difference
In the last three years, the Day of Giving programme has supported over 75 community projects.

>300 colleagues
participated in 33 projects

1 Planting trees in Düsseldorf

2 Vegetation clearance, Slough

3 Packing food for people in poverty, London

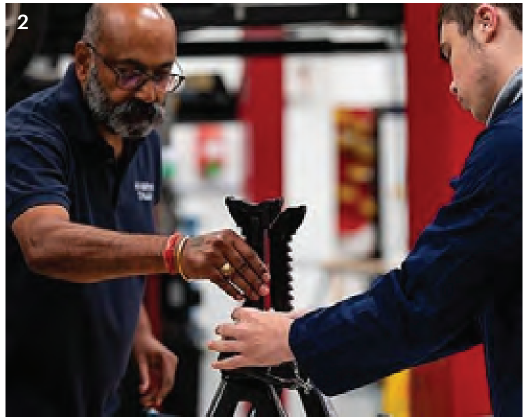
Wider community support

Our buildings have always enabled extraordinary things to happen and they play an important role in supporting our local communities by providing critical space for training vulnerable people, supporting cultural projects as well as the distribution of food for those living in poverty.

Whilst many of our colleagues volunteer for foodbank charities, our industrial units provide valuable space for charity partners such as City Harvest, Slough Foodbank and Felix Project to redistribute food that would otherwise be wasted to vulnerable members of the community. Last year, we worked with City Harvest to help expand their depot at SEGRO Park Acton, London. Working collaboratively with the charity we engaged several of our suppliers to help design and install a new mezzanine floor and secure an additional £55,000 of funding, in addition to SEGRO's £20,000 contribution, to support the delivery of the project.

Completed in December 2023 the additional space means City Harvest can distribute an additional 60,000 meals a day to support thousands of people living in food poverty.

> SEGRO has played an instrumental role in facilitating City Harvest's expansion, enabling us to meet the extreme need faced by London and beyond. This expansion will change the lives of thousands, shaping the health of our future.
>
> **Dean Bernard, Head of Operations at City Harvest**



1 Slough Foodbank - based on Slough Trading Estate, Slough Foodbank provided emergency food parcels to 11,300 people in 2023, a 21 per cent increase from 2022

2 Pitstop - a hands-on alternative learning provision to help students progress into further education, training or employment

3 City Harvest - SEGRO Park Acton is home to City Harvest's London depot that redistributes free, healthy food to over 90,000 people every week

Enabling extraordinary things: Space for community

Scan the QR code to see our video on innovation

www.segro.com/ara23/space-for-community

Spreading the joy in Paris

One of the projects that our Paris CIP supports is Café Joyeux, France's leading café for the inclusion of people with intellectual disability through training and recruitment. We have been an ambassador since 2021 and have provided the financial support to train and recruit seven Café Joyeux team members so far. We buy all our coffee from there and offer Café Joyeux 'welcome packs' to all our new customers in France, helping to spread the word about their fantastic work. During 2023, eight colleagues from our French team volunteered to work in their cafés as part of our Annual Day of Giving programme.

Café Joyeux is a fantastic example of how, by bringing together our local communities, customers and other business partners we can maximise the reach of these programmes and make a meaningful impact on people's lives.

Nurturing talent

In this section:

At SEGRO, our Purpose is to create the space that enables extraordinary things to happen. That is as true for our people as it is for our customers and the communities in which we operate.

SEGRO's people are vital to and inseparable from its success. We are committed to attracting, enhancing and retaining a diverse range of talented individuals in our business.

Quick links

Group Conference 2023

In September 2023 we brought together all our people at our Group Conference. This provided an opportunity for everyone to deepen their understanding of our strategy, to discuss and explore our culture, and to connect with colleagues from across the organisation.

Find out more on page 31

2023 in numbers

'Your Say' engagement scores

89%

new employees to SEGRO in 2023

69

Key achievements during 2023

- Invested in building capability for the future
- Engaged employees in how we enable the extraordinary at our Group Conference
- Launched our Behaviours, which bring to life our established Values
- Established diversity goals, with supporting action plan

Priorities for 2024

- Build more flexibility into our people policies and continue to support colleagues' career ambitions
- Embed our Behaviours, supporting colleagues and leaders to live these everyday
- Continue on our journey to building a SEGRO that's totally inclusive
- Continue to invest in the development of our leadership teams and colleagues

Investing for the future – for SEGRO and for our People

Nurturing talent

SEGRO's people are vital to our success; We are committed to attracting and retaining a diverse range of talented individuals in our business. As a business, our Purpose is to create the space that enables extraordinary things to happen. That is as true for our people as it is for our buildings, our customers, and stakeholders and the wider communities in which we operate.

69
new employees to SEGRO in 2023

8%
increase in our workforce to 460 people

50
managers participated in Management Academy

5,936
hours of training for our people during 2023

"The Management Academy shows our commitment to nurturing talent within SEGRO. Bringing together groups of managers from across the Company, from different departments and different offices, to share their experiences and best practices, is invaluable. Hearing the perspectives of colleagues on the challenges they have faced, and providing an environment to collaborate on building better teams and behaviours throughout SEGRO, was a very positive experience for me."

Will Siddall, Director, Data

During 2023 we have undertaken a significant restructure of our Executive Committee (EC) and the teams reporting into these leaders (our 'EC&EC-1' population).

Our previous structure had served us well, but SEGRO has grown, the market has changed and we want to continue to build capabilities that we will need to be successful in the future. We have evolved the structure of our business so that we can:

- Give our talent the opportunity to develop and progress
- Continue to deliver strong business performance and growth
- Support ongoing change and transformation of our business
- Invest in building capabilities that will be important to our future success.

We are delighted that 75 per cent of new appointments in EC&EC-1 roles have been made to internal talent – demonstrating the strength of our talent pipeline and our commitment to supporting and enabling career progression.

We have also attracted new talent into SEGRO, building capability aligned to our strategic priorities.

Building fulfilling and rewarding careers

Deeper into the organisation, we have also continued to invest. During 2023, our workforce continued to grow as we added resource and capabilities to support our customers and evolving portfolio. We welcomed 69 new employees to SEGRO in 2023, increasing our workforce by 8 per cent to 460 people.

Recognising the increasing importance of our people leaders across the business, we have continued to invest this year in our Management Academy, targeted at our middle and junior managers.

In 2023 this programme included a module dedicated to leading inclusively; supporting SEGRO's leaders in understanding their role as an inclusive leader, and equipping leaders with practical tools to support Inclusion day-to-day. 50 managers participated in this programme during 2023, bringing the total number of people who have taken part in the Academy to 141 across 2022 and 2023, meaning that all people leaders in SEGRO have now participated in this development opportunity.

At SEGRO, we are committed to supporting all our people in building fulfilling and rewarding careers. In 2023, we expanded our secondment programme. So far this has provided 12 of our people with opportunities to participate in our Transformation work, for 6-12 months at a time, helping us to innovate and improve the business for the future whilst developing our people's experiences and careers.

All our people have an interim and full-year performance review, where we discuss training and development opportunities. We offer sponsorship for professional qualifications relevant to an individual's role or ambitions and support ongoing development to help people achieve their objectives. In late 2023 we launched our tailor-made Technical Development Academy for our team based in France, and will be using feedback from this pilot activity to inform our wider development planning. Recognising the importance of digital technology in preparing all SEGRO employees for the future, our Digital Academy is available to all colleagues, providing knowledge and learning in a range of digital technology content that is relevant to individual roles and the property industry in general.

We have a programme of mandatory training to help our people understand their responsibilities. These include topics such as health and safety, anti-bribery and corruption and cyber security as well as training to support our Nurturing talent goals around diversity and inclusion. During 2023 we invested in 5,936 hours of training for our people.

Continuing to strengthen our culture

Our people tell us that they enjoy working at SEGRO, and value their working environment, which encourages collaboration and care for each other. Our Purpose and Values, which were co-created with input from the entire workforce a number of years ago, have stood the test of time and underpin everything that we do. As the Company has continued to grow in 2023, our focus was to ensure that we retain this unique and positive culture.

In September 2023 we held a meeting for 75 of our leaders to engage them in our strategy. Following this, we brought together all of the Company at our Group Conference.

This was the first time since the pandemic that our people have been together in one place, and it provided an opportunity for everyone to deepen their understanding of our strategy, to discuss and explore our culture, and to connect with colleagues from across the organisation. Further details can be found on the following page.

In 2023 we developed and launched our Behaviours. These bring to life our Values, describing how we do things in SEGRO and our expectations of all our people. We built our Behaviours with and for our people – and launched them at the Group Conference this year.

We have started embedding our Behaviours across all our People process and this will continue in 2024. We are also actively implementing changes across the business to support colleagues in living our Values and Behaviours every day. For example, following feedback from colleagues, we have implemented new delegated authority limits, empowering our colleagues to take responsible and well thought out decisions. In 2023, leaders across the business have also led team discussions, enabling teams to explore our Values and Behaviours in detail – identifying habits that will help to bring the Behaviours to life in local teams and making them more than words in boxes. Our Culture Champions – a group of colleagues committed to building and evolving our culture – play a key role in inspiring and driving this change across our business.

"Our Values and Behaviours provide a common language that everyone can understand, work towards and live by. Our Values are the things that make SEGRO unique and our Behaviours bring these values to life, enabling us to live them day-in, day-out."

Carin Alwin, Head of Employee Experience

During 2023, we have continued to listen to our people. 97 per cent of them responded to our employee survey (Your Say), showing their interest in helping us to shape the Company. Our engagement score was 89 per cent, which is top quartile relative to the benchmark of our employee research provider. Our Board employee engagement sessions have also continued during 2023.

We encourage honest and open feedback across SEGRO, but in the event that an employee (or third-party supplier) wishes to raise a concern on a confidential and anonymous basis, we offer a whistleblowing helpline operated by an independent company.

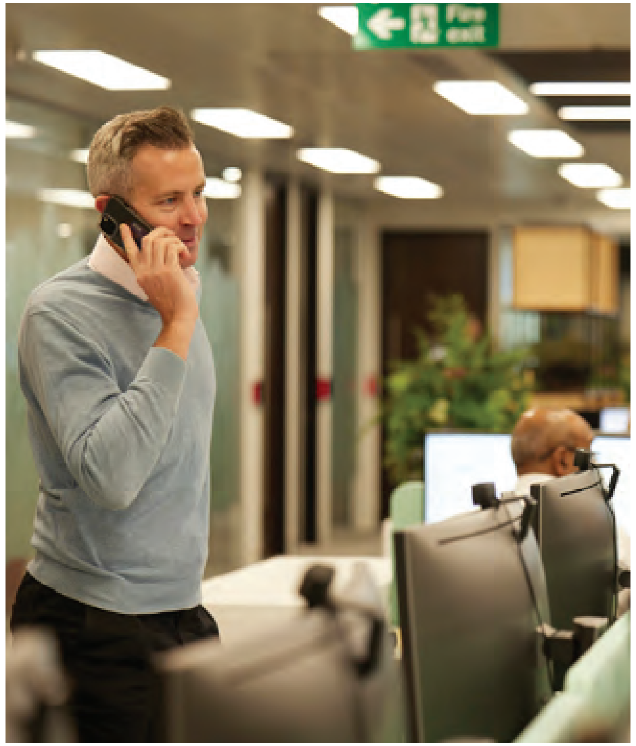
Business conduct and ethics

In everything we do at SEGRO, we recognise that we need to behave morally, ethically and lawfully. In 2023 we refreshed our Code of Business Conduct and Ethics (www.segro.com/about/policies) which sets out the high ethical standards expected of all our people in their daily work. It also guides how to put those standards into practice so we can act with honesty and integrity. Included within the Code are policies on bribery and corruption (including fraud, tax evasion and money laundering); gifts and hospitality; political and charitable donations; conflicts of interest; insider trading and market abuse; confidentiality and data protection; anti-slavery and human trafficking; and our whistleblowing procedure.

Compliance with the Code of Business Conduct and Ethics is a condition of each employee's employment. We are committed to building employee awareness on ethical business practices.

During the second half of 2023, we invested in training for all employees to ensure everyone at SEGRO understands what behaving ethically means in practice, ahead of their mandatory annual certification.

Any breaches of the Code of Business Conduct and Ethics are fully investigated and managed by the Head of Legal or Group Human Resources Director as appropriate. There were no substantiated breaches during 2023.



Enabling extraordinary things: Space for talent

Scan the QR code to see our video on our people

Or visit: www.segro.com/ara23/space-for-talent

A postcard from Amsterdam

Our strong company culture encourages collaboration, care for one another and a desire to never stand still. In September, SEGRO came together in Amsterdam for our first Group Conference since 2018.

The conference was hosted by our new Executive Committee, who led a discussion on what our ambition 'to be the best property company' means and how, by challenging ourselves to search for excellence in every aspect of our business, we can drive SEGRO to enable more extraordinary things in the decade ahead. We also used the event as an opportunity to talk about the Behaviours that support our Values and will help us to maintain our strong culture as our business grows.

Creating opportunities such as this, for people from across the Group to come together to share ideas and develop their networks, is crucial to the success of our business and the talent that makes it special.

Building a diverse workforce

SEGRO is committed to building an inclusive workplace where everyone is treated with fairness and respect, irrespective of gender, ethnicity, age, educational and professional background, religion and beliefs, and sexual orientation.

No colleague is to be treated less favourably or experience discrimination (unlawful or otherwise) on any grounds.

During 2023, we continued to take action to move towards this ambition, with particular focus on building a more diverse workforce that better reflects the communities we are part of. We are making progress, particularly in terms of gender: our workforce is now well balanced with a roughly 50-50 gender split.

Leadership team representation and leadership pipeline
During 2023, we sustained our focus on improving gender and ethnic diversity in our leadership teams and leadership pipeline.

We have made progress in increasing the number of women in senior leadership (EC and EC-1) roles. Across the Group the number of women in these roles has increased to 32.6 per cent (2022: 30.4 per cent). This represents an increase in both real and percentage terms, given the broadening of the EC in 2023.

We have ambitions to go further. We have set ourselves a target to have women in 40 per cent of our senior leadership roles by end 2025.

Alongside gender, we are also committed to increasing the ethnic diversity of our leadership team. We have set ourselves a target of 15 per cent of our senior leadership level roles to be undertaken by those identifying as from an ethnic minority group by end 2027. This compares to 5 per cent at end 2023. Whilst we are taking action Group-wide, data protection legislation in a number of the countries in which we operate makes gathering ethnicity data challenging. As such, the scope of this target is currently UK-only. We will continue to explore opportunities to extend this over time, dependent upon legislation across the different countries within which we operate.

We consider this an ambitious target and one we are committed to achieving. Action-to-date is already having a positive impact: 30 per cent of people joining SEGRO into UK-based leadership pipeline roles in the past 24 months self-identify as being from an ethnic minority. Over time, this will support us in building a more ethnically diverse leadership team.

In recognition of the importance of building a more diverse leadership pipeline, we have established internal targets for gender and ethnic minority representation deeper within our organisation. These will enable us to better understand and build diversity of our leadership pipeline.

