

Tritax Group Environmental, Social and Governance (ESG) Policy

Tritax Group is a market-leading investment fund management house focused on acquiring and managing commercial property investments. Our business is to identify, assess, structure, finance, deliver and then manage commercial property investments.

This policy sets out our approach to managing and integrating Environmental, Social and Governance (ESG) issues in the sustainable management of the Group. This policy relates to Tritax Management LLP, including its Funds under management, such as, Tritax Big Box REIT Plc, including Tritax Symmetry, Tritax Euro Box Plc, Tritax Property Income Fund and Tritax Delancey Last Mile Retail Fund.

Responsible Business

As a responsible Manager, we want the properties under our management to minimise their impact on the local and wider environment and create a positive contribution to local communities.

Our Sustainability Lead and Corporate Social Responsibility Committee are responsible for driving forward our objectives and fully integrating ESG initiatives and approach into all areas of the business.

We are committed to transparent monitoring and disclosure of ESG targets and performance to our stakeholders. Our aim is to demonstrate continuous improvement through regular reporting. We are committed to:

- Collecting and monitoring consumption data for our assets, including where not directly managed
- Disclosing the emissions related to our managed portfolio and our own operations (Head Office)
- Submitting to GRESB, and other selected ESG indices and benchmarks, annually for all funds managed by Tritax Management
- Engaging with, and being actively involved in, industry initiatives

ESG Integration

To ensure our strategy is successfully implemented, we ensure our ESG objectives are incorporated into every stage of our management: property acquisition, asset management, development and disposal; as well as through our own internal operations.

Resilience has become an important focus in our business as we seek to mitigate and adapt to the impacts of climate change. Resilience related issues include transition and physical climate risks. We evaluate the requirements of each asset to ensure they are resilient to flooding, extreme weather events, and overheating in summer.

We follow a Plan-Do-Check-Act model for managing ESG for the Group. When a new site is acquired a sustainability risk assessment is carried out as part of the due diligence process. This identifies any major risks for the asset that might mean Tritax needs to invest to mitigate; or the opportunities Tritax has to add value to the asset.

The information from the sustainability risk assessment is then used to create a sustainability action plan (SAP) for the site, covering energy and climate change, biodiversity, and health and wellbeing.

The SAP is reviewed annually, alongside regular site inspection, to update any new opportunities or initiatives that have been implemented.

Tritax Management LLP

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The Tritax Management team manage all single-let assets, employing the principles of good estate management practices as part of routine operations. Where we outsource the management of multi-let assets in our investment portfolios, we select managing agents who have a strong track record in sustainability and responsible property management.

For all new developments, sustainability requirements are defined in our “Standard Base New Building Specification”. We engage third party project managers who ensure our requirements are adhered to, with regular site audits.

ESG Objectives

Environmental

We are fully committed to protecting the environment and mitigating any negative impacts from the construction, ownership, and management of our properties, including our own operations.

We engage with internal and external parties including employees, clients, tenants, project partners and service providers to raise awareness of the environmental impact of our activities.

Acquisitions

Accrediting the assets through EPC ratings and BREEAM provides a benchmark of their sustainability performance. Our objective is to acquire assets with:

- BREEAM ‘Very Good’
- EPC ‘C’ and above

Where assets for acquisition do not meet this benchmark, we seek to improve its sustainability certifications to bring them up to these standards.

Existing assets/asset management

Our focus on integrating sustainability and ESG into asset management practices ensures we can add value, improve and enhance assets in our ownership, reduce operation costs and foster tenant satisfaction and occupancy appeal.

Our objectives are to:

- Implement Green Lease Clauses where the opportunity arises
- Ensure climate resilience and protection
- Improve energy efficiency and EPC ratings to ‘C’, or above
- Increase supply of renewable energy, through procurement and installation of onsite renewable energy
- Enhance biodiversity and nature, including water conservation

New developments

Integrating sustainability into the earliest stages of design and construction of asset development, refurbishment or fit-out creates an opportunity to add tangible value to assets, future-proof against obsolescence, improve occupancy appeal and improve building performance results throughout its lifecycle.

