

INVESTING IN A SUSTAINABLE  
**FUTURE**



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### OUR REPORTING

In April 2024, SUPR acquired a portfolio of Carrefour omnichannel supermarkets in France through a sale and leaseback transaction. The disclosures in this Sustainability Report exclude these recently acquired French assets and focus on the sustainability performance of our UK portfolio only over the reporting period. We look forward to expanding our reporting in our next Sustainability Report once a full year of performance data is available for our non-UK assets.

➔ For more information about the scope of this report see – Appendix: GRI Content Index.

➔ Read more about our climate-related disclosures in our Task Force on Climate-related Financial Disclosures report, included within our 2024 Annual Report and Accounts.

Cover image: Our Sainsbury's site in Newcastle

## SUSTAINABLY INVESTING IN THE **FUTURE** OF GROCERY

**WHO WE ARE:** Supermarket Income REIT plc (LSE:SUPR) is dedicated to investing in supermarket property forming a key part of the future model of grocery. Our supermarkets are let to leading supermarket operators in the UK and Europe, diversified by both tenant and geography. We are the largest landlord of omnichannel supermarkets in the UK.

**WHAT WE DO:** We focus on grocery stores which are omnichannel, fulfilling online and in-person sales. The Company's assets earn long-dated, secure, inflation-linked, growing income. The Company targets a progressive dividend and the potential for capital appreciation over the longer term.

**OUR THREE PILLARS OF SUSTAINABILITY STRATEGY:** Our sustainability strategy is underpinned by three core pillars that reflect the most material sustainability issues for our Company and the long-term nature of our investments. Our approach to sustainability is grounded in our commitment to responsible investment and good stewardship, with the aim to create and deliver long-term value for our stakeholders.



**PILLAR 1**  
CLIMATE &  
ENVIRONMENT → PAGE 08



**PILLAR 2**  
TENANT & COMMUNITY  
ENGAGEMENT → PAGE 15



**PILLAR 3**  
RESPONSIBLE BUSINESS  
→ PAGE 22

→ Refer to Appendix page 26 for the Company's EPRA Sustainability Best Practices Recommendations ("sBPR") disclosures and index of GRI Content Index.



## Message from the ESG Committee Chair

# DELIVERING ON OUR SUSTAINABILITY STRATEGY

### Dear Shareholder,

I am pleased to present Supermarket Income REIT's 2024 Sustainability Report. In this report we provide an overview of our sustainability performance and progress over the last year, and we highlight our priorities for the year ahead.

Our focus this year has been on refining our sustainability approach, improving our ESG data processes and setting long-term targets for the Company. Our refreshed sustainability strategy consists of three key pillars: Climate & Environment, Tenant & Community Engagement, and Responsible Business. These pillars are underpinned by the UN Sustainable Development Goals we have identified as most material to our business, and by our ongoing responsible investment commitments including in respect of the Net Zero Asset Managers initiative, UN Global Compact and UN Principles for Responsible Investment.

A significant milestone was reached in our Climate & Environment pillar this year, with the setting of our 2050 net zero commitment and emissions reduction targets. These targets were approved by the Science Based Target initiative in March 2024, and include a commitment to reduce our Scope 1 and 2 emissions 42% by 2030 and to reduce Scope 1, 2 and 3 emissions 90% by 2050 (from a FY23 base year). For the first time, we also conducted quantitative climate scenario analysis as part of our efforts to better understand and manage the portfolio's exposure to climate-related risks and opportunities. Our enhanced Task Force on Climate-related

Financial Disclosures ("TCFD") report is included within our Annual Report and Accounts.

Collaborating on sustainability with our tenants is a key route to enhancing our environmental and social performance. This year we have focused more than ever on gaining a better understanding of our tenants' sustainability targets and reporting. This is reflected in the significant improvement we have made in terms of sharing of ESG data and broadening our engagement on sustainability to cover topics spanning from biodiversity to charitable giving. Linked to our commitment to improving the completeness and accuracy of our ESG data, we have also for the first time undertaken external assurance over our reported Scope 1, 2 and 3 emissions figures.

We continue to seek out other opportunities to enhance the environmental performance of our assets and contribute to the net zero transition. This is seen in our continued roll-out of EV charging and rooftop solar across the portfolio and our efforts to encourage energy-efficiency improvements by our tenants. We are pleased to have directly benefited from our tenants' ambitious commitments in respect of the transition to net zero, with several of our stores achieving improved EPC ratings following tenant-led investments in store refurbishments and energy-efficiency upgrades.

Recognising the importance of having a positive impact on the communities in which we operate, this year we made our first donation of £120,000 to the Atrato Foundation. We have committed to ongoing charitable giving through the

Atrato Foundation and look forward to building impactful relationships with the charities we have chosen to support. We are also proud to highlight within this report examples of the positive impact our supermarkets have as social hubs within their communities across a range of community engagement initiatives.

The progress we have achieved, and shared within this report, highlights how investing responsibly for long-term value creation is at the heart of our business model. Looking forward, we are excited to continue to deliver on our sustainability strategy and build on the positive milestones we have reached to date.