We have also established robust plans to support us in achieving both our gender and our ethnicity leadership team and leadership pipeline representation targets. These include reviews of our external recruitment and internal promotion processes, together with proactive tracking of core KPIs.

% of women in senior leadership roles
33%
2025 target of 40%

% of ethnic minorities in senior leadership roles
5%
2027 target of 15%

Building a more diverse SEGRO
SEGRO is actively committed to encouraging individuals with non-property backgrounds into our sector. In 2023, we continued to expand our network with universities and business schools as part of our recruitment approach for our 2024 graduate intake. As a result, in 2023 we received over 900 applications from a broad and diverse talent pool.

Across our offices in France, Germany and Poland we welcomed seven undergraduates onto apprenticeship programmes with our Finance and Operations teams. In the UK, we expanded our partnership with Career Ready to host ten, 17 and 18-year-old school students as part of a six-week internship programme. These activities provide young people from diverse backgrounds with insight into the Property industry.

UK Gender and Ethnicity Pay Gap
We believe that analysing diversity data and being transparent is an important step towards creating meaningful change. We have voluntarily published our UK Gender Pay Gap data since 2017 and our UK Ethnicity Pay Gap data since 2020. We also run our data early within each reporting year, allowing effective progress in narrowing the pay and bonus gap over time.

Our Pay Gap data can be found in the tables below. Whilst SEGRO continues to report a median pay gap above that of the National Average, the pay gap is improving with both the mean and median ordinary pay gaps decreasing each year, as well as the median bonus gap compared to last year's analysis. The only measure to increase slightly was the mean bonus gap, where the variable element of long-term incentives and share-based payments influenced the bonus gap in favour of male colleagues. This reflects the fact that we have more men than women in senior roles.

Our reported Pay Gaps are a direct result of our employee profile – we have more men than women and more white than ethnic minority employees in senior roles – and do not represent pay discrimination. As part of our salary review process we undertake checks to ensure employees are paid equally for doing equivalent jobs across our business.

Our published representation targets above demonstrate our commitment to improving diversity at all levels. This is crucial for ensuring the future success of our business and should also be reflected in our Gender and Ethnicity Pay Gaps reducing over time.

	2022	2023
Mean Gender Pay Gap	43.3%	**32.9%**
Mean Gender Bonus Gap	68.9%	**73.6%**
Mean Ethnicity Pay Gap	25.7%	**24.1%**
Mean Ethnicity Bonus Gap	22.6%	**70.0%**

Our Values and Behaviours

Our Values and Behaviours provide a common language that everyone can understand, work towards and live by.

Our Values are the things that make SEGRO unique and are important to us, they help inform the way we make decisions. Our Behaviours are the way we demonstrate our Values and bring these to life, they are the way we interact with each other day-in, day-out.

Scan the QR code to see our video on what SEGRO Values mean for employees

www.segro.com/ara23/our-values

Our values

1. Say it like it is

Behaviours for everyone

I communicate simply and transparently

I am courageous in inviting and sharing feedback and ideas

I make clear commitments and do what I say I will

Behaviours for leaders

I empower people to speak up, challenge, take decisions and act

2. If the door is closed...

Behaviours for everyone

I am open to change and curious about new ideas

I challenge myself to test new ways and find creative solutions

I celebrate and learn from successes and failures

Behaviours for leaders

I encourage innovation, creating an environment that embraces change and celebrates learnings

3. Stand side-by-side

Behaviours for everyone

I partner with others and seek out views different to my own

I share insights and experience, and seek to learn from others

I care about and support my colleagues

Behaviours for leaders

I am an inclusive and human leader, engaging teams to achieve together to build one-SEGRO

4. Does it make the boat go faster?

Behaviours for everyone

I focus on what matters and keep things simple

I look for ways every day to do things better, faster

I understand my strengths and develop skills for the future

Behaviours for leaders

I invest in our people, building diverse, high-performing teams and developing talent for the future

5. Keep one eye on the horizon

Behaviours for everyone

I gather new insights to help identify and anticipate new trends

I make responsible and well thought out decisions

I care about our customers, communities and environment

Behaviours for leaders

I create an exciting vision, building alignment around a sustainable strategy for the future

Health, Safety and Wellbeing

One of our key priorities as a business is to ensure that our people can work in a healthy, safe and secure environment.

As we have adapted to an agile working approach, it has become even more critical that we support our people, wherever they are. We have a comprehensive health and safety training programme, which starts when an employee joins SEGRO and is refreshed regularly depending on the requirements of their role.

Over the past three years, we have extended our approach and now incorporate different aspects into our Wellbeing strategy, supported by our 31 Wellbeing Ambassadors across the Company.

We launched our Wellbeing Fund in 2022, this allows our colleagues to invest up to £500, or local currency equivalent, in something wellbeing related, tailored to their own needs and interests. 96 per cent of employees took up the Wellbeing Fund during 2023 and it will continue in 2024.

Things SEGRO employees have been spending their £500 wellbeing fund on in 2023

We continue to provide, via our intranet, resources with support and information on wellbeing. In 2023, SEGRO promoted World Wellbeing Week with a range of activities across the Group including webinars, yoga and walking meetings. Our enhanced benefits package also includes access to a 24/7 confidential external helpline offering counselling support.

Rewarding careers

Every permanent employee is entitled to variable compensation, based on their own and the business' performance against targets and objectives. SEGRO operates two types of all-employee share schemes, to encourage employees to own shares in the Company. All eligible employees can receive an award of up to £3,600 worth of SEGRO shares each year, depending on the Company achieving certain performance goals. In 2023 these goals focused on supporting our communities as part of our Responsible SEGRO agenda – a sign of our commitment to investing in and supporting the communities in which we operate.

We also offer a Sharesave scheme for all UK employees who can save up to £500 per month across all open schemes. 87 per cent of SEGRO employees were participating in one or more all-employee Sharesave schemes at the end of 2023.

In addition to fixed and variable compensation, we also provide a generous benefits package, including health insurance, reflective of market competitive packages in each of our geographies.

Appendices

In this section:
In-depth data to allow SEGRO's sustainability progress to be benchmarked by organisations such as the European Public Real Estate Association and the Sustainability Accounting Standards Board.

Appendices

Appendix I
European Public Real Estate Association (EPRA) disclosure

Absolute energy consumption figures across SEGRO's reportable floor area increased significantly in 2023. The absolute energy increase was due to improvements in gathering data on our customers' energy consumption. We now have energy data for 81 per cent of our floor area, up from 68 per cent last year. What is more, we prioritised gathering energy data for the more energy-intensive spaces, so this has compounded the increase in the consumption figures.

European Public Real Estate Association (EPRA) Energy – Absolute
Total energy consumption – with no gap filling of missing data. In 2023 we successfully gathered energy data for 81 per cent of our floor area, up from 68 per cent last year. UK energy intensity is relatively high due to the higher numbers of datacentres.

				UK		Continental Europe		SEGRO TOTAL	
EPRA Code	**Unit of Measure**	**Indicator**		**2022**	**2023**	**2022**	**2023**	**2022**	**2023**
Elec-Abs	kWh	Electricity	Landlord Shared Services	4,664,371	2,662,761	7,152,642	3,440,969	11,817,013	6,103,729
			Tenant Supply	227,038,592	234,938,663	288,475,621	283,635,825	515,514,213	518,574,488
			Total	231,702,963	237,601,424	295,628,263	287,076,793	527,331,226	524,678,217
			Coverage m²	1,466,823	1,902,672	5,456,390	6,258,394	6,923,213	8,161,066
DH&C-Abs	kWh	District heating/cooling	Landlord Shared Services	0	0	43,417	42,316	43,417	42,316
			Tenant Supply	0	0	2,748,346	2,214,488	2,748,346	2,214,488
			Total	0	0	2,791,763	2,256,805	2,791,763	2,256,805
			Coverage m²	0	0	70,071	70,071	70,071	70,071
Fuels-Abs	kWh	Natural Gas	Landlord Shared Services	1,049,480	1,380,099	4,958,759	3,803,775	6,008,239	5,183,874
			Tenant Supply	4,308,717	19,804,651	200,144,236	170,633,208	204,452,953	190,437,859
			Total	5,358,197	21,184,750	205,102,995	174,436,983	210,461,192	195,621,733
			Coverage m²	473,775	914,774	2,877,562	3,840,244	3,351,337	4,755,017
Fuels-Abs	kWh	Fuel Oil	Landlord Shared Services	0	0	136,353	103,178	136,353	103,178
			Tenant Supply	0	0	0	0	0	0
			Total	0	0	136,353	103,178	136,353	103,178
			Coverage m²	0	0	0	0	0	0
Total-Energy-Abs	kWh	Total Energy	Landlord Shared Services	5,713,851	4,042,860	12,291,171	7,390,238	18,005,022	11,433,098
			Tenant Supply	231,347,309	254,743,314	491,368,203	456,483,521	722,715,512	711,226,835
			Total	237,061,160	258,786,174	503,659,374	463,873,759	740,720,535	722,659,933
			Coverage m²	1,489,193	1,953,289	5,639,585	6,625,703	7,128,778	8,578,992
Energy-Int-Abs	**kWh/m²/year**	**Intensity**	**Total Energy Intensity**	**159**	**132**	**89**	**70**	**104**	**84**

Appendices continued

Appendix I
European Public Real Estate Association (EPRA) disclosure continued

EPRA Energy – Extrapolated
Energy consumption data – with gaps filled using pro-rata techniques from where data is available.

				UK		Continental Europe		SEGRO TOTAL	
EPRA Code	**Unit of Measure**	**Indicator**		**2022**	**2023**	**2022**	**2023**	**2022**	**2023**
Elec-Abs	kWh	Electricity	Landlord Shared Services	4,664,371	**3,250,449**	7,159,039	**3,713,394**	11,823,410	**6,963,843**
			Tenant Supply	227,273,124	**285,551,268**	292,194,955	**330,812,819**	519,468,079	**616,364,087**
			Total	231,937,495	**288,801,717**	299,353,994	**334,526,213**	531,291,489	**623,327,930**
			Coverage m²	1,466,823	**1,902,672**	5,456,390	**6,258,394**	6,923,213	**8,161,066**
DH&C-Abs	kWh	District heating/cooling	Landlord Shared Services	0	**0**	43,417	**46,113**	43,417	**46,113**
			Tenant Supply	0	**0**	2,748,346	**2,783,802**	2,748,346	**2,783,802**
			Total	0	**0**	2,791,763	**2,829,915**	2,791,763	**2,829,915**
			Coverage m²	0	**0**	70,071	**70,071**	70,071	**70,071**
Fuels-Abs	kWh	Natural Gas	Landlord Shared Services	1,491,113	**1,520,409**	8,417,605	**3,934,609**	9,908,718	**5,455,018**
			Tenant Supply	3,919,774	**27,932,747**	279,192,161	**187,763,445**	283,111,935	**215,696,192**
			Total	5,410,887	**29,453,156**	287,609,766	**191,698,054**	293,020,653	**221,151,210**
			Coverage m²	473,775	**914,774**	3,278,843	**3,840,244**	3,752,619	**4,755,017**
Fuels-Abs	kWh	Fuel Oil	Landlord Shared Services	0	**0**	243,630	**103,178**	243,630	**103,178**
			Tenant Supply	0	**0**	0	**0**	0	**0**
			Total	0	**0**	243,630	**103,178**	243,630	**103,178**
			Coverage m²	0	**0**	0	**0**	0	**0**
Total-Energy-Abs	kWh	Total Energy	Landlord Shared Services	6,155,484	**4,770,858**	15,863,690	**7,797,295**	22,019,174	**12,568,153**
			Tenant Supply	231,192,898	**313,484,014**	574,135,463	**521,360,066**	805,328,361	**834,844,080**
			Total	237,348,382	**318,254,872**	589,999,153	**529,157,360**	827,347,535	**847,412,233**
			Coverage m²	1,493,980	**1,953,289**	5,639,062	**6,625,703**	7,133,042	**8,578,992**
Energy-Int-Abs	**kWh/m²/year**	**Intensity**	**Total Energy Intensity**	**159**	**163**	**105**	**80**	**116**	**99**

Appendices continued

Appendix I
European Public Real Estate Association (EPRA) disclosure continued

EPRA Energy – Like-for-like
The EPRA like-for-like datasets compare the performance of areas of the portfolio for which we have two full years of data. These sites are showing a 13 per cent reduction in energy intensity overall.

				UK		Continental Europe		SEGRO TOTAL	
EPRA Code	**Unit of Measure**	**Indicator**		**2022**	**2023**	**2022**	**2023**	**2022**	**2023**
Elec-Lfl	kWh	Electricity	Landlord Shared Services	278,672	**95,478**	3,217,092	**1,526,691**	3,495,764	**1,622,169**
			Tenant Supply	121,896,747	**92,952,807**	118,015,402	**118,300,918**	239,912,149	**211,253,725**
			Total	278,672	**95,478**	3,217,092	**1,526,691**	3,495,764	**1,622,169**
DH&C-Lfl	kWh	District heating/cooling	Landlord Shared Services	0	**0**	0	**0**	0	**0**
			Tenant Supply	0	**0**	0	**0**	0	**0**
			Total	0	**0**	0	**0**	0	**0**
Fuels-Lfl	kWh	Natural Gas	Landlord Shared Services	0	**1,198**	4,189,953	**2,521,661**	4,189,953	**2,522,859**
			Tenant Supply	47,568	**122,391**	119,690,613	**105,420,948**	119,738,181	**105,543,338**
			Total	0	**1,198**	4,189,953	**2,521,661**	4,189,953	**2,522,859**
Total-Energy-Lfl	kWh	Total Energy	Landlord Shared Services	278,672	**96,676**	7,407,045	**4,048,352**	7,685,717	**4,145,027**
			Tenant Supply	121,944,315	**93,075,197**	237,706,016	**223,721,865**	359,650,330	**316,797,063**
			Total	122,222,987	**93,171,873**	245,113,060	**227,770,217**	367,336,047	**320,942,090**
			Coverage m²	636,513	**636,513**	3,730,151	**3,730,151**	4,366,664	**4,366,664**
Energy-Int-LfL	**kWh/m²/year**	**Intensity**	**Total Energy Intensity**	**192**	**146**	**66**	**61**	**84**	**73**

Appendices continued

Appendix I
European Public Real Estate Association (EPRA) disclosure continued

EPRA Water – Absolute and Like-for-like

Absolute water consumption data has shown a 29 per cent increase across the reportable floor area in 2023 – likely to be driven by improved data collection. This does not include estimations where there are data gaps in the year. Water data is based on manual meter readings as minimal automated meter reading data are available for reporting.

The EPRA like-for-like datasets compare the performance of areas for which we have two full years of data. This dataset is showing a 39 per cent reduction in water intensity per sq m.

