



SLOUGH TRADING ESTATE TOUR

29 March 2023



SEGRO HOSTS



**James
Craddock**

**Managing Director,
Thames Valley**



**Jo
Jackson**

**Director,
Thames Valley**



**Luc
Griffiths**

**Associate Director,
Asset Management,
Thames Valley**

SLOUGH TRADING ESTATE TOUR ITINERARY

- 12:20 Arrive at SEGRO Bath Road offices
- 12:30 Lunch and overview of Thames Valley portfolio
- 14:00 Depart for tour of the Slough Trading Estate
- 15:00 Customer visit: Matrix Plastics Ltd
- 15:45 Finish tour and transfer to train station for return to London

THAMES VALLEY

THAMES VALLEY OVERVIEW

103 years in the Thames Valley

Owner of the Slough Trading Estate – the largest privately owned business park in Europe

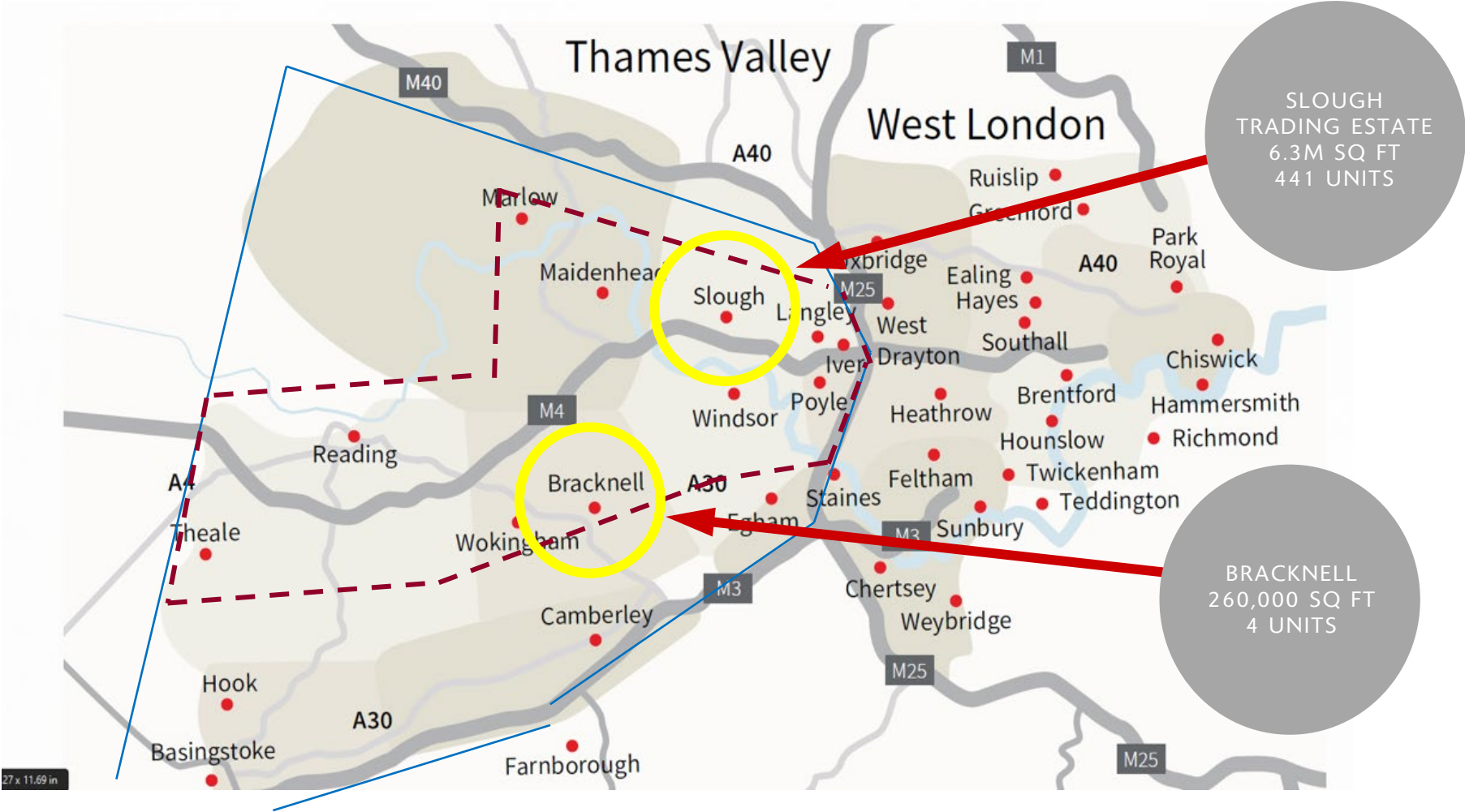
20 developments completed since 2018, totalling >1m sq ft