### Frances Davies

Chair of ESG Committee  
17 September 2024

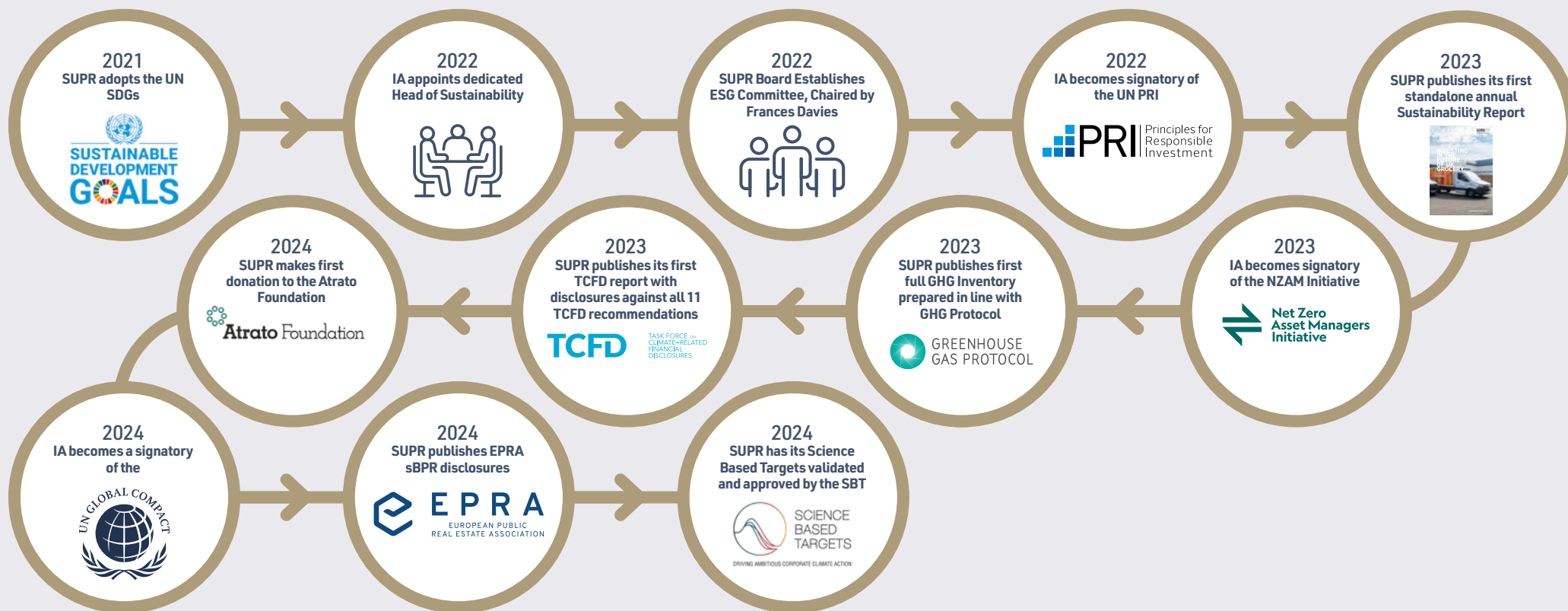
*"Collaborating on sustainability with our tenants is a key route to enhancing our environmental and social performance. This year we have focused more than ever on gaining a better understanding of our tenants' sustainability targets and reporting."*

**Frances Davies**  
Chair of ESG Committee



# OUR PROGRESS DELIVERING ON SUSTAINABILITY

Since our adoption of the UN Sustainable Development Goals and the appointment of a dedicated Head of Sustainability by our Investment Adviser, Supermarket Income REIT plc, together with our Investment Adviser, have achieved a number of sustainability milestones. We remain committed to ongoing improvement on our sustainability performance and our ambitious targets and actions to progress towards a net zero future.



**Acronyms:**

UN SDGs: United Nations Sustainable Development Goals  
IA: Investment Adviser  
ESG: Environmental, Social and Governance  
UN PRI: UN Principles for Responsible Investment  
NZAM: Net Zero Asset Managers

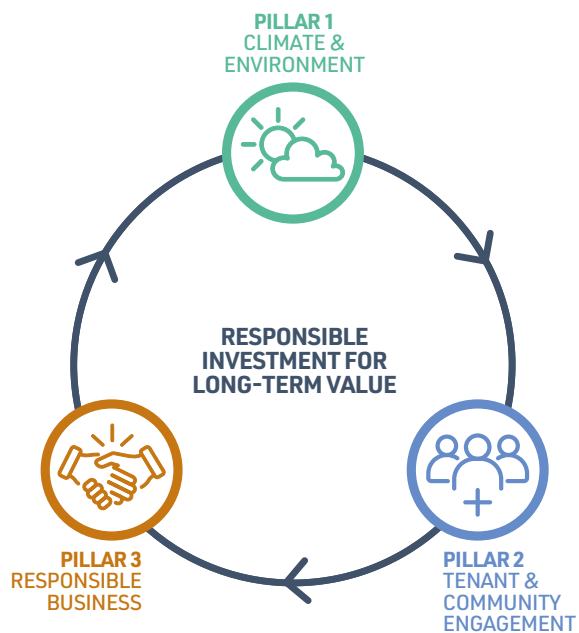
GHG: Greenhouse Gas  
TCFD: Task Force on Climate-related Financial Disclosures  
sBPR: Sustainability Best Practices Recommendations  
SBTi: Science Based Targets initiative

# THE THREE PILLARS OF OUR SUSTAINABILITY STRATEGY

Our sustainability strategy is underpinned by three core pillars that reflect the most material sustainability issues for our Company and the long-term nature of our investments.