				UK		Continental Europe		SEGRO TOTAL	
EPRA Code	**Unit of Measure**	**Indicator**		**2022**	**2023**	**2022**	**2023**	**2022**	**2023**
Water-Abs	m^3	Water	Landlord Shared Services	25,907	**18,453**	1,553	**2,371**	7,576	**20,824**
			Tenant Supply	17,335	**51,326**	339,646	**397,257**	356,981	**448,584**
			Total	43,242	**69,780**	341,199	**399,628**	364,557	**469,408**
			Coverage m^2	178,012	**218,767**	1,802,507	**2,679,611**	2,048,516	**2,898,378**
Water-Int-Abs	**m^3/m^2/year**	**Intensity**	**Total Water Intensity**	**0.243**	**0.319**	**0.189**	**0.149**	**0.178**	**0.162**

				UK		Continental Europe		SEGRO TOTAL	
EPRA Code	**Unit of Measure**	**Indicator**		**2022**	**2023**	**2022**	**2023**	**2022**	**2023**
Water-Lfl	m^3	Water	Landlord Shared Services	185	**3,247**	273	**6**	458	**3,254**
			Tenant Supply	0	**1,475**	12,141	**2,914**	12,141	**4,389**
			Total	185	**4,722**	12,414	**2,920**	12,599	**7,643**
			Coverage m^2	29,790	**29,790**	617,753	**617,753**	647,543	**647,543**
Water-Int-Lfl	**m^3/m^2/year**	**Intensity**	**Total Water Intensity**	**0.006**	**0.159**	**0.020**	**0.005**	**0.019**	**0.012**

Appendices continued

Appendix I
European Public Real Estate Association (EPRA) disclosure continued

EPRA Greenhouse Gas Emissions – Absolute
Total greenhouse gas emissions across SEGRO's reportable area for which we have visibility of energy data. Absolute data does not include estimations where there are data gaps in the year due to the energy supplies being the responsibility of the tenant for part of the year. See next page for extrapolated data.

				UK		Continental Europe		SEGRO TOTAL	
EPRA Code	**Unit of Measure**	**Indicator**		**2022**	**2023**	**2022**	**2023**	**2022**	**2023**
GHG-Dir-Abs	tCO_2e	Direct emissions	Scope 1	192	**278**	1,542	**721**	1,733	**999**
			Scope 1 (business travel)	53	**54**	286	**427**	339	**480**
GHG-InDIr-Abs	tCO_2e	Indirect emissions	Scope 2 (location)	902	**627**	2,342	**1,630**	4,673	**2,257**
			Scope 2 (market)	812	**861**	2,597	**474**	1,521	**1,335**
			Scope 3 (location)	44,691	**60,221**	132,791	**173,938**	228,145	**234,159**
			Scope 3 (market)	35,863	**49,394**	84,130	**122,088**	157,440	**171,482**
			Scope 3 (business travel)	150	**472**	61	**346**	211	**818**
GHG-Int-Abs	tCO_2e	GHG intensity	Total GHG (location)	45,785	**61,127**	136,011	**176,290**	234,551	**237,416**
			Total GHG (market)	36,866	**50,533**	87,606	**123,284**	160,694	**173,816**
	m^2		Coverage m^2	1,466,823	**1,953,289**	4,375,613	**6,625,703**	6,923,736	**8,578,992**
	$tCO_2e/m^2/yr$		Total GHG Intensity (location)	0.031	**0.031**	0.031	**0.027**	0.034	**0.028**
	$tCO_2e/m^2/yr$		Total GHG Intensity (market)	0.025	**0.026**	0.020	**0.019**	0.023	**0.020**

Appendices continued

Appendix I
European Public Real Estate Association (EPRA) disclosure continued

EPRA Greenhouse Gas Emissions – Extrapolated
This is our GHG emissions where we have actual data and where gaps in the data have been filled pro-rata actual data.

				UK		Continental Europe		SEGRO TOTAL	
EPRA Code	**Unit of Measure**	**Indicator**		**2022**	**2023**	**2022**	**2023**	**2022**	**2023**
GHG-Dir-Abs	tCO_2e	Direct emissions	Scope 1	192	**278**	1,542	**721**	1,733	**999**
GHG-InDIr-Abs	tCO_2e	Indirect emissions	Scope 2 (location)	1,178	**691**	3,931	**1,735**	5,108	**2,426**
			Scope 2 (market)	1,054	**981**	949	**643**	2,003	**1,623**
			Scope 3 (location)	153,815	**149,088**	220,219	**198,829**	374,034	**347,917**
			Scope 3 (market)	83,037	**86,062**	172,699	**164,996**	255,736	**251,058**
GHG-Int-Abs	tCO_2e	GHG intensity	Total GHG (location)	155,184	**150,057**	225,692	**201,285**	380,876	**351,342**
			Total GHG (market)	84,283	**87,321**	175,190	**166,360**	259,473	**253,681**
	m^2		Coverage m^2	2,793,360	**2,925,914**	7,674,270	**7,700,124**	10,467,630	**10,626,039**
	$tCO_2e/m^2/yr$		Total GHG Intensity (location)	0.031	**0.051**	0.029	**0.026**	0.036	**0.033**
	$tCO_2e/m^2/yr$		Total GHG Intensity (market)	0.025	**0.030**	0.023	**0.022**	0.025	**0.024**

Appendices continued

Appendix I
European Public Real Estate Association (EPRA) disclosure continued

EPRA Greenhouse Gas Emissions – Like-for-like
Sites for which we have two years of continuous data are showing a 19 per cent reduction in total GHG intensity.

				UK		Continental Europe		SEGRO TOTAL	
EPRA Code	Unit of Measure	Indicator		2022	2023	2022	2023	2022	2023
GHG-Dir-LfL	tCO_2e	Direct emissions	Scope 1	187	**70**	1,554	**697**	1,741	**767**
GHG-InDIr-Lfl	tCO_2e	Indirect emissions	Scope 2 (location)	734	**428**	2,489	**1,231**	3,223	**1,659**
			Scope 2 (market)	390	**635**	667	**447**	1,058	**1,082**
			Scope 3 (location)	44,466	**36,797**	158,440	**139,205**	202,906	**176,002**
			Scope 3 (market)	27,104	**28,737**	123,035	**92,803**	150,140	**121,540**
GHG-Int-LfL	tCO_2e	GHG intensity	Total GHG (location)	45,386	**37,295**	162,483	**141,132**	207,869	**178,428**
			Total GHG (market)	27,681	**29,443**	125,257	**93,947**	152,938	**123,389**
	m^2		Coverage m^2	1,207,182	**1,207,182**	5,324,305	**5,324,305**	6,531,487	**6,531,487**
	$tCO_2e/m^2/yr$		Total GHG Intensity (location)	0.038	**0.031**	0.031	**0.027**	0.032	**0.027**
	$tCO_2e/m^2/yr$		Total GHG Intensity (market)	0.023	**0.024**	0.024	**0.018**	0.023	**0.019**

Appendices continued

Appendix II
Global Reporting Initiative and EPRA performance measures

EPRA code	Performance measure	GRI code	Unit of measure	Is reported	Where reported
Diversity-Emp	Employee gender diversity	405-1	Percentage of employees	Y	Annual Report & Accounts 2023: Strategic Report: – Nurturing talent – Health, safety and wellbeing - p.31 – A zero-tolerance approach to poor health & safety - p.41 – Principal risks – Health and safety - p.60
Emp-Training	Employee training and development	404-1	Average hours	Y	12.90 hrs per employee Total hours 5,936 Employees: 460
Emp-Dev	Employee performance appraisals	404-3	Percentage of employees	Y	Responsible SEGRO Report 2023: Appendix IV - p.47
Emp-Turnover	New hires and turnover	401-1	Total number and rate	Y	Annual Report & Accounts 2023: Strategic Report – Nurturing talent - p.31, 24
H&S-Emp	Employee health and safety	403-2	Injury rate, absentee rate and number of work-related fatalities	Y	Annual Report & Accounts 2023: Strategic Report: – Nurturing talent – Health, safety and wellbeing - p.31 – A zero-tolerance approach to poor health & safety - p.41 – Principal risks – Health and safety - p.60
H&S-Asset	Asset health and safety assessments	416-1	Percentage of assets	Y	100% All SEGRO properties under our management are inspected through a vacant unit inspection to ensure that no risks have developed whilst unoccupied. Where common areas fall under SEGRO responsibility we ensure these are monitored through on-site facilities management and, where required, formal inspections for health, safety, and fire risks.
H&S-Comp	Asset health and safety compliance	416-2	Number of incidents	Y	Health and safety reporting – See appendix IV.
Comty-Eng	Community engagement, impact assessments and development programmes	413-1	Percentage of assets	Y	100% Our volunteering and Community Investment Plan initiatives are open and promoted to all colleagues at all sites – we furthermore include customers and suppliers in our initiatives. Page 29-30 of the SEGRO 2023 Annual Report & Accounts.
Gov-Board	Composition of highest governance body	102-22	Total number	Y	SEGRO 2023 Annual Report & Accounts, Page 98 The composition of the Board exceeds the criteria of the Hampton-Alexander review on gender balance and the Parker Review on ethnic diversity. As at 31 December 2023, 50% of the Board were female and 25% were from an ethnic minority background.
Gov-Selec	Process for nominating and selecting the highest governance body	102-24	Narrative on process	Y	SEGRO 2023 Annual Report & Accounts, Pages 95 to 99.
Gov-Col	Process for managing conflicts of interest	102-25	Narrative on process	Y	SEGRO 2023 Annual Report & Accounts, Page 88.

Appendices continued

Appendix III
Governance metrics

Question	Answer	Reference
Board composition		
Are the positions of CEO and Chair separated?	yes	Page 89 of the SEGRO 2023 Annual Report & Accounts
Is the Chair independent?	yes	Page 99 of the SEGRO 2023 Annual Report & Accounts
What proportion of the Board is independent?	62.5%	Page 99 of the SEGRO 2023 Annual Report & Accounts. 62.5% of the Board, excluding the Chair, are Independent Non-Executive Directors. Including the Chair, 66.7% of the Board are independent
What proportion of the Board has financial or accountancy expertise?	87.5%	Page 96 of the SEGRO 2023 Annual Report & Accounts
What proportion of the Board has real estate expertise?	37.5%	Page 96 of the SEGRO 2023 Annual Report & Accounts
Is the Audit Committee fully constituted of independent members?	yes	Page 100 of the SEGRO 2023 Annual Report & Accounts
Is the Nomination Committee fully constituted of independent members?	yes	Page 95 of the SEGRO 2023 Annual Report & Accounts
Is the Remuneration Committee fully constituted of independent members?	yes	Page 107 of the SEGRO 2023 Annual Report & Accounts
Ownership		
Is the one share one vote principle effectively applied (only one share, bearing one vote per share)?	yes	
Is there a controlling shareholder, and if yes, which proportion of the floating capital and voting rights do they own?	no	
Does the company corporate governance status include anti-takeover mechanisms?	no	
Code of conduct/serious concerns		
Does the company have a policy/code of conduct in place which formally forbids or regulates donations, gifts and contributions to and from external parties, and which requires full disclosure to an independent member of the Board?	yes	Confirmed. Please refer to our Code of Business Conduct and Ethics which contains our Gifts & Hospitality Policy at Chapter 3. All entries on the Register of Gifts and Hospitality are regularly reviewed by the Group Legal team and Leadership team and reviewed quarterly by the Executive Committee. See segro.com/about/policies for more information.
Does the company have a whistleblower system in place?	yes	Please refer to our Code of Business Conduct and Ethics which contains our Whistleblowing Procedure at Chapter 9. Page 88 of the SEGRO 2023 Annual Report & Accounts
Does the whistleblower system enable anonymous reporting?	yes	We operate anonymous reporting through a confidential external service, Safecall. See page 28 of the Code of Business Conduct and Ethics. Page 88 of the SEGRO 2023 Annual Report & Accounts
Does the company have a 'no-retaliation policy' in place which grants immunity to the whistleblower when it reports a potential violation in good faith?	yes	Anyone who raises a concern in good faith will not be criticised for doing so, nor will any disciplinary action be taken. See page 28 of our Code of Business Conduct and Ethics for further details.
Is the whistleblower system operated by an independent third party?	yes	We permit internal reporting as well as independent third party reporting through Safecall.

Appendices continued

Appendix IV
Nurturing talent and workforce data

Women in management roles

	2022	2023
Women in senior management/director roles	27%	**36%**
Women in manager roles	38%	**35%**

Senior management / director roles is defined as roles within our Leadership Team, excluding our Executive Committee.
Manager roles includes all roles at grade Work Level 4.

We have set ourselves a target for women to be represented in 40 per cent of senior leadership roles by end 2025. The senior leadership population includes our Executive Committee and their direct reports (EC and EC-1). Women currently represent 33 per cent of this population.

UK* Gender & Ethnicity Pay Gap progression tables
(EPRA Diversity-Pay)

	2022	2023
Gender Pay Gap (mean)	43.3%	**32.9%**
Gender Bonus Gap (mean)	74.5%	**73.6%**
Ethnicity Pay Gap (mean)	25.7%	**24.1%**
Ethnicity Bonus Gap (mean)	22.6%	**70.0%**

*Gender Pay Gap: data not currently collected for European operations

Please see the main body of this report for more detail on nurturing talent and health and safety.

Health and Safety data
(EPRA Emp-Employee Health and Safety)

	2022	2023
Accident incident rate – reported as (employee incident)/(Hours worked) x 100,000	0.25	**0.93**
Fatalities	0	**0**

Appendices continued

Appendix IV
Nurturing talent and workforce data continued

Workforce profile

Metric	Unit	2018	2019	2020	2021	2022	2023
Number of employees	Actual not %	315	332	355	385	425	**460**
Employees by country							
UK	%		58	54	52	55	**53**
Germany	%		13	10	12	11	**12**
Poland	%		12	2	10	10	**10**
France	%		11	7	12	12	**13**
Spain	%		2	12	2	2	**3**
Netherlands	%		1	1	2	1	**2**
Italy	%		1	1	7	6	**5**
Czech	%		1	1	1	1	**1**
Luxembourg	%		1	11	1	1	**1**

Workforce by gender

Metric		Unit	2018	2019	2020	2021	2022	2023
Board	Male	%	73	67	67	60	60	**50**
	Female	%	27	33	33	40	40	**50**
Leadership	Male	%	67	67	67	67	73	**64**
	Female	%	33	33	33	33	27	**36**
Workforce	Male	%	53	51	51	50	49	**49**
	Female	%	47	49	49	50	51	**51**

Leadership roles represent our Leadership Team, excluding our Executive Committee
Workforce includes all colleagues across SEGRO

Workforce working status

Metric	Unit	2018	2019	2020	2021	2022	2023
Full time		93	91	92	94	94	**94**
Part time	%	7	9	8	6	6	**6**
Permanent	%		97	97	98	98	**98**
Temporary	%		3	3	2	2	**2**
Non-guaranteed hours employees	%	0	0	0	0	0	**0**

Employee engagement
(EPRA Emp-Training, Emp-Performance Appraisals and Emp-Turnover)

Metric	Unit	2018	2019	2020	2021	2022	2023
Voluntary staff turnover	%	9	5	2	7	9	**6**
Involuntary staff turnover	%		3	3	3	2	**2**
Hours of training delivered	%	3,708	3,507	2,812	4,656	5,299	**5,936**
Performance reviews (% of employees)	%				n/a	100	**100**
Participation in UK and CE share schemes	%		98	99	97	98	**97***

*SIP/GSIP is 97% but across all schemes SIP/GSIP and Sharesave it is 87% as reported in the ARA

'Your Say' employee engagement survey (every other year)

Metric	2018	2020	2022	2023
'Your Say' engagement score	92	94	91	**89**
'Your Say' response rate %	91	94	95	**97**
'Proud to work for SEGRO' %	95	97	94	**91**

Appendices continued

Appendix V
Community metrics

EPRA – Comty-Eng Community engagement

EPRA Comty-Eng

	2021	2022	2023
Number of community investment plans (CIPs)	n/a	10	**12**
Charitable giving	£1.3m	£2.5m	**£2.5m**
Employee volunteering days	234	385	**707**

Appendices continued

Appendix VI
Sustainability Accounting Standards Board disclosures

SASB Disclosure – 1. Energy management

IF-RE-130A.1. Energy consumption data coverage as a percentage of total floor area, by property subsector

81 per cent of the portfolio had energy data coverage for the reporting year. 95 per cent of these properties by floor area are defined as industrial, either big-box logistics or urban warehouses. For this reason, property sub-sector data is not provided on every metric.