Largest data centre cluster in Europe

Diverse customer base including distribution, logistics, tech, media & telecoms and the manufacturing sector among others

PORTFOLIO DATA (December 2022)	
Floor space (sq ft; at 100%)	6.5 million
No. of customers	338
Valuation (at share) – all assets	£3.0bn
Yields <ul style="list-style-type: none">• Net initial• Equivalent	4.1% 5.3%
Rents <ul style="list-style-type: none">• Passing• Headline• ERV	£100m £102m £133m
Land and development <ul style="list-style-type: none">• Area• Value (at share)	18.6 hectares £376m
Occupancy (by ERV)	97.4%
WAULT <ul style="list-style-type: none">• Break• Expiry	9.4 years 10.9 years

THAMES VALLEY MAP



OUR AIMS & AMBITIONS FOR THAMES VALLEY

RESPONSIBLE
SEGRO

- Community at the heart of Thames Valley
- Net zero carbon by 2030

INTENSIFICATION

- Continue multi-storey development of Data Centres
- Consider model of vertical warehousing

COMPLEMENTARY
OFFER

- Continue to bring forward quality industrial space
- Keep variety of uses to maintain vibrancy

INNOVATION

- Trial concepts first in Slough – working with tech – solve 'genuine' problems

NEW GROWTH
OPPORTUNITIES

- Land and redevelopment opportunities across the region



SLOUGH TRADING ESTATE



Customers



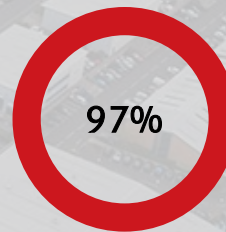
Capital Value



Headline rent
(ERV = £128m)



Built space



Occupancy

AN ATTRACTIVE LOCATION FOR BOTH LOCAL AND INTERNATIONAL BUSINESSES

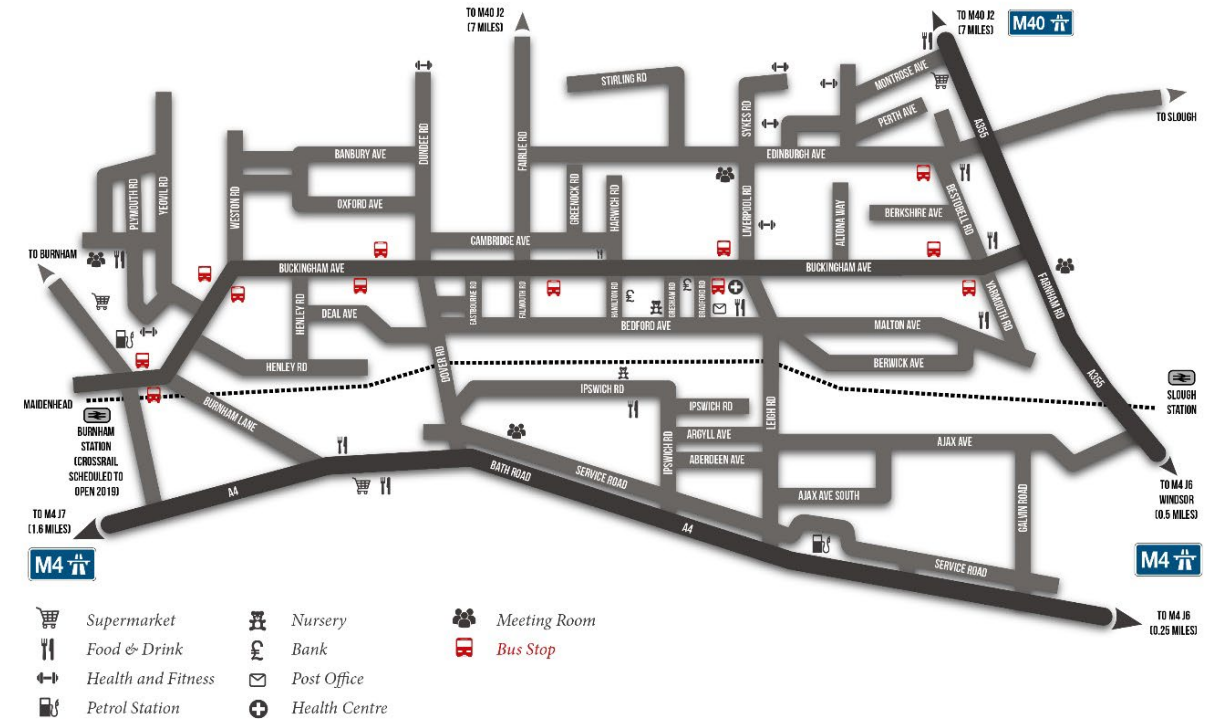
Excellent connections:

- Currently 17 minutes by train to London Paddington
- Direct Central London connectivity via Elizabeth line (c.40 minutes to Central London)
- 20 minutes to Heathrow Airport
- Close proximity to M4, M40, M25

1.6 million quality labour force within 1 hour drive

Dense fibre network with high connectivity to the City of London, US and Europe

On site biomass power station (under construction) backed by connections to National Grid



103 YEARS OF DEVELOPMENT AND BUILDING STRONG CUSTOMER RELATIONSHIPS

Site developed in 1918 to service military automobiles

Acquired by SEGRO (then Slough Estates) and commenced trading in 1920

Customer base has shifted from manufacturing to a broad mix across varied industries and sectors

Business growth within the estate – Hanovia (since 1924), Stanley Black & Decker (since 1927), Ragus (since 1928) and Mars Chocolate (since 1932)



Beginning of the estate, 1918



Citroen Cars, 1920



Ford GT40 developed on estate, 1960s



Thunderbirds filmed on estate, 1960s

SIGNIFICANT INVESTMENTS INTO INFRASTRUCTURE AND CUSTOMER SERVICE

£23m of infrastructure spend

Estate security through Business Watch

New bridge across Western Mainline



24/7, 365 day monitoring



Removal of electricity pylons



Out of Hours security patrols

DIVERSE CUSTOMER BASE

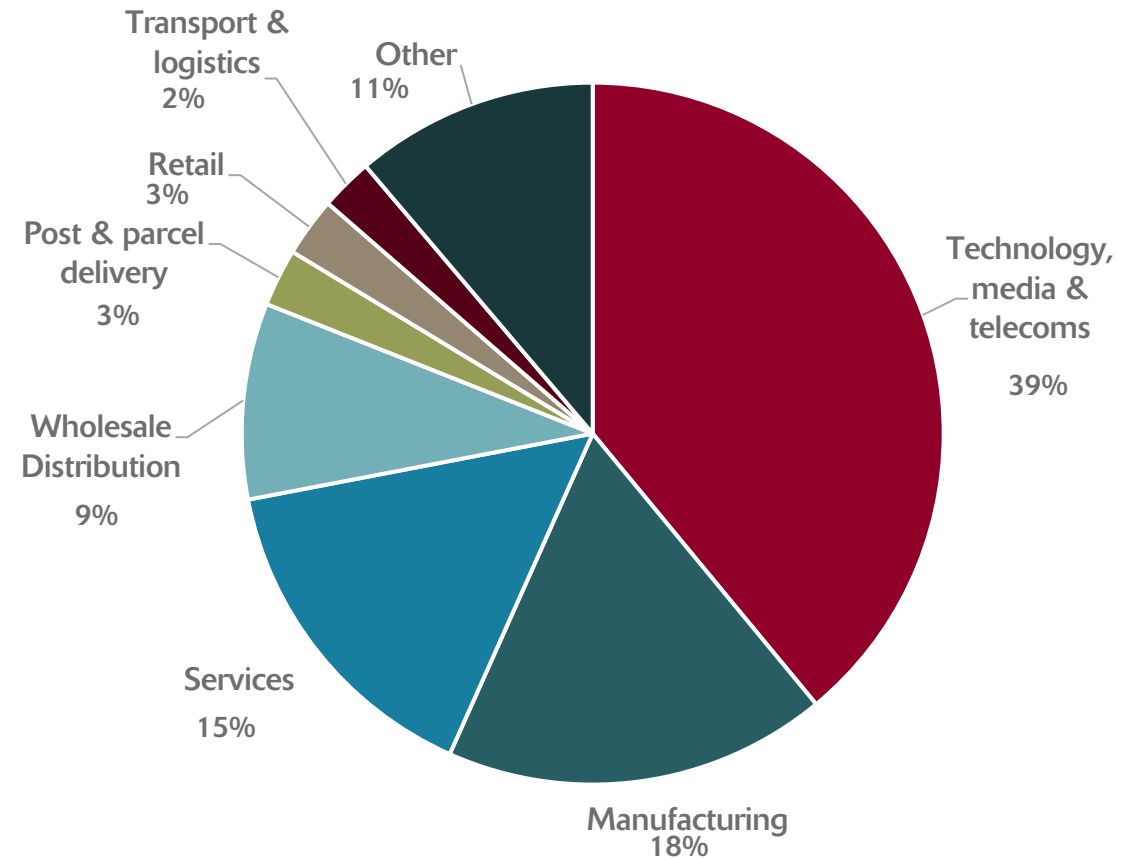
TOP 10 CUSTOMERS

CUSTOMER (BY HEADLINE RENT)	CUSTOMER TYPE
Virtus	Technology, Media and Telecoms
Equinix	Technology, Media and Telecoms
Iron Mountain (UK)	Technology, Media and Telecoms
CyrusOne	Technology, Media and Telecoms