## OUR THREE PILLARS OF SUSTAINABILITY STRATEGY

Our approach to sustainability is grounded in our commitment to responsible investment and good stewardship, with the aim to create and deliver long-term value for our stakeholders.



### PILLAR 1 CLIMATE & ENVIRONMENT

Reduce our emissions to achieve a net zero carbon portfolio and mitigate the environmental impacts of our assets. → [PAGE 08](#)



#### TARGETING:

- Net zero by 2050
- Reduce Scope 1 and 2 emissions 42% by 2030<sup>1</sup>
- Reduce Scope 1, 2 and 3 emissions 90% by 2050<sup>1</sup>
- All UK supermarkets<sup>1</sup> EPC B or above by 2030
- Year-on-year annual increase in biodiversity baseline assessments conducted

\*from a FY23 baseline



### PILLAR 2 TENANT & COMMUNITY ENGAGEMENT

Partner with tenants and stakeholders to ensure our assets enhance the communities in which they are located. → [PAGE 15](#)



#### TARGETING:

- Year-on-year annual increase in actual (vs estimated) energy consumption data
- Year-on-year annual increase in sites with EV-charging installed
- Annual donation to the Atrato Foundation
- Year-on-year annual increase in volunteering hours\*

\*In relation to SUPR's Investment Adviser



### PILLAR 3 RESPONSIBLE BUSINESS

Strengthen ESG performance and uphold responsible business practices to deliver long-term value. → [PAGE 22](#)



#### TARGETING:

- Maintain EPRA Governance Award
- Achieve EPRA sBPR Award
- ESG Committee meeting at least quarterly
- Annual TCFD Reporting against all 11 TCFD recommendations

Our Sustainability Strategy supports multiple UN Sustainable Development Goals (SDGs) and particularly focuses on those goals which we consider most material to our business – namely, goals 8 – Decent Work and Economic Growth, 11 – Sustainable Cities and Communities, 12 – Responsible Consumption and Production, and 13 – Climate Action, all of which are underpinned by goal 17 – Partnerships for the Goals.

1. Excludes supermarkets located in Scotland, due to differing EPC calculation methodology used, making the sites non-comparable.

# SUSTAINABILITY HIGHLIGHTS

Progress highlights from our sustainability strategy

## PILLAR 1 CLIMATE & ENVIRONMENT

**NET ZERO BY 2050  
COMMITMENT**

[→ PAGE 09](#)

**SCIENCE-BASED TARGETS  
SET COVERING SCOPE 1, 2  
AND 3 EMISSIONS**

[→ PAGE 09](#)

**BIODIVERSITY PILOT  
PROJECT LAUNCHED**

[→ PAGE 12](#)

## PILLAR 2 TENANT & COMMUNITY ENGAGEMENT

**52% ACTUAL PURCHASED  
ELECTRICITY DATA GATHERED  
FROM SUPERMARKET TENANTS,  
VS 23% FY23** [→ PAGE 16](#)

**£120,000 DONATED TO THE  
ATRATO FOUNDATION**

[→ PAGE 19](#)

**105.5 VOLUNTEERING  
HOURS\***

[→ PAGE 19](#)

## PILLAR 3 RESPONSIBLE BUSINESS

**BOARD DIVERSITY  
TARGETS MET**

[→ PAGE 24](#)

**ACHIEVED LIVING WAGE  
EMPLOYER ACCREDITATION\***

[→ PAGE 25](#)

**JOINED UN  
GLOBAL COMPACT\***

[→ PAGE 25](#)

\*In relation to SUPR's Investment Adviser.

SDG ALIGNMENT:



PILLAR 1

# CLIMATE & ENVIRONMENT

Reduce our emissions to achieve a net zero carbon portfolio and mitigate the environmental impacts of our assets.

## PILLAR 1. CLIMATE & ENVIRONMENT

- 09 Energy consumption and GHG emissions
  - i. Case study: EPC improvements at Sainsbury's Cheltenham (D to B)
- 12 Climate Risk
- 12 Water and Waste
- 13 Nature and Biodiversity
  - i. Case study: The Conservation Volunteers

Rooftop solar PV installed on our Sainsbury's site in Newcastle



PILLAR 1

# CLIMATE & ENVIRONMENT

We are committed to enhancing the environmental sustainability of our assets, improving the energy performance of our buildings and achieving our science-based emissions reductions targets.