Property type	Coverage (sq m)	Total Area (sq m)	% Coverage
Industrial	8,378,334	10,098,623	83%
Office	16,293	28,856	56%
Data Centre	85,594	150,598	57%
Hotel	3,564	3,564	100%
Other	95,207	344,397	28%
Total	**8,578,992**	**10,626,039**	**81%**

IF-RE-130A.2. (1) Total energy consumed by portfolio area with data coverage, (2) Percentage grid electricity, and (3) Percentage renewable, by property subsector

Property type	Total Energy (kWh)	% Grid Electricity	Renewable elec (kWh)	% Renewable
Industrial	806,566,663	584,936,856	284,761,771	49%
Office	3,751,296	2,242,610	1,731,289	77%
Data Centre	34,469,748	33,654,127	30,948,044	92%
Hotel	397,666	397,666	0	0%
n/a	2,123,681	2,096,670	820,801	39%
Total	**847,309,054**	**623,327,930**	**318,261,905**	**51%**

Appendices continued

Appendix VI
Sustainability Accounting Standards Board disclosures continued

IF-RE-130A.3. Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector

The EPRA like-for-like datasets compare the performance of areas of the portfolio for which we have two full years of data. These sites are showing a 13 per cent reduction in energy intensity overall. 95 percent of the properties (by floor area) are in the industrial subsector, so we have not split out into other subsectors.

				UK		Continental Europe		SEGRO Total	
EPRA Code	**Unit of Measure**	**Indicator**		**2022**	**2023**	**2022**	**2023**	**2022**	**2023**
Elec-LfL	kWh	Electricity	Landlord Shared Services	278,672	**95,478**	3,217,092	**1,526,691**	3,495,764	**1,622,169**
			Tenant Supply	121,896,747	**92,952,807**	118,015,402	**118,300,918**	239,912,149	**211,253,725**
			Total	278,672	**95,478**	3,217,092	**1,526,691**	3,495,764	**1,622,169**
DH&C-Lfl	kWh	District heating/cooling	Landlord Shared Services	0	**0**	0	**0**	0	**0**
			Tenant Supply	0	**0**	0	**0**	0	**0**
			Total	0	**0**	0	**0**	0	**0**
Fuels-LfL	kWh	Natural Gas	Landlord Shared Services	0	**1,198**	4,189,953	**2,521,661**	4,189,953	**2,522,859**
			Tenant Supply	47,568	**122,391**	119,690,613	**105,420,948**	119,738,181	**105,543,338**
			Total	0	**1,198**	4,189,953	**2,521,661**	4,189,953	**2,522,859**
Total Energy-LfL	kWh	Total Energy	Landlord Shared Services	278,672	**96,676**	7,407,045	**4,048,352**	7,685,717	**4,145,027**
			Tenant Supply	121,944,315	**93,075,197**	237,706,016	**223,721,865**	359,650,330	**316,797,063**
			Total	122,222,987	**93,171,873**	245,113,060	**227,770,217**	367,336,047	**320,942,090**
			Coverage m²	636,513	**636,513**	3,730,151	**3,730,151**	4,366,664	**4,366,664**
Energy-Int-LfL	**kWh/m²/year**	**Intensity**	**Total Energy Intensity**	**192**	**146**	**66**	**61**	**84**	**73**

Appendices continued

Appendix VI
Sustainability Accounting Standards Board disclosures continued

IF-RE-130A.4. Percentage of eligible portfolio that (1) has an energy rating

All energy ratings are measured under the EU EPC methodology

Group EPCs	Units	2022	%	2023	%
Number of certified assets	No. lettable spaces	1,688	76.7%	2,110	95.4%
Number of uncertified assets	No. lettable spaces	513	23.3%	102	4.6%
Total number of assets	No. lettable spaces	2,201	100.0%	2,212	100.0%
Area of certified assets	m²	8,382,246	84.4%	9,918,740	96.4%
Area of uncertified assets	m²	1,551,544	15.6%	373,613	3.6%
Total area of assets	m²	9,933,790	100.0%	10,292,353	100.0%

IF-RE-130A.5 Description of how building energy management considerations are integrated into property investment analysis and operational strategy

SEGRO has committed to a corporate and customer net-zero carbon emissions target and a corporate and customer science-based carbon target to achieve 42 per cent absolute reduction in carbon emissions by 2030. The first consideration is to increase energy data coverage to near to 100 per cent. In 2023, we improved our coverage from 68 per cent to 81 per cent. We also aim to have smart metering across all our properties to allow for automatic data collection and reporting – we rolled out 200 automatic meters in 2023. Due to large unregulated emissions across the portfolio due to tenant fit-out, asset energy benchmarking is not our main instrument for measuring building performance. We analyse the EPC ratings as this includes the elements we can control. Our investment strategy for existing buildings aims to improve EPC ratings to achieve carbon reductions. We target the reduction of unregulated emissions by generating energy on-site, mainly through solar photovoltaic panels, as well as renewable electricity tariffs to reduce operational carbon emissions. Lastly, the demand for space heating varies across geographies and tenant operations. We aim to electrify the portfolio or utilise low carbon alternatives such as heat pumps to reduce the use of natural gas.

SEGRO energy performance certificate by geography and floor area (sq m)

	A/A+	B	C	D	E	F	G	Unrated	Total
Czech Republic	0	79,213	90,684	0	0	0	0	0	169,897
France	300,753	514,096	314,412	225,304	108,085	50,692	64,325	72,016	1,649,682
Greater London	355,286	237,926	454,151	140,712	68,411	0	0	61,120	1,317,606
Italy	1,462,138	203,509	34,500	1,349	0	0	0	37,483	1,738,979
National Logistics	499,485	121,927	57,512	19,538	37,813	0	0	0	736,275
Poland	55,141	114,174	66,172	0	110,988	0	0	35,941	382,417
Spain	221,259	38,037	0	16,226	0	0	0	22,177	297,700
Thames Valley	102,548	164,229	148,160	54,500	18,319	0	7,121	22,852	517,729
The Netherlands	263,017	0	5,472	0	6,457	6,990	4,167	0	286,103
Primary Energy Demand (kWh/sqm)	**1-100**	**101-150**	**151-200**	**201-250**	**251-300**	**301-350**	**350+**	**Unrated**	
Germany	860,345	655,656	189,092	8,370	0	25,388	0	122,024	1,860,875
Poland	142,487	297,772	399,718	219,323	172,654	103,137	0	0	1,335,092
Total	**4,262,459**	**2,426,539**	**1,759,873**	**685,322**	**522,727**	**186,207**	**75,613**	**373,613**	**10,292,353**
%	**41%**	**24%**	**17%**	**7%**	**5%**	**2%**	**1%**	**4%**	**100%**

Appendices continued

Appendix VI
Sustainability Accounting Standards Board disclosures continued

IF-RE-130A.4 (2) is certified to energy star, by property subsector

We do not certify to Energy Star but use local equivalents such as BREEAM and DGNB

Certification scheme	Rating	Area (sq m)
BREEAM New Construction	Outstanding	192,848
BREEAM New Construction	Excellent	1,432,667
BREEAM New Construction	Very Good	1,441,332
BREEAM New Construction	Good	63,537
BREEAM New Construction	Pass	35,505
BREEAM Refurbishment	Very Good	0
DGNB New Construction	Platinum	54,963
DGNB New Construction	Gold	835,434
DGNB New Construction	Silver	180,222
DGNB New Construction	Bronze	0
BREEAM In-Use Part 1: Asset Performance	Outstanding	0
BREEAM In-Use Part 1: Asset Performance	Excellent	685,427
BREEAM In-Use Part 1: Asset Performance	Very Good	275,602
BREEAM In-Use Part 1: Asset Performance	Good	5,206
BREEAM In-Use Part 1: Asset Performance	Pass	0
LEED Core & Shell	Platinum	0
LEED Core & Shell	Gold	23,393
LEED Core & Shell	Silver	0
LEED Core & Shell	Certified	0
HQE New Building	Exception	0
HQE New Building	Excellent	90,666
HQE New Building	Very Good	60,878
HQE New Building	Good	0

Appendices continued

Appendix VI
Sustainability Accounting Standards Board disclosures continued

SASB Disclosure – 2. Water management
IF-RE-140A.1 Water withdrawal data coverage as a percentage of (1) total floor areas

Property type	Coverage (sq m)	Total Area (sq m)	% Coverage
Industrial	2,843,609	10,098,623	28%
Office	10,745	28,856	37%
Data Centre	44,024	150,598	29%
Hotel	0	3,564	0%
Other	0	344,397	0%
Total	**2,898,378**	**10,626,039**	

IF-RE-140A.1 (2) Floor area in regions with high or extremely high baseline water stress, by property subsector
All areas relate to industrial properties, therefore they have not been broken down by property type. (RCP 8.5 concentration pathway, 2050 scenario).

Risk	Metric	Floorspace (at 100%)
Drought Stress	'High' and 'Very High' Risk	2%

IF-RE-140A.2. (1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with high or extremely high baseline water stress, by property subsector
Absolute water consumption data is presented below. This does not include estimations where there are data gaps in the year. Water data is based on manual meter readings as minimal automated meter reading data are available for reporting.

				UK		Continental Europe		SEGRO Total	
EPRA Code	**Unit of Measure**	**Indicator**		**2022**	**2023**	**2022**	**2023**	**2022**	**2023**
Water-Abs	m³	Water	Landlord Shared Services	25,907	**18,453**	1,553	**2,371**	7,576	**20,824**
			Tenant Supply	17,335	**51,326**	339,646	**397,257**	356,981	**448,584**
			Total	43,242	**69,780**	341,199	**399,628**	364,557	**469,408**
			Coverage m²	178,012	**218,767**	1,802,507	**2,679,611**	2,048,516	**2,898,378**
Water-Int-Abs	**m³/m²/year**	**Intensity**	**Total Water Intensity**	**0.243**	**0.319**	**0.189**	**0.149**	**0.178**	**0.162**

Areas that SEGRO operates in which have been identified as high drought stress are primarily assets in Spain with modest exposure in Northern Italy, representing 2 per cent of total floor area.

IF-RE-140A.3. Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector
Water consumption in spaces for which we have two years of continuous data (accounting for 6 per cent of our portfolio) has reduced by 39 per cent in 2023 compared to 2022.

EPRA code	Unit of Measure	Indicator	SEGRO Total
Water-Lfl	% change 2022 to 2023	Water	39% reduction

IF-RE-140A.4 Description of water management risks and discussion of strategies and practices to mitigate those risks
Our materiality assessment did not identify 'Water Use' as a priority material issue for our business, as in most cases industrial buildings do not consume a significant amount of water compared to other property types. The exceptions are where water is consumed for a particular process in the building, for example laundry companies; however, this is controlled by the customer. Although a lower priority than energy consumption, we do actively engage with our customers to collect and report the water use data above. We ensure developments and refurbishments are fitted with the most efficient water appliances.

'Responsible water management' is a material issue if the building is located in water stressed areas. Where possible, adaptation techniques are incorporated into the design. You can read more about climate-related aspects of water in our TCFD section in appendix X and in our Annual Report & Accounts 2023.

Appendices continued

Appendix VI
Sustainability Accounting Standards Board disclosures continued

SASB Disclosure – 3. Tenant sustainability impacts

IF-RE-410A.1. (1) Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and (2) associated leased floor area, by property subsector

Since 2014, new leases in the UK have incorporated energy efficiency recovery clauses in relation to minimum energy efficiency standards. This is driven by legislation within the country. The vast majority of SEGRO assets are triple net leases, meaning we have limited control on tenant operation. SEGRO's Group-wide green lease clauses focus on the collation of environmental data through remote monitoring systems and requiring the procurement of certified renewable electricity where feasible.

IF-RE-410A.2. Percentage of tenants that are separately metered or sub-metered for (1) grid electricity consumption and (2) water withdrawals, by property subsector

All SEGRO-owned properties are separately metered or sub-metered for electricity and water supplies. In certain cases, on older assets, the gas supplies are unmetered or where there is a central heating system serving multiple customers.

IF-RE-410A.3. Discussion of approach to measuring, incentivising, and improving sustainability impacts of tenants

Improving measurement and visibility of emissions. In some jurisdictions, SEGRO procures energy on behalf of its customers under the terms of the lease, so we have visibility over this data. In France, recent legislation requires occupiers to disclose their energy use, so we also have visibility over this data, albeit with a significant time lag. For other areas, we are working with customers to get visibility of energy use data allowing us both to measure our Scope 3 emissions more accurately and to help customers reduce their energy use and carbon emissions. We are supporting customers to upgrade to automatic meter readers and have now enabled the installation of over 400 meters. All employees' annual variable compensation is linked to improving the visibility of customer energy data – in which we made a 13 percentage point improvement in 2023 against 2022.

Incentivising and improving sustainability impacts. We aim to provide energy-efficient buildings to our customers at point of handover, and have a target for all refurbishments and new builds to achieve an Energy Performance Certificate of B or better. In addition, we have recently undertaken pilot tests of using sensor technology to improve the visibility of customer energy use within buildings alongside other data, such as air quality.

We are also retrofitting solar panels to existing buildings to increase the generation of on-site renewable energy for the benefit of our customers. On developments where the grid cannot take, and the customer does not need, the energy from a full solar array, we install as large an array as possible at the time. We construct the roof to be able to take more panels in the future, if and when the grid is able to take the energy or on-site customer demand increases.

All employees' annual variable compensation is linked to reductions in customer carbon emissions, in which we have made a 19 per cent absolute reduction compared to the 2020 baseline.

Appendices continued

Appendix VI
Sustainability Accounting Standards Board disclosures continued

SASB Disclosure – 4. Climate change adaptation

IF-RE-450A.1. Area of properties located in 100-year flood zones, by property subsector

All estates relate to industrial properties and therefore have not been split by property type. The Representative Concentration Pathway (RCP) 8.5 (undefended) has been used and reflects a worst-case scenario for 2050. In 2022 we enhanced our analysis of climate change risk, working with the Savills Sustainability Team in conjunction with data from global reinsurer Munich Re to improve our visibility in this important area.

