



**WARE
HOUSE
REIT**

EPRA reporting 2022

Warehouse REIT plc
The warehouse provider of choice

EPRA sBPR

We have chosen to report our material environmental, social and governance data in accordance with the 3rd edition of the EPRA Sustainability Best Practices Recommendations (“sBPR”). Our reporting response has been split into three sections:

1. Overarching recommendations

2. Environmental performance measures

3. Social and governance performance measures

1. Overarching recommendations

Organisational boundaries

Our EPRA reporting covers the properties owned by the Group, which at 31 March 2022 included a portfolio of 91 estates located across the United Kingdom. The activities of our Investment Advisor, who is responsible for all management and administrative functions, falls outside the scope of this report as it is a separate legal entity outside of the Group.

Coverage

Unless otherwise stated, all absolute performance measures relating to electricity, fuels and associated greenhouse gas (“GHG”) emissions relate to assets where we procure utilities for common areas, shared services, tenant areas and those properties that are vacant. These account for 42 out of the 91 estates within our portfolio at the end of March 2022. Coverage of these assets is 100%. The remaining assets are single or multiple occupancy assets with no landlord-obtained utilities.

Like-for-like performance measures include properties within this scope for which we have collected two years’ worth of consistent data – and excludes properties sold, acquired or under development during 2020/21 and 2021/22. Our like-for-like portfolio therefore represents 20 out of the assets covered in our organisational boundaries, and data coverage is 100% of these properties.

We aim to complete annual health and safety assessments for 100% of the assets, excluding those where the tenant is responsible.

Boundaries – reporting on landlord and tenant consumption

The energy and associated GHG emissions data reported includes electricity and fuels consumption which we purchase as landlords and refers to common areas, shared services and tenant areas where this consumption is not sub-metered but recharged via a service charge. Utilities procured directly by tenants is excluded as it falls outside our operational control.

Estimation of landlord-obtained utility consumption

All data is based on invoices and/or meter readings where available. Estimations have been applied where invoices were not available at the time of publication. In these instances, we have estimated consumption data based on the most recent invoice for the corresponding period. On this basis, the following proportion of data is estimated for 2021/22:

- Electricity: 5%
- Gas: 7%
- Water: 33%

Analysis – normalisation

Energy and emissions intensity indicators are calculated using floor area (m²) for whole buildings. We are aware of a mismatch between the numerator and denominator, as in some properties our utilities consumption relates to common areas only, and in others it covers both shared services, outside space and tenant areas where there are no sub-meters.

Analysis – segmental analysis (by property type, geography)

Segmental analysis is organised by the property classification used in our financial reporting, which defines our investment portfolio as urban warehouse assets. Additional segmental analysis by geography is not applicable as all assets are in the United Kingdom.

Reporting period

Absolute performance measures and intensity metrics are reported for the most recent reporting year (ending 31 March 2022). Like-for-like performance measures are reported for the two most recent reporting years that we can collect consumption data (ending 31 March 2021 and 31 March 2022).

Disclosure on own offices

The data excludes our registered office as it is not occupied by the Company. Utilities associated with our Investment Advisor's own office consumption and employee-related performance measures are excluded as they fall outside the scope of our organisational boundaries.

Data verification and assurance

All data generated is reviewed for consistency and coherence before being released into the Company reporting database. External verification or assurance by a third party is not currently undertaken.

Materiality

Following the materiality assessment conducted as part of our strategy review (explained on page 43 of the annual report), the following EPRA performance measures are not considered material. We have therefore excluded them from our reporting:

DH&C-Abs & DH&C-LfL: No district heating or cooling ("DH&C") is procured across our portfolio.

Diversity-Emp; Diversity-Pay; Emp-Training; Emp-Dev; Emp-Turnover & H&S-Emp: Warehouse REIT plc has no direct employees. All administrative functions associated with the management of our portfolio are conducted by our Investment Advisor, which is a separate legal entity and therefore outside the organisational boundaries of this report.