## ENERGY CONSUMPTION AND GHG EMISSIONS

We have committed to measure and report on our annual greenhouse gas emissions ("GHG"), including indirect emissions from our value chain activities (i.e. Scope 3 emissions). By developing a full greenhouse gas GHG inventory, covering Scope 1, Scope 2, and Scope 3 emissions, we are able to understand the total emissions associated with our business including the operational emissions of our tenants.<sup>2</sup> See Appendix for our GHG inventory for FY<sup>24</sup>, prepared in line with the GHG Protocol, and associated Reporting Criteria.

➔ See appendix for our GHG Inventory and Reporting Criteria

This year, for the first time, we also engaged Grant Thornton UK LLP to undertake independent limited assurance over our location-based GHG inventory figures. This reflects our commitment to improve the maturity of our reporting by developing more robust processes and enhancing the credibility of our disclosures. Grant Thornton UK LLP's assurance report is available on the Sustainability page of the Company's website: *Sustainability – Supermarket Income Reit*.

With 99% of our operational emissions being Scope 3 downstream emissions from our leased assets, and due to the nature of our long-dated full repairing and insuring ("FRI") leases, we remain heavily reliant on energy consumption information provided by our tenants in order to improve the completeness and accuracy of our

own GHG inventory. Over the last year, a strategic focus for the Company has therefore continued to be the improvement of data collected from our tenants and from the assets we control. These engagement efforts are discussed in more detail on page 16 under Tenant & Community Engagement section of this report.

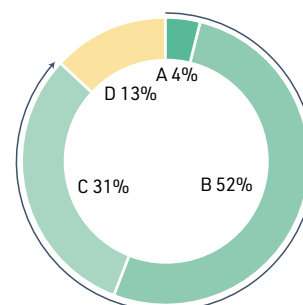
Energy Performance Certificates ("EPC") provide ratings for the energy efficiency of buildings. All of our assets have an EPC rating, whether they are directly managed by us or are leased as FRI contracts. We are committed to improving the energy efficiency in both circumstances, either directly, or by supporting our tenants to implement their own initiatives. The proposed Minimum Energy Efficiency Standard ("MEES") regulation in the UK is expected to require that commercial buildings have an EPC rating of B or above by 1 April 2030. We have set the following energy performance targets, to align with the proposed MEES requirements:

- All UK supermarkets<sup>3</sup> B or above by 2030
- All UK ancillary units<sup>4</sup> B or above by 2030

A benefit of owning mission critical real estate is that our tenants make significant investments in maintaining and improving the store estate. This investment is made regardless of whether a store is owned by the operator freehold or occupied as a tenant. Coupled with this are the ambitious net zero targets of our largest supermarket tenants, see *Our tenants and Scope 3 emissions section* on page 11 for more information, which also drive improvements

in energy consumption at the store level. We are therefore seeing an improvement in EPC rating scores across the SUPR portfolio as tenants undertake their programme of store maintenance and decarbonisation upgrades.

## EPC RATINGS BY VALUATION



## Science Based Targets

The built environment is directly responsible for 25% of the United Kingdom's carbon emissions, which are predominantly produced from operational emissions (e.g. the energy needed to heat, cool and power our buildings).<sup>5</sup> We believe we have an important responsibility in the context of the current climate crisis, to reduce the carbon emissions from our portfolio and contribute to the decarbonisation of the built environment and the transition to a net zero future.

We are pleased to have now progressed from a Net Zero ambition to submitting science-based emissions reduction targets to the Science Based Targets initiative ("SBTi") and embarking on their delivery. These targets are aligned with a 1.5°C temperature trajectory.

NET ZERO BY 2050  
COMMITMENT

87%  
EPC C OR ABOVE

THIRD PARTY LIMITED  
ASSURANCE OVER  
LOCATION-BASED  
GHG INVENTORY  
FIGURES

2. This GHG Inventory and the other ESG performance metrics disclosed within this Sustainability Report relate to SUPR's UK portfolio only and excludes the portfolio of Carrefour assets (located in France) that was acquired in April 2024. The Company intends to expand its reporting coverage to include the Carrefour assets in the next reporting period, once a full year of ESG performance data is available.

3. Excludes supermarkets located in Scotland, due to differing EPC calculation methodology used, making the sites non-comparable.

4. Excludes ancillary units located in Scotland, due to differing EPC calculation methodology used, making the sites non-comparable.

5. UK Green Building Council, Net Zero Whole Life Carbon Roadmap | UKGBC



New refrigeration systems installed at our Sainsbury's Cheltenham site.

PILLAR 1 - CASE STUDY 1

## EPC IMPROVEMENTS AT SAINSBURY'S CHELTENHAM (D TO B)

Sainsbury's has been operating at our Cheltenham site since the 1980s, with the store acting as a omnichannel hub with eight home delivery vans. Over the period from September 2023 to March 2024, Sainsbury's made a multimillion pound investment in to the store. The works included upgrading the store's refrigeration and removing the gas power source, which reduces the store's dependence on fossil fuels. The new electric refrigeration system will take the residual heat and use it to heat the store. As a result of these works,

the EPC rating of the store has been upgraded from D to a B – which has been at no cost to SUPR.