Risk	Metric	Floorspace (at 100%)
River Flood	1 in 100-year return period >0	6%

IF-RE-450A.2. Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks

Description of climate change risk exposure analysis

During 2022, working with Savills Sustainability in conjunction with climate change physical risk and scenario data from global reinsurer Munich Re, we carried out a new climate change physical risk study to assess the acute and chronic physical risks to our portfolio by geography, by Representative Concentration Policy (RCP) scenario and across four time horizons:

- Current: provides a baseline for acute and chronic physical risks to the portfolio;
- 2030: primarily acute risks which may need to be addressed immediately, such as River Flood;
- 2050: comfortably within the lifespan of a typical building (60 years) and allows us to assess whether an existing property requires action to mitigate or adapt to the (primarily chronic) risks;
- 2100: assessment of chronic risks to a location informing long-term investment decision making.

For this study, the physical risk from hazards under RCP 2.6 (less than 2°C warming by 2100), 4.5 (3°C warming by 2100) and RCP 8.5 (4-5°C warming by 2100) were modelled on 197 estates, covering 99 per cent of our floor area (at 100 per cent) and rental value (based on SEGRO wholly-owned properties and its share of properties in joint ventures and associates). The level of exposure risk was judged based on the likelihood of the specific physical hazards as modelled under a range of scenarios and time periods.

In summary, Heat and Drought Stress present as the most significant emerging chronic climate-related hazards across all three RCP scenarios, although assets exposed represent only between 2 and 3 per cent of rental value. In terms of change from current baselines, both of these hazards show potentially significant percentage increases indicating that asset adaptive measures likely to become more important in these areas. The absolute exposure risk to Drought Stress and Heat Stress is primarily concentrated in SEGRO's Southern European portfolio, specifically our assets in Italy, Spain and southern France.

Degree of systematic portfolio exposure

The SEGRO portfolio has some High and Very High exposure risk to River Flood and Precipitation Stress under the current baseline and three future scenarios. However, changes between the current baseline and future time periods under the three scenarios is relatively limited. The lack of incidents and insurance claims related to such events across the portfolio suggests a resilience to current baseline hazards.

Heat and Drought Stress present as the most significant emerging chronic climate-related hazards across all three RCP scenarios, although assets exposed represent only between 2 and 3 per cent of rental value. In terms of change from current baselines, both of these hazards show potentially significant percentage increases indicating that asset adaptive measures are likely to become more important in this area. The absolute exposure risk to Drought Stress and Heat Stress is primarily concentrated in SEGRO's Southern European portfolio, specifically our assets in Italy, Spain and Southern France.

The table below shows the modelled climate change physical exposure risk metrics and outcomes based on percentage of floor area and rental value at risk based on the worst-case scenario (RCP 8.5, 2050) and the best-case scenario (RCP 2.6, 2050). Note that River Flood as a hazard was not modelled under RCP 2.6. The assessment report and data do not consider any asset specific development or refurbishment mitigation cycles. As part of our sustainable development objectives, assessments are carried out prior to development and adaptation measures are carried out accordingly.

Appendices continued

Appendix VI
Sustainability Accounting Standards Board disclosures continued

SASB Disclosure – 4. Climate change adaptation continued

IF-RE-450A.2. Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks continued

Climate change physical exposure risk at asset level based on RCP 8.5 and RCP 2.6 by 2050

Hazard	Metric	(RCP, Year)	(at 1005)	ERV (at share)	Markets most affected
River Flood	1 in 100-year return period >0	8.5, 2050 (Undefended)	6%	5%	Asset-specific, including London airports, inland port assets (Hamburg, Gennevilliers), Netherlands
Precipitation Stress	'High' and 'Very High' Risk	8.5, 2050	5%	3%	Northern Italy assets
		2.6, 2050	5%	3%	Northern Italy assets
Drought Stress	'High' and 'Very High' Risk	8.5, 2050	2%	1%	Primarily assets in Spain with modest exposure in Northern Italy
		2.6, 2050	1%	0%	Primarily assets in Spain
Heat Stress	'High' and 'Very High' Risk	8.5, 2050	7%	3%	Southern France, Northern Italy and Spain
		2.6, 2050	5%	2%	Southern France, Northern Italy and Spain

Strategies for mitigating risks

In 2023 SEGRO completed a number of projects to mitigate climate-related transition risks:

- We integrated our analysis of climate change physical risk, carried out in 2022, within our annual asset planning exercise and the investment process;
- We conducted a full audit of our portfolio, identifying missing and expired Energy Performance Certificates, and taking action to understand why an EPC may be unavailable (primarily buildings nearing the end of their useful life which are to be redeveloped) or to commission refreshed EPCs to measure more accurately the energy efficiency of our portfolio and what investment is required to improve below-average units; and
- We initiated a project with external consultants to refine our Net-Zero Transition Plan, taking advantage of the increased visibility of the carbon emissions from our business activities to inform a more accurate strategy and timeline for achieving net-zero. We have also worked with external consultants to ensure that we comply with the requirements of the Corporate Sustainability Reporting Directive and EU Taxonomy comfortably before we become eligible to report them.

Appendices continued

Appendix VII
EU Sustainable Finance Disclosure Regulation – Principal Adverse Impact indicators

Background and scope
This section is designed to bring together the data relevant to the Sustainable Finance Disclosure Regulation (SFDR) Principal Adverse Impact indicators to help our shareholders fulfil their reporting requirements.

The SFDR defines sustainability factors as environmental, social and employee matters, respect for human rights, anti-corruption, and anti-bribery matters. Principal adverse impact is generally understood to mean the negative impact, caused by an investment decision or investment advice, on these factors.

The data in this summary applies as of 31 December 2023. It will be reviewed annually.

Principal Adverse Impact (PAI) indicators

	PAI	Metric	Impact year 2023	Impact year 2022
	Mandatory			
1	GHG emissions NB: SEGRO includes customer operating emissions in Scope 3	Scope 1 GHG emissions	1,403 tCO_2e	2,329 tCO_2e
		Scope 2 GHG emissions	1,707 tCO_2e (market-based)	1,662 tCO_2e (market-based)
		Scope 3 GHG emissions	639,263 tCO_2e	665,076 tCO_2e
		Total operating GHG emissions	639,263 tCO_2e	669,067 tCO_2e
2	Carbon footprint	Carbon footprint including embodied carbon	639,263 tCO_2e	669,067 tCO_2e
3	GHG intensity	GHG intensity	0.062 $tCO_2e/m^2/yr$ (market-based)	0.060 $tCO_2e/m^2/yr$ (market-based)
4	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	None	None
5	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	Non-renewable: 724,151 MWh = 52% Renewable, 678,294 MWh = 48% Total: 1,402,445 MWh	Non-renewable: 1,610,549 MWh = 68% Renewable: 754,418 MWh = 32% Total: 2,364,967 MWh
6	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue, per high impact climate sector[1]	N/A – SEGRO is not active in sectors identified as high impact climate	N/A – SEGRO is not active in sectors identified as high impact climate
7	Activities negatively affecting biodiversity-sensitive areas	% of company revenues from business activities with sites/operations located in or near to biodiversity-sensitive areas where activities negatively affect those areas	N/A 2/3rds of SEGRO's portfolio is in urban locations – the rest is situated at locations that are optimally aligned to logistical and infrastructural requirements	N/A 2/3rds of SEGRO's portfolio is in urban locations – the rest is situated at locations that are optimally aligned to logistical and infrastructural requirements
8	Emissions to water	Tonnes of emissions to water generated per million EUR invested	0	0
9	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated per million EUR invested	0	0
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Has the company been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	No	No
11	Processes and mechanisms to monitor compliance with UN Global Compact, UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises	Company has process in places for one or more of these items	Yes. We have a number of policies tackling this subject. In particular our Code of Ethics, Human, Rights and Modern Slavery policies. We also undertake an annual supplier compliance assessment process.	Yes. We have a number of policies tackling this subject. In particular our Code of Ethics, Human, Rights and Modern Slavery policies. We also undertake an annual supplier compliance assessment process.
12	Unadjusted gender pay gap	Unadjusted gender pay gap of company	32.9% – UK only (data not currently collected for European operations)	43.3% – UK only (data not currently collected for European operations)
13	Board gender diversity	Ratio of female to male board members	Female 50%/male 50%	Female 40%/male 60%
14	Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	% of revenues from the manufacture or selling of controversial weapons	None	None
	Real estate specific			
17	Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	None	None
18	Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets[2]	3%	2%

1 High impact climate sectors are defined as those sectors in Section A-H and Section L of Annex 1 of Regulation (EC) No 1893/2006.
2 SEGRO defines 'energy-inefficient real estate assets' as those with an EPC (or equivalent) rating of E or below.

Appendices continued

Appendix VIII
Greenhouse gas reporting methodology

We publish our GHG reporting methodology at **www.segro.com/responsible-segro/reports-downloads**

Appendices continued

Appendix IX
SEGRO Mandatory Sustainability Policy

During the year, we have launched our new Mandatory Sustainability Policy. Here are the core requirements.

Introduction

SEGRO has set ambitious short- to mid-term science-based targets and has an overall 'net zero by no later than 2050' ambition, which requires decisions made today to be in line with these commitments.

To that effect SEGRO has determined on a range of measures to futureproof our operations and ensure our external commitments are achievable, the Mandatory Sustainability Policy ('the Policy').

Compliance with the Policy is monitored by the Sustainability Team and reported to the SEGRO Board half yearly.

Scope

SEGRO recognises that the biggest opportunities are with our development projects; however, the principle of future proofing applies to both developments and refurbishments and must be considered for both and the existing portfolio in relation to energy data.

Applicability
This Policy is mandatory for all SEGRO:
- Developments, including all forward funding, forward commitments, and Joint Ventures
- Refurbishments, including for Joint Ventures
- Disposals of new assets where forward funded, forward commitments, Design & Build for customers and Joint Ventures
- Acquisitions of developments by forward funding, forward commitment, and Joint Ventures
- Lettings, lease renewals, re-gears of existing leases

Policy Commitments

Embodied carbon
- Deliver developments that meet our carbon intensity targets.
- Implement Building Information Modelling for all Developments over 5,000m² (minimum level of detail 350) and conduct Life Cycle Assessments for all Developments over 5,000m².

PV installations:
- Maximise the PV coverage on all our buildings (subject to planning/power/customer demand).

Energy data
- Identify where gaps in energy consumption data exist across our portfolio and work with our tenants to close, and, where possible, implement SEGRO's green lease clauses to mandate the use of renewable energy and the sharing of energy data.

Construction and building certifications
- Deliver BREEAM 'Excellent' or equivalent on all new developments over 5,000m²
- Implement refurbishment standards to EPC B or better for the UK and equivalent standards in all other countries (where a comparable standard exists).

Electric vehicle charging
- Install at least 20 per cent of all parking locations (cars/vans) with electric charging (new developments and refurbishment stock), subject to power availability.

Biodiversity and wellbeing
- As a minimum, meet the Biodiversity Net Gain commitments (currently UK only) and the obligations in France for at least partial green roofs and/or solar PV;
- Implement at least five specific biodiversity and/or wellness features in every new development over 5,000m²;
- Aim for at least two biodiversity and/or wellness features in smaller developments; and
- At least one biodiversity and/or wellness feature for each refurbishment.

This Policy will be reviewed annually or more frequently if required.

Appendices continued

Appendix X
Climate-related Financial Disclosures

As a leading owner, manager and developer of industrial and warehouse assets in Europe, our sustainability and financial strength is reliant upon an effective and rigorous risk management framework. Our properties span the UK and Continental Europe and are therefore exposed to a variety of effects from a changing climate. We believe that these climate-related risks, if unmitigated, present a threat to society as well as to our business operations and financial strength over the coming decades.

We have made good progress on our strategy to reduce the carbon intensity of our business, particularly reducing the embodied carbon intensity of our development activities and increasing our solar energy generation capacity. We have made further progress on increasing the visibility of our Scope 3 customer emissions: in most leases, we have little or no legal right to be informed about such emissions, so progress in this area relies on adopting our 'green' lease clause on new lettings or persuading our customers to share their energy data. As at 31 December 2023, 12 per cent of our leases by headline rent have a green clause.

There have been no material changes to the nature of the business over the past twelve months which would require a review to our baseline metrics or future targets.

We believe this disclosure is consistent with the recommendations and recommended disclosures of the Task Force on Climate-related Financial Disclosures (TCFD), including the 'Guidance for All Sectors'. It sets out how SEGRO incorporates climate-related risks and opportunities into governance, strategy, risk management, metrics and targets, and how we are responding to stakeholder expectations, national regulations and sector-wide best practice. This is an area of constant evolution and we intend to continue addressing the known weaknesses in our data and improving the disclosure of our activity and performance.

Governance

Governance plays a key contributing role to the effective delivery of strategy and SEGRO has a clear governance structure with a single Board comprising an independent Chair, six independent Non-Executive Directors and two Executive Directors (as at 31 December 2023).

Board oversight of climate-related risks and opportunities

The Board is responsible for setting the strategic direction of the Company to ensure its long-term success which includes the delivery and integration of its eight Strategic Priorities, three of which relate to Responsible SEGRO, and their associated targets. Specifically, the Board has oversight of climate-related performance, risks and opportunities and takes into consideration all elements of Responsible SEGRO, including climate-related risks and opportunities, when reviewing and guiding on annual budget and long-term planning matters as well as major strategic and investment decisions.

The Board has access to advice relating to climate-related risks and opportunities from internal and external bodies including the in-house Sustainability Team, CBRE which values the portfolio, Longevity Partners as environmental and energy consultants and SLR Consulting as providers of partial assurance of Group environmental data, among others.

The Chief Executive has overall responsibility for the Responsible SEGRO strategic priorities. The Group Customer and Operations Director is responsible for climate-related risks and opportunities as they may relate to the portfolio.

The Audit Committee, as part of its role in overseeing the Group's financial reporting, is briefed on the climate-related disclosure within the Annual Report.

The Executive Committee, comprising the Chief Executive Officer, Chief Financial Officer, the Managing Directors of the UK and Continental European businesses, the Group Customer and Operations Director, the Chief of Staff and the Group HR Director, supports the Chief Executive in the delivery of strategy and reviews the operation and financial performance of the business. It is this Committee which sets the climate change-related strategy and targets.

Both the Board and the Executive Committee are updated on the Responsible SEGRO strategic priorities throughout the year, including discussions of climate-related issues and the Company's progress towards achieving its targets. The Risk Committee, chaired by the Chief Financial Officer and which reports to the Executive Committee and the Board, monitors the Group Risk Register, within which Environmental Sustainability and Climate Change is a Principal Risk.

The Investment Committee, chaired by the Chief Executive, reports to the Board and assesses prospective capital expenditure requests. Each request is required to provide details of the financial and non-financial expected outcomes of the expenditure, including its adherence to the SEGRO Mandatory Sustainability Policy (see appendix IX for more details) which mandates actions to address risks and opportunities associated with improving the sustainability of our portfolio.