Mars Chocolate	Manufacturing
KD 2	Technology, Media and Telecoms
Cyxtera Technology UK Ltd	Technology, Media and Telecoms
BFS Group	Wholesale Distribution
Lonza Group	Other
Selig	Manufacturing

Our top 10 customers represent £43 million headline rent in aggregate, as of 31 December 2022

Customer sectors

(Percentage of headline rent at 31 December 2022)

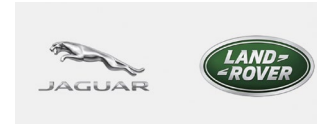


DIVERSE CUSTOMER BASE

Post & Parcel



Retail & Services



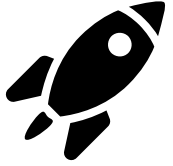
Technology & Communications



Manufacturing & Pharmaceutical



2022 HIGHLIGHTS



Prime Rent
£21.50 psf

Bedford Avenue and Aberdeen Avenue

A 9% increase from 2021 prime



Searches
1,000 +

Active requirements. Demand predominantly across 0-10k bracket, yet increasingly to 10k +



Occupancy
97%

Severe lack of availability in TV market – ‘supply drought’.



Quoting
£25.00 psf

160 Edinburgh Avenue & 7a Fairlie Road



Diverse Occupiers

A secure portfolio not reliant on one sector – pharmaceuticals through to creative industries



Strong Pipeline

Light Industrial and Data Centre pipeline facilitating future rental growth



Transaction Activity

29 new leases / 76 lease renewals and rent reviews signed in 2022



STRONG TRACK RECORD OF DEVELOPMENT – 20 PROJECTS COMPLETED SINCE 2018

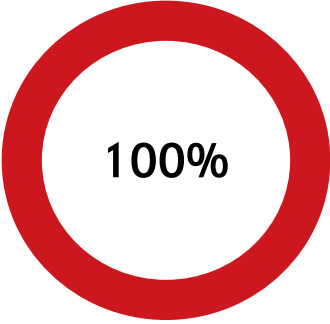
Urban warehouses



Data centres and higher value uses



Completed developments



Let



Under construction

SIMPLIFIED PLANNING ZONE

Ability to re-develop the Estate in accordance without the need for submission of individual planning applications