Whilst there are eight years remaining on the lease, such levels of investment demonstrates our tenant's long-term commitment to the site, providing confidence on lease renewal prospects ahead of expiry. Additionally, the long-dated, full repairing and insuring (or 'triple net') lease structures present across SUPR's portfolio are attractive as tenants invest in modernising and decarbonising stores at their own expense.



PILLAR 1  
**CLIMATE & ENVIRONMENT CONTINUED**

**Our Science Based Targets:**

Our emissions reductions targets were validated and approved by the SBTi in March 2024:

- Net Zero: A commitment to reach net zero GHG emissions across the value chain by FY2050
- Near-term Target: Reduce Scope 1 and 2 emissions by 42% by FY2030\*
- Long-term Target: Reduce Scope 1, 2 and 3 emissions by 90% by FY2050\*

\*from a FY2023 base year.



**Reducing our Scope 1 & 2 emissions**

Our Scope 1 & 2 emissions relate to the emissions from communal areas over which we have operational control. This includes energy consumption related emissions arising from the combustion of natural gas and fuel oil and from electricity used in communal areas. One of the key available levers we have identified for reducing our Scope 1 & 2 emissions is upgrading lighting in these communal areas to more energy efficiency LED lighting alternatives. LED lighting replacement projects have already been carried out at a number of these properties and we are preparing for the roll-out of upgrades at remaining sites as part of our current transition planning project.

**Our tenants and Scope 3 emissions**

The vast majority of our emissions are categorised as Scope 3 emissions, defined by the GHG Protocol as “all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions”. The largest contributor to our Scope 3 emissions is from downstream leased assets from assets leased to our supermarkets (which account for the Scope 1 and 2 activities of our tenants). The largest source of these emissions is refrigerants, followed by electricity (location based) and then natural gas.

Given our leases are typically FRI, the tenants rather than us as landlord have control over the energy procurement, consumption and efficiency decisions that impact on our Scope 3 emissions. However, our supermarkets tenants have themselves set ambitious emissions reduction targets and associated targeted investments aligned to carbon mitigation efforts. As a result, we directly benefit from the proactive investments our tenants are making in upgrading and decarbonising the store estate. These investments not only drive improvements in energy consumption at the store level but also help us see improvements in EPC scores across the SUPR portfolio. The delivery of our net zero target is therefore centred around supporting our tenants as far as possible with delivery of their own decarbonisation plans.

**Our Tenants' Science Based Targets:**

We are proud to support the Net Zero ambitions of our largest tenants:

**TESCO targets include:**

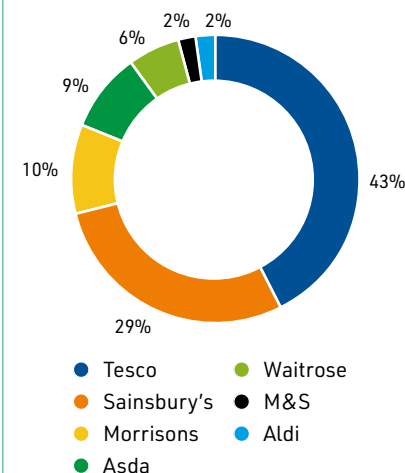
- Net zero GHG emissions across the value chain by FY2050.
- Reduce absolute Scope 1 and 2 emissions from its own operations by 85% by FY2030 from a FY2015 base year.<sup>6</sup>

**SAINSBURY'S targets include:**

- Net zero GHG emissions across the value chain by FY2050.
- Reduce absolute scope 1 and 2 GHG emissions 68% by FY2030 from a FY2018 base year.<sup>7</sup>

In addition to these SBTi approved targets, Tesco is aiming to achieve carbon neutrality across its own operations by 2035 and Sainsbury's is targeting net zero in its own operations by 2035.

**SUPERMARKET TENANT CONTRIBUTION TO TOTAL EMISSIONS FROM SUPERMARKETS:**



6. Tesco, Climate Change Factsheet 2024, Climate change factsheet 2024 (tescoplc.com)

7. Sainsbury's, Sainsbury's accelerates its emission reduction commitments, validated by the Science Based Targets initiative (SBTi) | Sainsbury's (sainsburys.co.uk)

PILLAR 1  
**CLIMATE & ENVIRONMENT CONTINUED**

**Transition Planning**

In 2024, we launched a project to build upon the high-level decarbonisation roadmap created to prepare our science-based targets and develop SUPR's first Climate Transition Plan.

We have engaged the external consultancy Anthesis (who also supported SUPR's science-based target development) to support us in preparing our Transition Plan. This project is expected to be completed in the reporting period. We are reviewing the Disclosure Framework recommendations from the Transition Plan Taskforce ("TPT") as part of this project, to ensure alignment with best practice transition plan disclosures. We recognise that transition planning is an iterative process and this is especially so for SUPR, given our transition plan has a direct overlay with the transition plans of our major tenants. Our Transition Plan will therefore evolve over time as our activities and the plans of our tenants progress and we will report updates on progress to this respect.