The annual bonus for Executive Directors and all employees has included Group targets relating to environmental sustainability and the mitigation of, or adaptation to, climate change, as part of a wider Responsible SEGRO component. The Remuneration Committee, which is comprised entirely of independent Non-Executive Directors, is responsible for approving targets and reviewing performance relating to the Responsible SEGRO component of the annual bonus award. Full details of the components forming the annual bonus can be found on page 108 of the 2023 Annual Report & Accounts, and the metrics related to the environmental element of the Responsible SEGRO component are identified in the Metrics and Targets section on page 74 and 75. These metrics are subject to partial assurance by SLR Consulting who report to the Remuneration Committee on performance compared to the targets.

Appendices continued

Appendix X
Climate-related Financial Disclosures continued

Management's role in assessing and managing climate-related risks and opportunities is manifested in the following ways:

Asset Management and Development: The Joint Operating Group (JOG), which is chaired by the Group Customer and Operations Director and comprises the senior management teams of the UK and Continental European businesses, meets monthly to discuss operating performance and to review and agree asset management and development policy. The Director of Sustainability regularly attends the JOG to provide updates on environmental issues, performance and policy and to discuss any recommended changes in approach. The JOG also receives reports from the Technical Implementation Group (mainly comprising senior representatives of the development teams) and the Operational Implementation Group (mainly comprising senior representatives of the asset management teams) which meet regularly to discuss and recommend changes in policy and approach to development and management of standing assets respectively. The Director of Sustainability regularly attends these meetings to update on environmental regulation and best practice.

Capital expenditure: The Investment Committee, comprising the Executive Directors and the Managing Directors of the UK and Continental European businesses, and chaired by the Chief Executive, considers larger capital expenditure applications from the business. Every application must provide expected financial returns, the impacts on key stakeholders and alignment to the Responsible SEGRO framework, including measures taken to improve the energy efficiency of buildings and to reduce the operating and embodied carbon emissions from the building in design and operation.

Strategy: Day-to-day oversight of climate-related issues and the implementation of the wider Responsible SEGRO framework is carried out by the Strategic Priorities Steering Group which meets monthly and is chaired by the Chief of Staff. It is attended by members of SEGRO's senior management who have responsibility for each of SEGRO's Strategic Priorities, of which Championing Low-Carbon Growth is one.

Governance: Action during 2023

- The Board received updates on Responsible SEGRO actions from Group Customer and Operations Director and the Director of Sustainability, including progress on reducing carbon emissions, in addition to updates on specific projects including on an update to SEGRO's Net-Zero Transition Plan;
- The Board and Audit Committee received training from the Commercial Finance Director and Director of Sustainability on the introduction of new sustainability reporting requirements from the European Commission and the International Sustainability Standards Board and the progress SEGRO is making to introduce and integrate them throughout the business; and

The Remuneration Committee approved the targets relating to the Responsible SEGRO annual bonus metrics for Executive Directors and all employees, of which half are related to reducing carbon emissions throughout the business.

Appendices continued

Appendix X
Climate-related Financial Disclosures continued

Governance of climate-related risks and opportunities

The Board
Oversight of climate-related strategy and performance

Audit Committee
Oversight of climate-related disclosure within the Annual Report

Nomination Committee
Considers Sustainability- and climate change-related experience of new and existing Board members

Remuneration Committee
Sets, monitors and approves compensation and targets related to Sustainability performance, including reducing Group carbon emissions

Executive Committee
Setting climate change-related strategy and targets

Technical Implementation Group
Focus on development policy and improvement

Investment Committee
Ensuring capital expenditure is consistent with climate-related targets

Risk Committees
Monitoring climate change-related risks and emerging risks

Strategic Priorities Steering Group
Monitoring of delivery of SEGRO's eight strategic priorities, including those related to the Responsible SEGRO strategy

Operational Implementation Group
Focus on policy and improvement of existing assets

Appendix X
Climate-related Financial Disclosures continued

Strategy

As a long-term property owner, we need to ensure that our buildings are fit for purpose for the future. One of the ways we do this is to build relatively generic buildings, suited to more than one customer. This ensures a longer lifespan for the building as well as reducing the risk of vacancy and future refurbishment costs.

The Responsible SEGRO framework sets out how we integrate environmental and social considerations into our corporate strategy through three strategic priorities. The first strategic priority sets out our approach to reducing carbon emissions from our business activities, committing SEGRO to a 42 per cent reduction by 2030. This commitment includes Scope 1 and 2 emissions and the most material elements of Scope 3 emissions including capital goods (embodied carbon from completed developments) and downstream leased assets (from customers occupying our buildings). In 2023, these accounted for over 85 per cent of our total scopes 1-3 emissions.

Strategy: Action during 2023

SEGRO completed a number of projects to mitigate climate-related transition risks:

- We integrated our analysis of climate change physical risk, carried out in 2022, within our annual asset planning exercise and the investment process;
- We conducted a full audit of our portfolio, identifying missing and expired Energy Performance Certificates, and taking action to understand why an EPC may be unavailable (primarily buildings nearing the end of their useful life which are to be redeveloped) or to commission refreshed EPCs to measure more accurately the energy efficiency of our portfolio and what investment is required to improve below-average units; and
- We initiated a project with external consultants to refine our Net-Zero Transition Plan, taking advantage of the increased visibility of the carbon emissions from our business activities to inform a more accurate strategy and timeline for achieving net-zero. We have also worked with external consultants to ensure that we comply with the requirements of the Corporate Sustainability Reporting Directive and EU Taxonomy comfortably before we become eligible to report them.

Appendices continued

Appendix X
Climate-related Financial Disclosures continued

Identification of climate-related risks and opportunities over the short, medium and long term and their impact on SEGRO's business, strategy and financial planning

Materiality analysis of physical risk

In 2022, working with Savills Sustainability in conjunction with climate change physical risk and scenario data from global reinsurer Munich Re, we carried out a climate change physical risk study to assess the acute and chronic physical risks to our portfolio by geography, by Representative Concentration Pathway (RCP) scenario and across four time horizons:

- Current: provides a baseline for acute and chronic physical risks to the portfolio;
- 2030: primarily acute risks which need to be addressed immediately, such as River Flood;
- 2050: comfortably within the lifespan of a typical building (60 years) and allows us to assess whether an existing property requires action to mitigate or adapt to the (primarily chronic) risks;
- 2100: assessment of chronic risks to a location informing long-term investment decision making.

For this study, the physical risk from hazards under RCP 2.6 (less than 2ºC warming by 2100), 4.5 (3ºC warming by 2100) and RCP 8.5 (4-5ºC warming by 2100) were modelled on 197 estates, covering 99 per cent of our floor area (at 100 per cent) and rental value (based on SEGRO wholly-owned properties and its share of properties in joint ventures and associates).

The level of exposure risk was judged based on the likelihood of the specific physical hazards as modelled under a range of scenarios and time periods. More detailed information on the analysis can be found on our website at www.SEGRO.com/Responsible-SEGRO.

The SEGRO portfolio has some High and Very High exposure risk to River Flood and Precipitation Stress under the current baseline and three future scenarios. However, changes between the current baseline and future time periods under the three scenarios are relatively limited. The lack of incidents and insurance claims related to such events across the portfolio suggests a resilience to current baseline hazards.

Heat and Drought Stress present as the most significant emerging chronic climate-related hazards across all three RCP scenarios, although assets exposed represent only between 2 and 3 per cent of rental value. In terms of change from current baselines, both of these hazards show potentially significant percentage increases indicating that asset adaptive measures likely to become more important in this area. The absolute exposure risk to Drought Stress and Heat Stress is primarily concentrated in SEGRO's Southern European portfolio, specifically our assets in Italy, Spain and Southern France.

The table below shows the modelled climate change physical exposure risk metrics and outcomes based on percentage of floor area and rental value at risk based on the worst-case scenario (RCP 8.5, 2050) and the best-case scenario (RCP 2.6, 2050). Note that River Flood as a hazard was not modelled under RCP 2.6 given the limited expected impact compared to the current risk.

Climate change physical exposure risk at asset level based on RCP 8.5 and RCP 2.6 by 2050

Hazard	Metric	Scenario (RCP, Year)	Floorspace (at 100%)	ERV (at share)	Markets most affected
River Flood	1 in 100-year return period >0	8.5, 2050 (Undefended)	6%	5%	Asset-specific, including London Airports, inland port assets (Hamburg, Gennevilliers), Netherlands
Precipitation Stress	'High' and 'Very High' Risk	8.5, 2050	5%	3%	Northern Italy assets
		2.6, 2050	5%	23%	Northern Italy assets
Drought Stress	'High' and 'Very High' Risk	8.5, 2050	2%	1%	Primarily assets in Spain with modest exposure in Northern Italy
		2.6, 2050	1%	0%	Primarily assets in Spain
Heat Stress	'High' and 'Very High' Risk	8.5, 2050	7%	3%	Southern France, Northern Italy and Spain
		2.6, 2050	5%	2%	Southern France, Northern Italy and Spain

Appendices continued

Appendix X
Climate-related Financial Disclosures continued

The assessment report and data above do not consider any asset specific development or refurbishment mitigation cycles. As part of our sustainable development objectives, assessments are carried out prior to development and adaptation measures, including but not limited to those listed below, are carried out accordingly.

Risk	Adaptation Techniques
Drought Stress and Heat Stress (see R1 on page 65)	– Rainwater harvesting systems for internal building use and landscaping – Water efficient fixtures in line with BREEAM – Thermal modelling undertaken and orientation/ window positioning of the building reviewed – Onsite renewable energy generation installed to manage additional cooling requirements – External planting to provide shade, brise soleil, louvres, window tinting
River Flood and Precipitation Stress (see R2 on page 65)	– Flood risk assessment to be carried out on development or retrospectively – Sustainable urban drainage systems – Retention schemes – ponds/basins

Materiality analysis of transition risk

We work with our stakeholders (primarily our customers, suppliers and investors) and advisers (primarily our valuers and environmental consultants) to monitor, assess and prioritise emerging climate change transition risks. We judge materiality with reference to two main risks: the environmental and reputational risk of failing to meet our carbon emission reduction targets and the financial risk of building redundancy or being unable legally to lease our buildings.

We believe that there are three main climate change transition risks with the potential to impact the Group financially:

- **Environmental legislation:** legislation surrounding the sustainability performance of commercial and non-commercial real estate is likely to tighten in future as governments pursue their commitments under the Paris Agreement. We expect this to take the form of regulations but also increasingly some form of carbon tax to encourage the use of lower carbon materials and processes. The primary financial risk relates to our ability to rent out our buildings if they fall below emerging environmental legislation. This drives our determination to improve the energy performance of our portfolio both in new development and through refurbishment, measured primarily by increasing the floorspace rated B or better by Energy Performance Certificates.
- **Customer behaviours and preferences:** our customers, particularly our largest, international customers, increasingly expect their premises to display high levels of energy efficiency. Energy efficiency not only reduces the operating costs of the building but also helps them with their own environmental and carbon reduction targets. The primary financial risk relates to the appeal of our buildings to customers if they are below acceptable levels of energy efficiency and wider environmental sustainability. We are addressing this risk through improving the EPC ratings of our portfolio, increasing the amount of on-site renewable energy generation, and improving the sustainability credentials of our developments.
- **Access to capital:** investors are increasingly discriminating between investment opportunities based on sustainability credentials. The primary financial risk relates to reduced availability and higher cost of capital for companies which do not show strong performance and/or progress in this area. Under our Green Finance Framework, we have issued €2.9 billion of Green 'Use of Proceeds' bonds in SEGRO and SELP since 2021.

Applying the analysis to strategic planning

In terms of decision making, we consider climate-related issues within the following time horizons:

- Short term: up to 12 months, in line with the budget setting carried out annually in the autumn;
- Medium term: up to 5 years, in line with the Medium-Term Planning carried out annually in the autumn;
- Long term: up to 10 years, in line with capital investment appraisal cash flows. We assume a 60-year life span for our newly-developed properties.

Given the relatively small element of the portfolio exposed to the physical risks, and the fact that our Southern European portfolio contains some of our newest buildings, we believe the overall financial risk to be immaterial and longer term. However, as part of our active asset management and based on the scenario analysis work above, we expect to improve our visibility of the asset-level risks and opportunities and their associated financial implications. We recognise that this is an area for improvement within our climate-related financial disclosure.

Appendices continued

Appendix X
Climate-related Financial Disclosures continued

Climate-related risks

	Risk	Risk Horizon	Corporate Strategy	Financial Planning
R1	**Chronic physical risk** Rising temperatures (including extreme heat events)	**Medium-term risks:** – Higher operating costs for customers and SEGRO from increased cooling demand – Greater investment in cooling measures inside and outside buildings – Reduced wellbeing and productivity of workforce	Mitigations integrated into developments and refurbishments in properties in high-risk geographies, including water conservation through recycling of rain water and measures to reflect heat and improve shading externally.	Measures incorporated into financial appraisals of developments and refurbishments.
R2	**Acute physical risk** Flood and precipitation	**Short-term risks:** – Increased insurance, maintenance and repair costs from growing flood risk – Increased investment in drainage solutions and flood defences – Negative impact on asset valuations	All new investments (both acquisitions and developments) incorporate flood risk assessments. Measures taken to mitigate flood risk include rainwater recycling and landscaping to minimise run-off, and balancing pools to cater for run-off from hard-standing areas.	Measures incorporated into financial appraisals of acquisitions, refurbishments and developments. Valuers review assets for short-term physical risks as part of twice-yearly appraisals.
R3	**Policy & legal transition risk** Environmental legislation	**Medium-term risks:** In the UK, the MEES (Minimum Energy Efficiency Standard) regulations require buildings to achieve a certain standard of energy performance for them to be leased. At a high level, by 2030, properties will need to achieve a minimum Energy Performance Certificate rating of 'B' before they can be leased. Similar legislation is emerging across a number of our other markets. The aim of our corporate strategy is to be compliant with such legislation well in advance of the deadlines.	Properties which are unrated or have an EPC below B are expected to be upgraded when they become vacant (approximately 64 per cent of such buildings in the UK are expected to be vacated by 2030).	Capex associated with refurbishment, including improving energy efficiency, is factored into short-term budgets and the five-year Medium-Term Plan. The estimated cost to upgrade the UK estate to EPC rating 'B' or better is approximately £66 million by 2030, much of which will be absorbed within normal course refurbishment capex. The figure has reduced primarily due to work carried out during 2023 to improve low-grade EPC premises to at least B-grade.
R4	**Market transition risk** Customer behaviours	Short- and medium-term risks: Customers expect to operate their properties efficiently. There is growing evidence of rental discount associated with buildings which display poor sustainability credentials.	New developments and refurbishments incorporate sustainability technologies suited to their use and location, including (but not limited to) solar panels (for customer use), electric vehicle charging facilities, low-carbon heating and initiatives to promote local biodiversity and worker wellbeing.	Capex associated with refurbishment, including improving energy efficiency, is factored into short-term budgets and the five-year Medium-Term Plan.
R5	**Reputation transition risk** Access to capital	The Sustainable Finance Disclosure Regulation (SFDR) imposes mandatory ESG disclosure obligations for asset managers and other financial markets participants.	We have established a Green Finance Framework which complies with International Capital Market Association and the Loan Market Association principles. The Framework sets out the investment criteria for deploying and allocating the proceeds of green finance instruments, including in energy efficient and low-carbon buildings.	When a decision is made to raise capital, consideration is given to whether the issue should fall under the Green Finance Framework (e.g. a Green Bond).