Allows development to commence very quickly subject to pre-agreed parameters, including matters such as height, density and parking

Current SPZ permits industrial, warehouse, research & development and data centre users

Current SPZ expires in November 2024 and we are already in consultation with the local authority to renew for a further 10 years



EUROPE'S LARGEST CLUSTER OF DATA CENTRES



Equinix



Iron Mountain

SEGRO



CREATING VALUE THROUGH REDEVELOPMENT

CASE STUDY

Ajax Avenue, Slough Trading Estate

72,500 sq ft of 1960s multi-let terraced warehouses

Re-located customers to other parts of the portfolio

Site will be converted into three multi-level data centres, equating to over 400,000 sq ft of space

Lease signed with Global Technical Realty for 25-year term

Significant increase in rent and lettable area



EXPANDING THE FOOTPRINT OF THE TRADING ESTATE



Bath Road offices



Perth Trading Estate



Bath Road Shopping Park



Whitby Road Business Centre

BATH ROAD OFFICES REDEVELOPMENT PLANS

Acquired in December 2021 from AEW for £425m

960,000 sq ft of office space across 39 acres

5 year redevelopment plan for 27.5 acres of data-centre led development

First plot confirmed vacant possession date Q1 2024



RESPONSIBLE SEGRO

CHAMPIONING LOW CARBON GROWTH:

- Reducing embodied and operating carbon in our development and refurbishment programme
- Improving visibility of our customers energy use
- Including renewable energy clauses in all new leases

COMMUNITY INVESTMENT:

- A programme around three key themes: Employment, Economy and Environment

NURTURING TALENT:

- Establishing a new team and responding to feedback from TV staff
- Creating pathways for progression



SLOUGH TRADING ESTATE – RESPONSIBLE SEGRO

DEVELOPMENT COMMITMENTS

- Undertake 3D modelling (BiM) on all projects
- Conduct Life Cycle Assessments on all developments
- Use an embodied carbon toolkit and show recycled options at Investment Committee Stage
- Install LED lighting in all new developments and refurbishments
- BREEAM 'Excellent' on developments over 5,000 m²
- EPC B or better on all refurbishments

SLOUGH COMMUNITY INVESTMENT PLAN

One of the first ten community investment plans across the group working with third-party delivery partners and involving our customers.