Waste-Abs & Waste-LfL: Operational waste is generated solely by our tenants and is therefore outside of our control. Waste generated through our development activities is excluded from the scope of the EPRA sBPR. We have identified a long-term target to reduce waste from developments as part of our sustainability strategy.

Narrative on performance

Environmental performance

Absolute landlord-obtained electricity consumption during the year ending 31 March 2022 was 2,637 MWh. Landlord-obtained fuel consumption (natural gas) over the same period was 1,527 MWh. This equated to an energy intensity (electricity and gas) of 17.27 kWh m² across the properties included in our organisational boundaries.

On a like-for-like basis, landlord-obtained electricity consumption increased by 8%, and fuels consumption decreased by 4% compared with 2020/21. The effect of electricity increasing resulted in a corresponding 3% increase in the energy intensity of our like-for-like portfolio.

Like-for-like Scope 1 and 2 emissions fell by 5% and 2% respectively, influenced by the decarbonisation of the grid. Total Scope 1 and 2 emissions from building energy consumption were 839 tonnes of CO₂e, which translated into a GHG emissions intensity of 3.48 kg/CO₂e/m²/year.

In the reporting period, REGO-backed renewable electricity accounted for 96% of the reported consumption. The figure is less than 100% as we have accounted for instances where REGO contracts were procured partway through the period.

Like-for-like water consumption decreased over the same period, by 18%. Absolute water consumption for the year ending 31 March 2022 was 110,272 m³, representing a water intensity of 1.33 m³/m².

Office assets are a main contributor to the consumption measured, therefore the reductions can largely be attributed to Covid-19 and the extended lockdowns which led to reduced occupancy rates as more tenants implemented work-from-home policies.

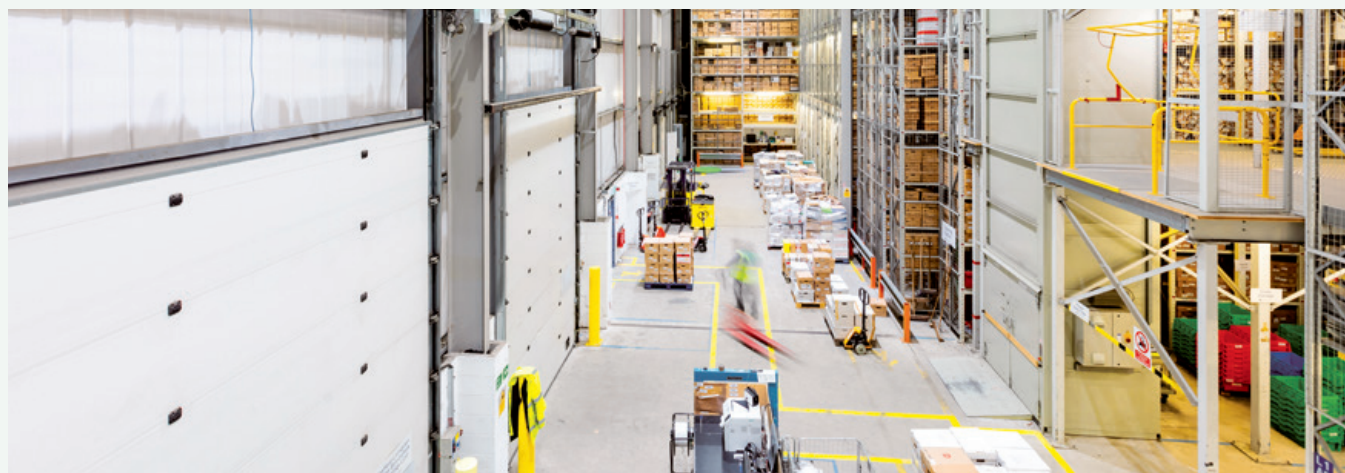
We also invest in resource efficiency measures as part of our standard approach to asset management. We aim to spend 0.75% of our GAV on capital expenditure each year, and this includes consideration of energy efficiency initiatives balanced against the potential return in terms of asset value and rental growth.