Appendices continued

Appendix X
Climate-related Financial Disclosures continued

Climate-related opportunities

	Opportunity	Risk Horizon	Corporate Strategy	Financial Planning
O1	**Energy & fuel** Onsite renewable energy generation	**Short- and medium-term opportunity:** revenue and zero-emission energy potential from installing PV panels on building roofs.	PV panels are installed on roofs where feasible and all new developments are constructed with roofs to support PV panels if a full array is not installed during construction. Energy saving from solar PV is an important element in creating net-zero carbon buildings on a full life basis.	The costs of solar panels are incorporated in new development and refurbishment capex. Revenues and cost savings, which are currently a small proportion of overall revenues, are split between being incorporated into rents and separately identified.
O2	**Adaptation & mitigation** Landscaping	**Medium- and long-term opportunity:** nature-based carbon capture and storage.	We are reviewing more strategic use of estate landscaping to plant additional trees and shrubs to act as long-term carbon capture while also improving the local environment for the benefit of our customers and communities.	The cost of landscaping is incorporated within development and refurbishment capex and is immaterial compared to overall spend.
O3	**Market & transition** Customer behaviour	**Short- and medium-term opportunity:** installation of electric vehicle (EV) charging infrastructure.	All new developments require installation of EV chargers in at least 20 per cent of parking spaces.	The cost of EV chargers sufficient to comply with the SEGRO Sustainability Policy is factored into all development and refurbishment appraisals.

Risk management

Climate-related risks are identified and assessed using our risk management framework set out in the SEGRO Annual Report & Accounts. Principal risks are defined as those which could intolerably exceed our risk appetite, considering both inherent and residual impact, and cause material harm to the Group.

Engagement with stakeholders

We engage with our stakeholders throughout the year on many different topics, although the subjects of climate change and the need to reduce corporate and customer GHG emissions have featured more prominently over the past year. We have two major sources of GHG emissions in our business: embodied carbon from our developments and operating carbon from the properties we lease to our customers and use ourselves (corporate and customer emissions). Therefore, engagement with our development contractors and our customers is vital to achieving our carbon reduction ambitions and our management of the risk of climate change.

Our investors and employees are also key stakeholders in this pursuit, listening to both about their concerns and priorities, and initiating necessary action. We rely on the support of these stakeholders to provide capital and internal expertise to develop more sustainable buildings and to improve the energy efficiency of our existing portfolio.

Identifying and assessing climate-related risks

Although climate change presents opportunities as well as risks for SEGRO, Climate Change is identified as a Principal Risk within Environmental Sustainability and Climate Change on the Risk Register. Climate-related risks are also considered within other principal risks including Political and Regulatory, Development plan execution and Major event/Business disruption.

For each risk, our Risk Register tracks:

- Description of the risk and the potential effects;
- Identifies the Executive Director with overall ownership and the Risk Manager responsible for monitoring and managing the risk;
- An annual probability and potential impact, to enable prioritisation; and
- Mitigations in place as well as the owner of each mitigating action.

At the current time and based on asset-level scenario analysis, no material capital expenditure has been identified beyond normal course development and refurbishment costs associated with mitigating assets in high-risk locations against climate change-related risks. Such risks, and related capital expenditure, are considered as part of the annual asset planning process associated with the five-year Medium-Term Plan.

Managing and mitigating climate-related risks

Our process for recognising, monitoring and mitigating Principal Risks, including climate-related risks, is set out in the Annual Report. The Board has overall responsibility for ensuring that risk is effectively and consistently managed across the Group.

The Audit Committee monitors the effectiveness of the Group's risk management process on behalf of the Board. In every year, the Audit Committee twice reviews the process of how the Group Risk Register has been compiled and the Board twice reviews the principal and emerging risks. The Board also reviews and approves the Group's risk appetite at least once every year.

In its Responsible SEGRO framework, SEGRO has committed itself to achieving science-based targets for reducing Scope 1, 2 and 3 emissions (including corporate and customer emissions) to ensure compliance with a less than 1.5°C increase in global temperatures by 2050. A key risk surrounding these targets is that we cannot be certain to achieve them given the lack of visibility and control relating to customers' energy use in our buildings and the embodied carbon emissions in developments. We believe that we have sufficient full or partial visibility to be able to provide sufficiently accurate information to be consistent with the TCFD's recommended disclosures and we are working hard to improve our visibility, and therefore accuracy, in this regard.

The Metrics and Targets section below provides details on how we monitor these risks and our progress over the past year.

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Appendix X
Climate-related Financial Disclosures continued

Risk management: action during 2023
We have established the Mandatory Sustainability Policy and set internal targets associated with not only reducing emissions but also working with our customers and supply chain to achieve greater visibility of those emissions. These targets are integrated within a Responsible SEGRO element of the bonus metrics throughout the organisation.

- Materiality: we refreshed our materiality assessment to incorporate the double-materiality requirement under new European Commission (EC) reporting requirements. This 'Double Materiality Assessment' (DMA) reviews not only the impact of SEGRO's economic activity on society and the environment but also the impact of society and the environment on SEGRO's economic activity. Under the EC requirements, the DMA needs to be reviewed by an independent third party to ensure the process has been carried out appropriately. Once that review has completed, we will publish the results;
- Sustainability Policy: Having established the Mandatory Sustainability Policy in 2022, we kept it under continuous review and adjusted and tightened it in response to emerging regulation and market norms to ensure that it is always in line with best-in-class practice;
- Reporting requirements: The new EC reporting regulations set down a number of very specific requirements for buildings to be classed as 'green'. Our development and asset management teams are formally engaging with external consultants to align our policies with the new requirements.

Metrics and targets
To enable our stakeholders to consider and compare our reporting, we contribute to a number of externally-recognised initiatives including GRESB, CDP, DJSI Sustainability Index and the FTSE4Good Index. We also disclose metrics in line with externally-recognised frameworks including Sustainability Accounting Standards Board (see appendix VI), Global Reporting Initiative (appendix II), and the EPRA Best Practice Recommendations on Sustainability Reporting (appendix I).

In order to ensure that we also report on those issues that we can have a direct impact upon, we use our materiality assessment to identify the key metrics that are material to the business. On the next page are the climate-related metrics and targets which we monitor. Those in bold are incorporated into the Responsible SEGRO elements of the annual bonus of all employees.

There are no metrics specifically mapped to Risk 2 (flood) or Opportunity 2 (biodiversity), although Risks 1 and 2 are addressed in the Scenario analysis above. We are monitoring and addressing the asset-level risks and opportunities but there is not yet a meaningful, measurable metric for these areas.

Financial	Climate-Related	Metric	2023	2022	Narrative	Associated risk or opportunity
Assets	Policy and Legal	Corporate and customer carbon intensity of the portfolio (based on the CO_2e emissions of the portfolio for which we have visibility of the data), in $kgCO_2e$ per square metre of AUM	20.2kg	22.5kg	Reflects higher visibility of our corporate and customer emissions as well as the improving energy efficiency of our buildings and increased on-site renewable energy capacity.	R3, R4, O1
		EPCs rated B or better (based on floorspace AUM)	65%	58%	Increase due to completions of energy efficient developments and refurbishment offset by disposals of recently developed buildings.	R3, R4
		EPCs rated below E (based on floorspace AUM)	3%	2%	Small increase reflects impact of disposals and developments.	R3
		Portfolio with high environmental certification (BREEAM Very Good or better (or equivalent)) based on floorspace AUM	51%	46%	Increase primarily due to completions of developments.	R4, R5, O1
Assets	Risk Adaptation and Mitigation	Portfolio with high environmental certification (BREEAM Very Good or better (or equivalent) and/or EPC certificate of B or better (percentage of value at share) ('Green portfolio')	£9.2 billion (61%)	£8.2 billion (55%)	Comprising wholly-owned assets of £7.0 billion (2022: £6.2 billion) and assets held in joint ventures of £2.2 billion at share (2022: £2.0 billion).	R5
Liabilities	Risk Adaptation and Mitigation	Green Finance Instruments as a percentage of Green Portfolio (including joint venture assets and debt at share)	22%	24%	Green Finance Instruments should not exceed the total value of the Green Portfolio. No new Green Bonds were issued during the year.	R5
Expenditures	GHG Emissions	**Visibility of customer emissions** Percentage of portfolio space (sq m of AUM) for which we have energy data **2024 interim target:** 75% (minimum)	81%	68%	Many customers are not obliged to disclose energy use data to us. Without it, however, we cannot accurately measure our corporate and customer emissions (approximately 40 per cent of our total Scope 1-3 emissions). Downstream Leased Assets GHG emissions. The increase during 2022 reflects negotiation with customers across our portfolio.	R1, R3, R4

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Appendix X
Climate-related Financial Disclosures continued

Financial	Climate-Related	Metric	2023	2022	Narrative	Associated risk or opportunity
		Corporate and customer emissions (Scope 1, 2 and 3 – Downstream Leased Assets) Tonnes CO_2-equivalent emissions (science-based target) **2020 baseline:** 312,115 tonnes **2030 target:** 181,027 tonnes (-42% vs. baseline) **2024 interim target:** 259,680 tonnes (-17% vs. baseline) (minimum)	254,168	272,218	Incorporates Scope 1, 2 (market-based) and 3 (Downstream Leased Assets) emissions from the portfolio. This reduction was largely due to having greater visibility of the energy use and of the type of energy (renewable) sourced by our customers.	R3, R4, R5, O1, O3
		Embodied carbon intensity (based on Scope 3 Capital Goods) $kgCO_2e$ per sq m of completed space (science-based target) **2020 baseline:** 400 $kgCO_2e$ per sq m **2030 target:** 320 $kgCO_2e$ per sq m (-20% vs. baseline) **2024 interim target:** 368 $kgCO_2e$ per sq m (-8% vs. baseline)	348	353	Based on completed developments for which we have Life Cycle Assessments (LCAs). To accommodate delayed receipt of LCAs we have adopted a two-year rolling average to assess embodied carbon intensity. This figure incorporates the results from 974,000 sq m of space completed in 2022 and 2023. As we transition more of our LCAs to more accurate Building Information Modelling (BIM) assessments, our embodied carbon intensity may rise as BIM provides more detailed analysis of materials and processes used in construction.	R3, R4
		Internal carbon price (£ per tonne)	£100	£100	A carbon price is applied to capex relating to environmental improvements, particularly when considering the returns from retrofitting solar PV to existing assets.	R3, R4, O1
Revenues	Energy/Fuel	Onsite solar power capacity (based on AUM)	59 MW	44 MW	15 MW capacity added during the calendar year (2022: 9 MW) as part of new development completions and retrofitting PV panels to existing buildings.	R3, R4, O1
		Percentage of visible corporate and customer energy use from certified renewable sources	51%	49%	Based on the portfolio for which we have visibility. Where we have not been provided with the source of energy, we assume a non-renewable tariff. This figure will fluctuate as we increase the visibility of our customers' energy use. We are working with our customers to improve this metric through increased use of certified renewable energy tariffs and renewable energy generated on-site.	R3, O1
		Revenue from sale of on-site renewable energy to customers or to national grids (£m)	£2m	£2m	Revenue from SEGRO-owned PV panels. This metric reflects cases where SEGRO sells the energy to the occupier or feeds surplus energy into the national grid and includes local or national subsidies. In other cases, PV-generated energy is provided to customers as part of their rent. This revenue is not recorded here as it is not possible to disaggregate it from underlying rent.	O1

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Appendix XI
SEGRO and SELP Green Bonds

SEGRO and SELP did not issue any new Green Bonds in 2023. For information on the allocation of the outstanding Green Bonds and details of the specific environmental credentials associated with the allocated properties, please see the 2022 Responsible SEGRO Report issued on 31 July 2023 at www.segro.com/responsible-segro/reports-downloads, which also contains the Independent Limited Assurance Report certificates.

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Appendix XII
Policies

The following policies are available to download at www.segro.com/about/policies

External privacy notice Human rights policy Supplier code of conduct

Code of Business Conduct and Ethics Group health and safety policy

Diversity and inclusion policy (English, French, German and Polish versions)

Mandatory Sustainability Policy

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Appendix XIII
SEGRO plc GRI content index

SEGRO plc has reported with reference to the GRI Standards 2021 in this SEGRO Annual Report & Accounts 2023 for the year ended 31 December 2023. GRI 1: Foundation 2021 has been used to compile this index.

SLR Consulting provided limited independent assurance on our GHG figures.