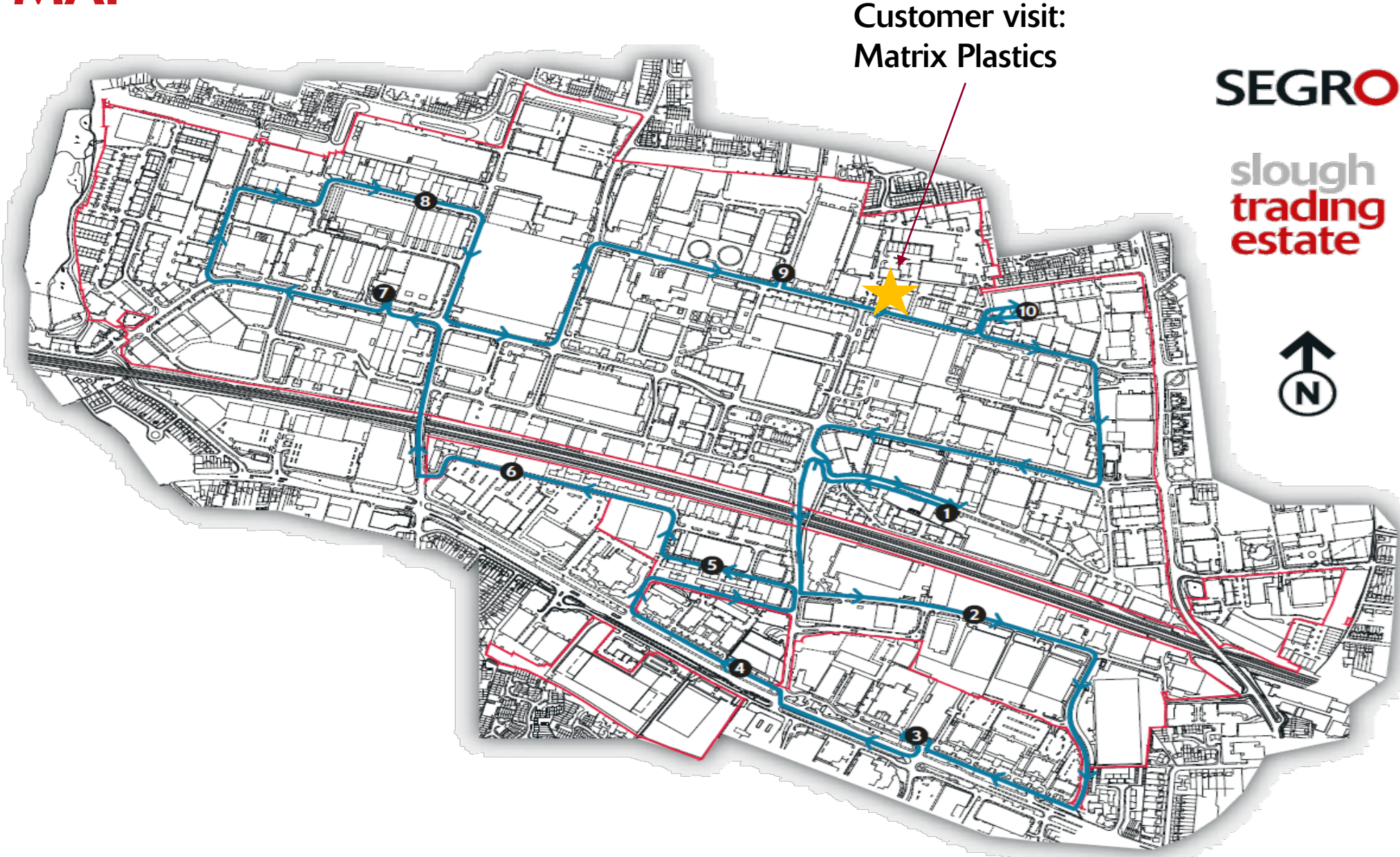
2022 achievements include:

1. Fedcap Employment: 100 local recruitment opportunities
2. The Slough Hub: employability programme 50 local people furthest from the job market, and suffering from in work poverty
3. Groundwork South: 2 community environmental projects each year
4. Learning to Work: 10,000 students inspired through programme and School Careers Advisors Business Forum established
5. Youth Engagement Slough: opportunity for young people to engage with the arts, and other community projects
6. Slough Foodbank: the delivery of approx. 20,000 emergency food parcels for residents living in poverty