**Transition Plan Taskforce**

The TPT was launched by HM Treasury in April 2022 to develop the gold standard for private sector climate transition plans. The final version of the TPT Disclosure Framework was published in October 2023. The IFRS Foundation has subsequently announced that it will assume responsibility for the disclosure-specific materials developed by the Transition Plan Taskforce, including the TPT Disclosure Framework.



**Defining a Transition Plan**

The International Financial Reporting Standards ("IFRS") Climate-related Disclosures Standard (S2) defines a climate-related transition plan as follows:

*"A climate-related transition plan is an aspect of an entity's overall strategy that lays out the entity's targets, actions or resources for its transition towards a lower-carbon economy, including actions such as reducing its greenhouse gas emissions."*



**CLIMATE RISK**

We are proud to support the recommendations of the TCFD and have published our full TCFD Report, against all 11 recommended disclosure topics, within our 2024 Annual Report and Accounts.

➔ **Read more about our climate-related disclosures in our TCFD report, included within our 2024 Annual Report and Accounts at <https://supermarketincomereit.com/investor-centre>**

**WATER AND WASTE**

Reducing resource demand, minimising waste and avoiding pollution all form part of our commitment to reduce the environmental impact of our assets. Our environmental performance disclosures in respect of water consumption and waste produced are included in the Appendix (see EPRA sBPR Disclosures). These metrics were estimated using Better Buildings Partnership ("BBP") Benchmarks, Global Real Estate Sustainability Benchmark ("GRESB") 2020 Benchmarks and Department for Environment, Food & Rural Affairs ("Defra") waste statistics. We aim to improve our understanding of our tenant's water and waste management over the next year by increasing efforts to source actual water and waste data through enhanced tenant engagement on this topic.

**95%**  
**OF UK SUPERMARKET  
ASSETS SCREENED  
FOR PHYSICAL  
CLIMATE HAZARDS\***

**TRANSITION PLAN  
CURRENTLY UNDER  
DEVELOPMENT**

\* Using MSCI Real Assets (Real Estate) Climate Risk Tool

PILLAR 1  
**CLIMATE & ENVIRONMENT CONTINUED**

**NATURE AND BIODIVERSITY**

Alongside climate change, it is now well recognised that we are facing a nature loss crisis.<sup>8</sup> We recognise that nature underpins our economy and collective wellbeing, and is also essential to increasing our resilience to climate change. We are committed to understanding and evaluating the nature-related dependencies, impacts, risks and opportunities (including in relation to biodiversity) relevant to our business. We are currently working to build out our nature strategy which currently has two key focus areas:

1. Exploring on site nature-related opportunities within our portfolio;
2. Supporting nature-related opportunities through partnerships.

We have launched a Biodiversity Pilot Project to explore on site nature-related opportunities within our portfolio, with the aim to achieve on site biodiversity net gain. As part of this Pilot Project, we have selected two initial sites: Chineham Shopping Park and the Willow Brook Centre in Bradley Stoke; and engaged ecologists to conduct preliminary ecological appraisals and biodiversity baseline assessments and to provide nature positive enhancement reports for these sites. These two sites were selected for the Pilot Project due to their larger size and being sites which are not fully demised to the core supermarket tenants, therefore benefitting from greater landlord control. The assessments were completed in June 2024 and we are currently working through the assessment

findings to develop implementation strategies to act on the nature positive enhancement reports, with a view to take learnings from the Pilot experience and ultimately roll these initiatives out more widely across the portfolio. Recognising that some of our sites have only small areas of available land and planting space for biodiversity enhancement activities, we have also identified the opportunity to partner on nature-related opportunities in order to enhance our ability to make a positive impact. In terms of partnerships, we have identified environmental protection and conservation as a priority theme for our charitable giving. We are delighted to report on our new charitable partnership with The Conservation Volunteers (“TCV”) – which we provide further details of in the case study (on page 14). We have also identified nature and biodiversity as an opportunity area for greater collaboration with our tenants and local communities. Nature and biodiversity will therefore be a priority focus area for engagement over the next reporting period.

**Spring – a PRI stewardship initiative for nature**

In support of SUPR’s nature related priorities, our Investment Adviser is also a proud endorser of Spring – a PRI stewardship initiative for nature – that was officially launched during the London Climate Action Week in June 2024.



**Partnering with The Conservation Volunteers:**

The Conservation Volunteers bring people together to create, improve and care for green spaces, and have done so for more than 60 years. Through our new partnership we are directly supporting impactful local projects that connect people to the green spaces that are essential for healthy, happy communities.



**BIODIVERSITY PILOT PROJECT LAUNCHED**

**ECOLOGICAL ASSESSMENTS CONDUCTED AT TWO PILOT SITES**

8. State of Nature Report (2023), The State of Nature Partnership. [www.stateofnature.org.uk](http://www.stateofnature.org.uk).

PILLAR 1 – CASE STUDY 2

## THE CONSERVATION VOLUNTEERS

We are proud to have formed a new charitable partnership with The Conservation Volunteers (“TCV”). TCV is a community volunteering focused registered charity with a mission to connect people and green spaces to deliver lasting outcomes for both. This partnership reflects our desire to advance the positive nature-related impact of our portfolio. The grant funding provided to TCV under this partnership will support its general charitable purposes with priority given to the following programmes:

- I Dig Trees: The national tree planting programme of TCV.
- Citizen Science: The creation of a framework that will allow TCV to gather data from Community

Groups within the I Dig Trees programme. In doing so TCV can understand the impact of tree planting on biodiversity and help Community Groups implement improvements to enhance biodiversity.