GRI standard	Disclosure Number	Disclosure Title	Section	Page
GRI Universal Standards 2021				
GRI 1: Foundation 2021				
GRI 2: General Disclosures 2021	2-1	Organisational details	Annual Report & Accounts 2023: – What we do – Where we do it and who we do it for	 **IFC** **4, IBC**
	2-2	Entities included in the organisation's sustainability reporting	Annual Report & Accounts 2023	**IFC**
	2-3	Reporting period, frequency and contact point	Annual Report & Accounts 2023	**IFC** **198**
	2-4	Restatements of information	None	
	2-5	External assurance	Annual Report & Accounts 2023 SLR Consulting provided limited independent assurance	**67**
	2-6	Activities, value chain, and other business relationships	Annual Report & Accounts 2023: – What we do – Where we do it and who we do it for	 **IFC** **4**
	2-7	Employees	Annual Report & Accounts 2023: – Our business model – Responsible SEGRO	 **17** **24**
	2-8	Workers who are not employees	Not applicable	
	2-9	Governance structure and composition	Annual Report & Accounts 2023: Governance – Board of Directors Annual Report & Accounts 2023: Governance – Division of responsibilities Annual Report & Accounts 2023: Governance – Board Diversity and Inclusion	**81 to 84** **89** **98**
	2-10	Nomination and selection of the highest governance body	Annual Report & Accounts 2023: Nomination Committee Report	**95 to 97**
	2-11	Chair of the highest governance body	Annual Report & Accounts 2023: Governance – Board of Directors	**81**
	2-12	Role of the highest governance body in overseeing the management of impacts	Annual Report & Accounts 2023: Responsible SEGRO	**23 to 26**
	2-13	Delegation of responsibility for managing impacts	Annual Report & Accounts 2023: Governance – Division of responsibilities	**89**
	2-14	Role of the highest governance body in sustainability reporting	Annual Report & Accounts 2023: Responsible SEGRO Annual Report & Accounts 2023: Governance – Division of responsibilities	**23** **89**
	2-15	Conflicts of interest	Annual Report & Accounts 2023: Governance – Identifying and managing conflicts of interest	**88**
	2-16	Communication of critical concerns	Annual Report & Accounts 2023: Strategic Report – Responsible SEGRO materiality assessment Annual Report & Accounts 2023: Governance – Stakeholder engagement from the Board's perspective	**26** **90 to 92**
	2-17	Collective knowledge of the highest governance body	Annual Report & Accounts 2023: Governance – Board of Directors Nomination Committee Report – Composition, skills and experience	**81 to 83** **97**
	2-18	Evaluation of the performance of the highest governance body	Annual Report & Accounts 2023: Governance – Internal Board evaluation	**93 to 94**
	2-19	Remuneration policies	Annual Report & Accounts 2023: Governance – Remuneration Committee Report	**107 to 118**
	2-20	Process to determine remuneration	Annual Report & Accounts 2023: Governance –Remuneration Committee Report	**107 to 118**
	2-21	Annual total compensation ratio	Annual Report & Accounts 2023: Governance –Remuneration Committee Report	**116**

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SEGRO plc GRI content index continued

GRI standard	Disclosure Number	Disclosure Title	Section	Page
GRI 2: General Disclosures 2021 continued	2-22	Statement on sustainable development strategy	Annual Report & Accounts 2023: – Chief Executive's statement – Responsible SEGRO	 **8 to 11** **23**
	2-23	Policy commitments	Annual Report & Accounts 2023: – Code of Business Conduct and Ethics – Responsible SEGRO – Directors' Report – Stakeholder engagement from the Board's perspective – Our shareholders	 **88** **28** **131** **90 to 92**
	2-24	Embedding policy commitments	Annual Report & Accounts 2023: – Code of Business Conduct and Ethics – Responsible SEGRO – Directors' Report – Stakeholder engagement from the Board's perspective – Our shareholders	 **88** **28** **131** **90 to 92**
	2-25	Processes to remediate negative impacts	Annual Report & Accounts 2023: Strategic Report – Responsible SEGRO	**23 to 43**
	2-26	Mechanisms for seeking advice and raising concerns	Annual Report & Accounts 2023: – Code of Business Conduct and Ethics – Stakeholder engagement from the Board's perspective	 **88** **90 to 92**
	2-27	Compliance with laws and regulations	No non-compliance or fines in 2023	
	2-28	Membership associations	Annual Report & Accounts 2023: Strategic Report – Responsible SEGRO	**23 to 24**
	2-29	Approach to stakeholder engagement	Annual Report & Accounts 2023: – Strategic Report – Our stakeholders – Governance – Stakeholder engagement from the Board's perspective	 **18 to 19** **90 to 92**
	2-30	Collective bargaining agreements	Annual Report & Accounts 2023: Governance – Stakeholder engagement from the Board's perspective *The Group is non-unionised.*	**92**
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Annual Report & Accounts 2023: Strategic Report – Responsible SEGRO	**25**
	3-2	List of material topics	Annual Report & Accounts 2023: Strategic Report – Responsible SEGRO	**25**
	3-3	Management of material topics	Annual Report & Accounts 2023: – Strategic Report – Responsible SEGRO – Governance – Governance Report *Throughout this report*	 **25 to 75** **76 to 133**
Economic Performance				
Economic performance	201-1	Direct economic value generated and distributed	Annual Report & Accounts 2023: Strategic Report – Income statement review	**50 to 51**
	201-2	Financial implications and other risks and opportunities due to climate change	Annual Report & Accounts 2023: – Strategic Report – Responsible SEGRO – Strategic Report – Climate-related financial disclosures	 **26 to 28** **68 to 75**
	201-3	Defined benefit plan obligations and other retirement plans	Annual Report & Accounts 2023: Governance – Directors' Remuneration Policy – summary	**126 to 129**
	201-4	Financial assistance received from government	None	
Indirect economic impacts	203-1	Infrastructure investments and services supported	Annual Report & Accounts 2023: Strategic Report – Responsible SEGRO: Investing in our local communities and environments	**29 to 30**
	203-2	Significant indirect economic impacts	Annual Report & Accounts 2023: Strategic Report – Responsible SEGRO: Investing in our local communities and environments	**29 to 30**
Procurement practices	204-1	Proportion of spending on local suppliers	Information unavailable	

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Appendix XIII
SEGRO plc GRI content index continued

GRI standard	Disclosure Number	Disclosure Title	Section	Page
Anti-corruption	205-1	Operations assessed for risks related to corruption	Annual Report & Accounts 2023: Governance – Code of Business Conduct and Ethics Strategic Report: Managing risk	**88** **54**
	205-2	Communication and training about anti-corruption policies and procedures	Annual Report & Accounts 2023: Governance – Code of Business Conduct and Ethics	**88**
	205-3	Confirmed incidents of corruption and actions taken	Annual Report & Accounts 2023: Governance – Code of Business Conduct and Ethics	**88**
Tax 2019	207-1	Approach to tax	Annual Report & Accounts 2023: – Strategic Report – Financial review: Taxation – Principal risks: Legal, political and regulatory	**50 to 53** **63**
	207-2	Tax governance, control, and risk management	Annual Report & Accounts 2023: – Strategic Report – Financial review: Taxation – Principal risks: Legal, political and regulatory	**50 to 53** **63**
	207-3	Stakeholder engagement and management of concerns related to tax	Annual Report & Accounts 2023: – Strategic Report – Financial review: Taxation – Principal risks: Legal, political and regulatory	**50 to 53** **63**
	207-4	Country-by-country reporting	Annual Report & Accounts 2023: Strategic Report – Financial review: Taxation	**50 to 53**
Environmental Performance				
Energy	302-1	Energy consumption within the organisation	Annual Report & Accounts 2023: Strategic Report: – Responsible SEGRO – Key performance indicators	**26 to 28** **35**
	302-2	Energy consumption outside of the organisation	Annual Report & Accounts 2023: Strategic Report: – Responsible SEGRO – Key performance indicators	**26 to 28** **35**
	302-3	Energy intensity	Annual Report & Accounts 2023: Strategic Report: – Responsible SEGRO – Key performance indicators	**26 to 28** **35**
	302-4	Reduction of energy consumption	Annual Report & Accounts 2023: Strategic Report: – Responsible SEGRO – Key performance indicators	**26 to 28** **35**
	302-5	Reductions in energy requirements of products and services	Not applicable	
Water and Effluents 2018	303-1	Interactions with water as a shared resource	Annual Report & Accounts 2023: Strategic Report – Responsible SEGRO Not applicable	
	303-2	Management of water discharge-related impacts	Not applicable	
	303-3	Water withdrawal	Not applicable	
	303-4	Water discharge	Not applicable	
	303-5	Water consumption	Not applicable	
Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None	
	304-2	Significant impacts of activities, products, and services on biodiversity	Not applicable	
	304-3	Habitats protected or restored	None	
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	None	

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GRI standard	Disclosure Number	Disclosure Title	Section	Page
Emissions	305-1	Direct (Scope 1) GHG emissions	Annual Report & Accounts 2023: Strategic Report – Streamlined energy and carbon reporting	**67**
	305-2	Energy indirect (Scope 2) GHG emissions	Annual Report & Accounts 2023: Strategic Report – Streamlined energy and carbon reporting	**67**
	305-3	Other indirect (Scope 3) GHG emissions	Annual Report & Accounts 2023: Strategic Report – Streamlined energy and carbon reporting	**67**
	305-4	GHG emissions intensity	Annual Report & Accounts 2023: Strategic Report – Streamlined energy and carbon reporting	**67**
	305-5	Reduction of GHG emissions	Annual Report & Accounts 2023: Strategic Report – Streamlined energy and carbon reporting	**67**
	305-6	Emissions of ozone-depleting substances (ODS)	None	
	305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	None	
Waste 2020	306-1	Waste generation and significant waste-related impacts	Annual Report & Accounts 2023: Strategic Report – Responsible SEGRO	**28**
	306-2	Management of significant waste-related impacts	Annual Report & Accounts 2023: Strategic Report – Responsible SEGRO	**28**
	306-3	Waste generated	Not applicable	
	306-4	Waste diverted from disposal	Not applicable	
	306-5	Waste directed to disposal	Not applicable	
Environmental compliance	307-1	Non-compliance with environmental laws and regulations	None	
Supplier environmental assessment	308-1	New suppliers that were screened using environmental criteria	Not applicable	
	308-2	Negative environmental impacts in the supply chain and actions taken	Not applicable	
Social Performance				
Employment	401-1	New employee hires and employee turnover	Annual Report & Accounts 2023: Strategic Report – Nurturing talent	**31, 24**
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Benefits are provided by country regardless of FTE or permanent/temporary status	

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GRI standard	Disclosure Number	Disclosure Title	Section	Page
Occupational health and safety 2018	403-1	Occupational health and safety management system	Annual Report & Accounts 2023: Strategic Report: – Nurturing talent – Health, safety and wellbeing – A zero-tolerance approach to poor health & safety – Principal risks – Health and safety	 **31** **41** **60**
	403-2	Hazard identification, risk assessment, and incident investigation	Annual Report & Accounts 2023: Strategic Report: – Nurturing talent – Health, safety and wellbeing – A zero-tolerance approach to poor health & safety – Principal risks – Health and safety	 **31** **41** **60**
	403-3	Occupational health services	Annual Report & Accounts 2023: Strategic Report: – Nurturing talent – Health, safety and wellbeing – A zero-tolerance approach to poor health & safety – Principal risks – Health and safety	 **31** **41** **60**
	403-4	Worker participation, consultation, and communication on occupational health and safety	Annual Report & Accounts 2023: Strategic Report: – Nurturing talent – Health, safety and wellbeing – A zero-tolerance approach to poor health & safety – Principal risks – Health and safety	 **31** **41** **60**
	403-5	Worker training on occupational health and safety	Annual Report & Accounts 2023: Strategic Report: – Nurturing talent – Health, safety and wellbeing – A zero-tolerance approach to poor health & safety – Principal risks – Health and safety	 **31** **41** **60**
	403-6	Promotion of worker health	Annual Report & Accounts 2023: Strategic Report: – Nurturing talent – Health, safety and wellbeing – A zero-tolerance approach to poor health & safety – Principal risks – Health and safety	 **31** **41** **60**
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Annual Report & Accounts 2023: Strategic Report: – Nurturing talent – Health, safety and wellbeing – A zero-tolerance approach to poor health & safety – Principal risks – Health and safety	 **31** **41** **60**
	403-8	Workers covered by an occupational health and safety management system	All	
	403-9	Work-related injuries	None	
	403-10	Work-related ill health	None	
Training and education	404-1	Average hours of training per year per employee	12.90 hrs per employee Total hours 5,936 Employees: 460	
	404-2	Programmes for upgrading employee skills and transition assistance programmes	Annual Report & Accounts 2023: Strategic Report – Our stakeholders: Employees	**18**
	404-3	Percentage of employees receiving regular performance and career development reviews	Responsible SEGRO Report 2023 (this document): Appendix IV	**46**
Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	Annual Report & Accounts 2023: Governance – Board Diversity and Inclusion Gender: Women 51%, Men 49%. Age Groups: Under 30 12.4%, 30-50 70.2%, Over 50 17.4%	**98**
	405-2	Ratio of basic salary and remuneration of women to men	Annual Report & Accounts 2023: Strategic Report – Nurturing talent: UK Gender and Ethnicity Pay Gap	**31**
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	None	
Freedom of association and collective bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None	
Child labour	408-1	Operations and suppliers at significant risk for incidents of child labour	None	
Forced or compulsory labour	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	None	

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GRI standard	Disclosure Number	Disclosure Title	Section	Page
Local communities	413-1	Operations with local community engagement, impact assessments, and development programmes	Annual Report & Accounts 2023: Strategic Report – Investing in our local communities and environments	**29 to 30**
	413-2	Operations with significant actual and potential negative impacts on local communities	None	
Supplier social assessment	414-1	New suppliers that were screened using social criteria	Not applicable	
	414-2	Negative social impacts in the supply chain and actions taken	None	
Public policy	415-1	Political contributions	None	
Customer health and safety	416-1	Assessment of the health and safety impacts of product and service categories	Not applicable	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not applicable	
Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None	

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Appendix XIV
Glossary

We have not included in this glossary definitions for all terminology that a reader may not be familiar with. The intention is to address terminology that is either a SEGRO-specific term – such as 'corporate and customer carbon emissions' – or a SEGRO-specific definition of a term that may have wider or other meanings – such as 'embodied carbon'.

CO_2e (carbon dioxide equivalent): effectively a "common currency" for comparing carbon emissions incorporating various greenhouse gases on the basis of their global warming potential. For example, methane is 25x more impactful on global warming so 1 tonne of methane emissions would be 25 tonnes of CO_2e.

Corporate and customer carbon emissions: this is our main carbon reduction metric – it includes all of SEGRO's scopes 1 and 2 emissions, as well as our scope 3 category 'downstream leased assets' – i.e. the gas and electricity used by our customers in our standing assets. As our customer emissions count as scope 3 emissions (and are of course in fact our customers' own scopes 1 and 2 emissions), many organisations in SEGRO's position would exclude these emissions from their carbon reduction targets, focusing only on their scopes 1 and 2 emissions instead and leaving their customers to set their own targets for reducing emissions from their gas and electricity use. However, we felt that these emissions should be included in our targets, given that customer emissions make up 41 per cent of our total scopes 1 to 3 emissions. This reflects the collaborative approach that SEGRO takes with our customers to reducing the impact of our buildings.

Embodied Carbon: we use Life Cycle Assessment methodology to establish the embodied carbon of our developments.

The following lifecycle modules are included in our LCAs:
- Product stage (also known as lifecycle module A1-A3) – this is the emissions from extraction and processing of the building materials used to build our buildings
- Construction process stage (A4-A5) – this includes construction machinery and transportation of building materials
- Use stage (B1-B5)
- End-of-life stage (C1-C4)

These LCA results are used in two ways:
1. To establish our embodied carbon metric.
   This is how we track our performance in driving down the embodied carbon of our developments. This metric uses all lifecycle stages listed above.
2. To report some of our scope 3 emissions.
   Our carbon emissions from the following Scope 3 categories are derived from our LCA calculations:
   a. Capital goods: this scope 3 category is the emissions from the lifecycle stages A1-A3 (manufacture of construction products) and A5 (construction site energy use).
   b. Upstream transportation and distribution: this scope 3 category is lifecycle stage A4 (transportation of materials/products to construction sites).

Market-based: market-based organisational carbon footprint reporting reflects the organisation's procurement of low-carbon energy tariffs – in SEGRO's case our zero-carbon electricity procurement. This is as opposed to location-based reporting, which uses national grid averages of carbon intensity. This is in line with the Greenhouse Gas Protocol.

Scopes of carbon emissions: the Greenhouse Gas Protocol is the internationally recognised best practice methodology for reporting the carbon emissions of an organisation. The GHGP defines three scopes of emissions, as applicable to SEGRO. scope 1 is fuel we burn in equipment we own (boilers, cars etc.), scope 2 is electricity we procure, and scope 3 is 'everything else'. Scope 3 emissions are generally the scopes 1 and 2 emissions of the companies who provide the goods and services we procure, or who use our buildings.

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