Our objectives for new developments are to:

- BREEAM ‘Very Good’ or above
- EPC ‘A’
- Net zero carbon to practical completion, as defined by UK GBC
- Reduce water with rainwater harvesting and low flow fixtures

- Reduce waste and use recycled materials as far as possible
- Increase biodiversity, following the biodiversity mitigation hierarchy
- Reduce pollutants, such as hazardous materials

Social

Our investment in and management of logistics real estate creates opportunities for people to work in their local areas, during both construction and the operation of our assets, delivering a positive socio-economic impact on the communities where we are present.

We are committed to developing and maintaining positive relationships with our occupiers and the local communities in which we invest.

Acquisitions

When assessing assets for acquisition, social considerations are taken into account in stock selection, including the availability and proximity of labour for Customer operations, health and wellbeing features, and a detailed review of employment and labour related items, such as adherence to the provisions of the Modern Slavery Act.

Existing assets/asset management

We engage regularly with our occupiers, through occupier engagement events, regular meetings, social and industry event, annual site visits and surveys to ensure our occupiers are satisfied and we are aware of any areas of concern,

We have the following initiatives and partnerships to support the local communities where our assets are located :

- Tritax Big Box supports the Schoolreaders program which encourages children to take more interest in reading and books. This is achieved through volunteers listening to children read on a one-to-one basis throughout regional UK primary schools.
- Tritax Euro Box supports Tree-Nation, which plants trees to offset carbon emissions and increase biodiversity.
- The Tritax Property Income Fund supports local community initiatives, relevant to the asset type:
 - For multi-let assets – we support the installation of defibrillators for public use
 - For retail assets – we offer use of vacant unit hoardings to local community groups and charities to raise awareness about their causes

Tritax Management LLP , following an employee consultation, supports XLP, a youth crime prevention charity and supports individual members or teams of employees with sponsored events,

Developments

We engage and support local communities throughout the development phase. Our objectives are to:

- Employ a dedicated Community and Business Liaison Officer to act as the primary contact with our communities.
- Require our contractors to be active members of Considerate Constructors
- Engage and consult local communities throughout the planning and development phase
- Create a community benefit fund for each development, which achieved planning consent after June 2018
- Provide skills and training opportunities for the local workforce during construction
- Engage with local schools to provide educational visits and collaborative working

- Integrate health and wellbeing features into building design

Governance

It is important as a responsible business to observe best practice standards of good management and conduct.

At a Board level, annual 'Board Evaluations' are conducted by a third party to assess their performance, effectiveness and independence. Actions from this review are highlighted in our Annual and Interim Reports and actioned by the Board throughout the year. Executive and employee compensation, director statutory duties and any statutory and regulator changes are reviewed at board meetings.

Governance and oversight of ESG issues: CSR Committee

A CSR Committee has been appointed for the development, promotion and implementation of appropriate policies and actions to meet our ESG objectives.

Corporate governance sets out how we conduct our business and is overseen by our Corporate Social Responsibility Committee. The CSR Committee is formed of members from across the business, meeting on a monthly basis, covering all ESG matters. We engage with our managing agents and third-party consultants regularly to help identify areas of improvement and new opportunities.

The Committee is responsible for driving our ESG objectives and culture across the business and ensuring it is incorporated at all levels.

The Committee is made up of members of staff from across the Manager and its responsibilities and TOR can be found online.

Policies

All Tritax Management LLP employees are covered by a number of policies, which are included in the Employee Handbook including our Equal Opportunities Policy, Disability Discrimination Policy, Health and Safety Policy, Data-Protection Policy, Whistle-Blowing Policy and our Slavery and Human Trafficking Statement. Additional governance policies cover Bribery and corruption, Fraud, Political contributions and Shareholder rights.

We ensure policies are effectively implemented through ensuring all new employees read and understand all Group policies, which include the details of an independent whistleblowing mechanism.

The CSR Committee Terms of Reference outlines how Governance issues are managed across the business and the CSR Committee is responsible for annual reviews of these policies.



Henry Franklin

COO, Partner

Tritax Management LLP, April 2020