- Wild Days Out: On a Wild Days Out, primary school children get the chance to see, hear and touch plants and wildlife. They can begin to understand about habitats and what different creatures need to survive.
- School Legacy Projects: Our Project Officers will work with the school to understand what can benefit them the most before then creating a plan to create the project and deliver a ‘Wild Day Out’ but on their own grounds.



Examples of conservation projects in the UK led by The Conservation Volunteers.

SDG ALIGNMENT:



PILLAR 2

# TENANT & COMMUNITY ENGAGEMENT

Ensure our assets enhance the communities in which they are located.



A community fun day held at our Willow Brook site in Bradley Stoke.

## PILLAR 2: TENANT & COMMUNITY ENGAGEMENT

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- 16 Asset level ESG enhancements
  - i. Case study: Tesco Thetford Solar
  - ii. Case study: EV Charging Roll-out
- 19 Community Engagement
  - i. Case study: Chineham Summer Garden Project
  - ii. Case study: Willow Brook Community
- 19 Charitable giving
  - i. Case study: Support for the Brightwell Foundation
  - ii. Case study: IA Nature Volunteer Day

PILLAR 2

# TENANT & COMMUNITY ENGAGEMENT

We believe that strong relationships with our tenants and alignment of sustainability goals helps to facilitate and maintain a robust portfolio that can adapt to future challenges and optimise sustainability opportunities. We engage and partner with our tenants and the wider community in a number of ways to both better understand the ESG performance of our tenants, to collaborate and support asset-level ESG enhancement activities and to support initiatives that have a positive impact in local communities.

## ENGAGING WITH TENANTS ON ESG PERFORMANCE

Over the last year, we have continued to focus on improving the data collected from our tenants and from the assets we control. To support our engagement with tenants on energy consumption and broader ESG performance, over the last reporting period we developed and rolled out a new ESG data request template. As a result of increased engagement efforts with our supermarket tenants and the streamlining of our data requests, we have improved the amount of actual energy consumption data collected from 14% in FY23 to 26% in FY24. We will continue to focus our engagement efforts with tenants to further increase the amount of actual energy consumption data collected over the next reporting period as well as seeking broader ESG performance information. To further support ESG data sharing with our tenants we have also developed standardised green lease clauses which we strive to include in all new lease opportunities and re gears. The aim of incorporating green leases is to foster collaboration by engaging tenants on sustainability performance at an early stage. Understanding and monitoring our tenants' progress against their own sustainability strategies, commitments and targets is an essential aspect to our own tracking of sustainability progress, particularly in respect of our net zero commitment and SBTs. We

put a significant focus on building strong relationships with our tenants. Our Investment Adviser engages in regular dialogue with our tenants and holds meetings with our largest supermarket tenants at least quarterly, at which sustainability is a standing agenda item. This includes discussion on topics such as any planned tenant-led investments in store refurbishments and energy efficiency upgrades, energy consumption data sharing and improvements to EPC ratings. This engagement has also allowed for shared learnings and better understanding of the types of investments our tenants have already made or are looking to make in our stores as part of their broader decarbonisation roadmaps and transition plans, which include:

- Removal of gas heating and replacement with electrified heat sources such as heat pumps.
- Upgrading refrigeration systems to switch from systems that use hydrofluorocarbon ("HFC") refrigerant gas to natural alternatives.
- Installation of energy efficient LED lighting.

During the last year, we have undertaken an exercise to further understand the climate-related risks and opportunities relevant to our Company, including for the first time adopting the MSCI Real Assets (Real Estate) Climate Risk Tool, a quantitative scenario analysis tool. This exercise was completed as a first stage in our efforts to develop plans to

mitigate any material climate risks at an asset level. For the next phase of our climate-risk mitigation project we plan to begin more actively engaging with our major tenants on the topic of climate-related risks and adaptation planning. In addition, as we advance the development of our Climate Transition Plan, we will also be engaging further with our major tenants on the topic of transition planning to gain a better understanding of their ambitions and planned transition-related activities. This is discussed in more detail in our TCFD report, included within our 2024 Annual Report and Accounts.

## ASSET LEVEL ESG ENHANCEMENTS

An important part of our portfolio strategy is improving the environmental performance of existing assets, including through the installation of rooftop solar photovoltaic ("PV") panels and electric vehicles ("EV") charging stations. We are committed to increasing the number of assets with both on-site solar PV installed and on-site EV charging year-on-year. The provision of EV charging points in our parking lots is an opportunity for us to contribute to the accelerated transition to electric vehicles and help build out the charging network across the UK. By supporting the installation of solar panels on the rooftops of our buildings we are also helping our tenants achieve quantifiable reductions in emissions. We continue to actively engage with tenants on such opportunities and to support installations wherever feasible.