ESTATE TOUR

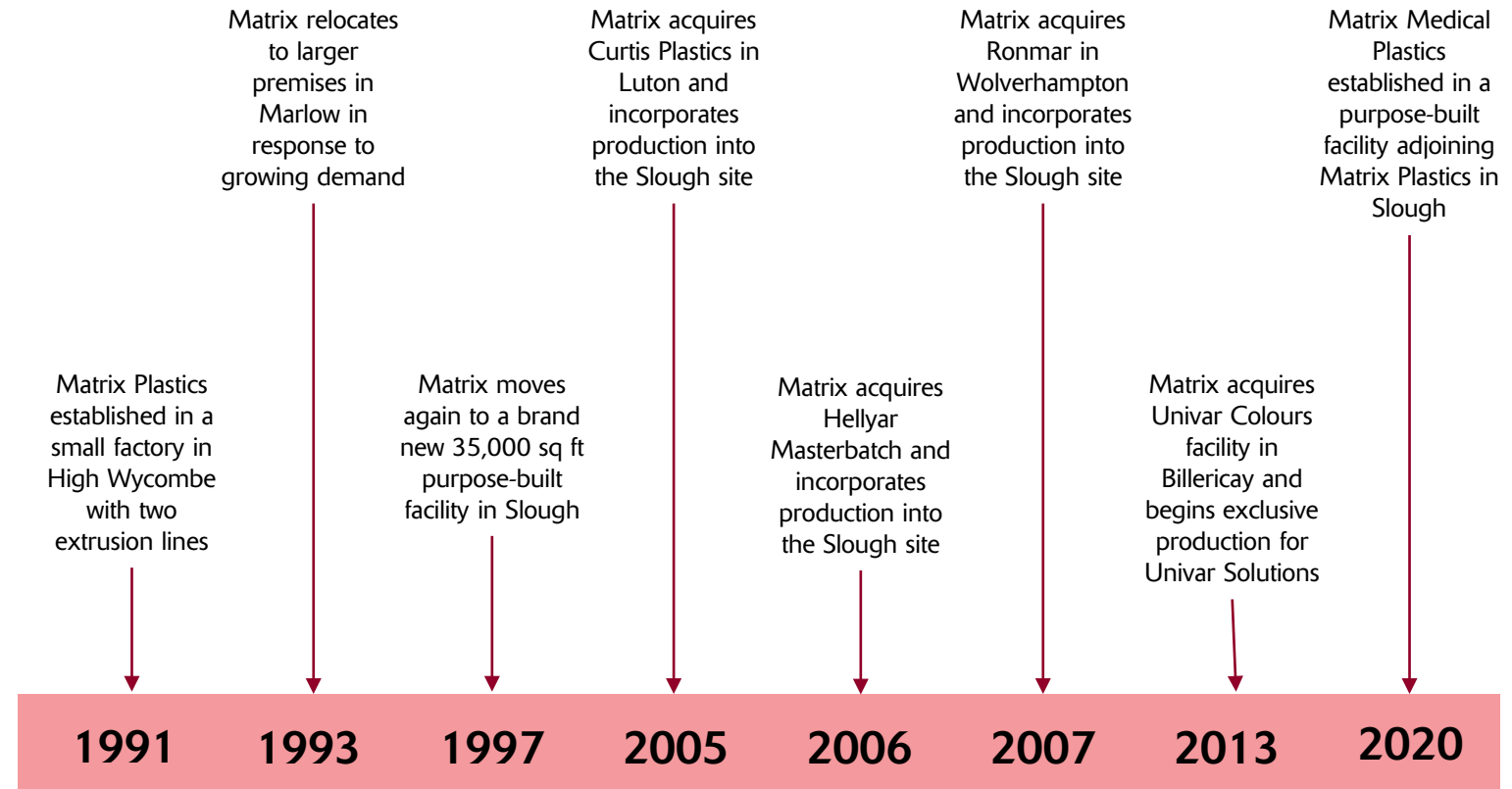
TOUR MAP



CUSTOMER VISIT: MATRIX PLASTICS LTD



- Specialists in the production and processing of colour for an extensive variety of industries including plastics, pharma, personal care, food and paints
- 10,000 metric tonnes (annual capacity)
- 50 person service team
- 24/7 manufacturing across 10 manufacturing lines
- R&D to respond to constantly changing technology, trends and processes



CUSTOMER VISIT: MATRIX MEDICAL PLASTICS



Matrix Medical Plastics delivers market-leading colour compounding and masterbatch services to the medical industry from a dedicated, cleanroom facility in Slough, Berkshire.

- Medical products will be extruded and tested under cleanroom conditions making this the UK's first 'cleanroom' extrusion facility.
- All medical products will be made under ISO management system for medical devices.
- All ingredients used in the production of medical products will meet the requirements of ISO
- Biological evaluation of medical devices.
- All ingredients used in the production of medical products will meet the requirements of USP Class VI.
- All products are made under Food and Drug Administration of America GMP guidelines.
- Full laboratory testing available covering a comprehensive range of microbiological and chemical testing.
- Full regulatory support documentation and change control up to 3 years available.
- Purpose built Customer centre to facilitate technical meetings and on site colour matching.
- New facility just ten minutes from London Heathrow and major UK road and rail networks.

SLOUGH TRADING ESTATE IS...
HAVING AN IDEA & MAKING IT HAPPEN,
BUILDING FOR THE FUTURE,
A COLLABORATION BETWEEN PEOPLE & MACHINES,
HARD-WORKING, EFFICIENT, PRODUCTIVE, PERSISTENT,
PASSIONATE, ENTHUSIASTIC & COMMITTED —
INDUSTRY AS A STATE OF MIND

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