Expenditure encompasses improvements to building infrastructure, electrical installations such as replacing existing lighting with LEDs, and updating heating systems with efficient boilers in warehouse and office space.

For an analysis of Energy Performance Certificates please see page 46 of the annual report. No properties in our portfolio had a green building certification (such as BREEAM, LEED or similar) in the previous financial year.

2. Environmental performance measures

EPRA code	Performance measure	Unit	Scope	Absolute 2020/21	Absolute 2021/22	Like-for-like ("LfL")		LfL change (%)
						2020/21	2021/22	
Elec-Abs, Elec-LfL	Total electricity consumption	kWh	Total landlord-obtained electricity	2,510,076	2,636,775	2,062,702	2,217,673	8%
Fuels-Abs, Fuels-LfL	Fuel consumption	kWh	Total landlord-obtained fuels	1,635,583	1,526,705	1,347,470	1,288,447	-4%
Energy-Int	Building energy intensity	kWh/sq m/year	Building energy intensity	15.54	17.27	23.97	24.64	3%
GHG-Dir-Abs	Total direct GHG emissions	t CO ₂ e	Direct – Scope 1	301	280	248	236	-5%
GHG-Indir-Abs	Total indirect GHG emissions	t CO ₂ e	Indirect – Scope 2 (location-based)	585	560	481	471	-2%
GHG-Int	GHG emissions intensity from building energy consumption	kg CO ₂ e/sq m/year	Scopes 1 & 2 GHG emissions	3.32	3.48	5.12	4.97	-3%
Water-Abs, Water-LfL	Water consumption (mains supply)	m ³	Total landlord-obtained water	53,490	119,272	48,667	39,800	-18%
Water-Int	Building water intensity	m ³ /sq ² /year	Building water intensity	0.54	1.33	0.72	0.59	-18%



Social performance

Health and safety

The managing agents conduct an annual health and safety assessment of the assets, which covers:

- general hazards and risk assessment;
- fire safety;
- water hygiene;
- progress on existing hazards identified; and
- any specific risks related to a particular site.

Community engagement

We ensure that key decisions relating to the portfolio take into account our impact on local communities. This involves meeting health and safety requirements, conducting impact assessments and undertaking wider consultations required as part of the planning approval process for new developments. As no applicable developments were announced in 2021/22, we have marked this performance measure as not applicable. For more information, see the stakeholder engagement section of our strategic report, page 23 of the annual report.

Governance

Governance performance measures relate to the Board. For full background information on our governance performance measures, including a profile of the Board, a description of our nomination procedures, and processes for managing potential conflicts of interest, please see page 81 of the annual report.

Non-Executive Directors Aimée Pitman and Martin Meech both have significant experience relating to developing strategies to improve social and environmental impacts in business. Aimée led work in 2020 with Eden McCallum and Chapter Zero to develop a 'toolkit' for climate change strategy and action. Martin has experience implementing sustainability strategies via his previous role at Travis Perkins.

3. Social and governance performance measures

EPRA code	Performance metric	Unit of measure	FY2021
H&S-Asset	Asset health and safety assessment	%	100%
H&S-Comp		%	100%
Comty-Eng	Community engagement, impact assessments and development programmes		—
Gov-Board	Composition of the highest governance body	Number of Non-Executive Board members	6
		Number of independent Non-Executive Board members	4
		Average tenure on the governance body (years)	4
		Number of independent/Non-Executive Board members with competencies relating to environmental and social topics	2
Gov-Select	Nominating and selecting the highest governance body	Please see the Nomination Committee report on pages 86 and 87 of the annual report	
Gov-Col	Process for managing conflicts of interest	Please see the corporate governance statement on page 81 of the annual report	



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