**52%**

**ACTUAL DATA USED TO CALCULATE SUPERMARKET TENANTS PURCHASED ELECTRICITY EMISSIONS (23% FY23)**

**70%**

**NATURAL GAS EMISSIONS FROM SUPERMARKET TENANTS CALCULATED USING ACTUAL DATA (27% FY23)**

**WE HAVE IDENTIFIED ENGAGEMENT WITH OUR SUPERMARKETS TENANTS ON REFRIGERANT GAS DATA, WHICH IS CURRENTLY 100% ESTIMATED, AS A KEY PRIORITY OVER THE NEXT REPORTING YEAR**



**20%**  
OF UK SUPERMARKET ASSETS  
WITH ON-SITE RENEWABLE  
ENERGY GENERATION



PILLAR 2 - CASE STUDY 1  
**TESCO THETFORD SOLAR**

The installation of a solar array on the rooftop at Tesco, Thetford was energised on 5 August 2023, through a partnership with Atrato Onsite Energy plc. More than 1,000 solar panels were installed as part of the project. Around 370KWp of

energy is set to be generated by the panels and provided directly to the store under a 20-year Power Purchase Agreement (PPA). The EPC rating was re-assessed post installation of the solar panels and improved from a C to a B.



Rooftop solar PV installed on our Tesco Thetford site.

**30%**  
OF UK SUPERMARKET ASSETS  
WITH ON-SITE EV CHARGING



EV charging points at  
Tesco in Llanelli

## PILLAR 2 – CASE STUDY 2

### EV CHARGING ROLL-OUT

We continue to seek out asset-level sustainability and value creation opportunities at our larger sites which are not fully demised to the core supermarket tenants and therefore benefit from greater landlord control. Alongside our tenants, we are looking at ways to increase the number of Electric Vehicle (EV) charging points at these larger sites. There

are now 58 EV charging bays across the following five sites where we have operational control over the car parks, all completed at zero capex cost to the Company:

- Morrisons, Workington
- Morrisons, Wisbech
- Tesco, Bradley Stoke
- Tesco, Chineham
- Tesco, Beaumont Leys



PILLAR 2  
**TENANT & COMMUNITY ENGAGEMENT CONTINUED**

As outlined above in the overview of our Nature Strategy, a further area we have identified as a priority for tenant engagement and partnership with local community stakeholders is on nature and biodiversity opportunities.

We are currently working with Tesco, one of our largest tenants, to explore opportunities for collaboration on biodiversity initiatives at the Tesco sites within our portfolio. As part of these collaborative efforts, we have shared the findings of the initial Preliminary Ecological Appraisals and Biodiversity Net Gain baseline assessments conducted at two of our Tesco sites. This tenant engagement has created opportunity for shared learnings and gaining further understanding of Tesco's nature-related strategy and priorities. Over the next reporting period, we hope to identify areas for further collaboration, shared learning, and potential partnership on implementing the nature positive enhancements identified in the ecological reports prepared for these sites and across our broader portfolio of Tesco stores. Our Investment Adviser also plans to explore opportunities to volunteer with The Conservation Volunteers on their biodiversity and nature-related projects as part of our newly established charitable partnership.

**COMMUNITY ENGAGEMENT**

We are able to contribute to local communities around our sites through a variety of ways including through community engagement events, volunteering, and donations. We also frequently provide space in and around our buildings for charities, local schools and other community groups to use on an ad hoc basis for activities such as fundraising, information stalls, community meetings and other initiatives.

At our larger sites which have Centre Managers, we actively empower and encourage our site teams to engage positively with the local communities in which the stores are based. Examples of such initiatives are highlighted in the case studies on page 20 from Chineham and Willow Brook. Our support for such initiatives is a direct reflection of our commitment to ensure our assets enhance the communities in which they are located.

In addition, our supermarket tenants have all established formal community engagement programmes and associated activities as part of their corporate policies. These activities include providing grants for local community projects, food donation and redistribution programmes, charitable partnerships, fundraising and volunteering. Many of our supermarkets also have designated Community Champions who act as links between the store and the community it serves.

**CHARITABLE GIVING**

Our ability to have a positive impact in the communities in which we operate is further enhanced by our charitable giving efforts. We have chosen to deliver on our charitable giving by supporting the Atrato Foundation, a registered charity established by our Investment Adviser. This year we made our first donation to the Atrato Foundation of £120,000. This donation will be used to support a variety of charitable causes, with a particular focus on supporting charities that work in the areas in which we own assets. Charitable themes we have identified as a priority for our donation include the alleviation of poverty and hunger, feeding the nation and also the ability to positively impact on nature and biodiversity.

Our Investment Adviser launched a dedicated Volunteering Policy in 2024, enabling all employees to take a paid day off to volunteer and give back to the community. Over the last reporting year, this saw our Investment Adviser engaging with a variety of charities and community groups, spending more than 105.5 hours volunteering in the community. Our Investment Adviser has also donated over £100,000 to the Atrato Foundation since it was established in 2023.

**£120,000**  
DONATED TO THE ATRATO  
FOUNDATION BY SUPR<sup>9</sup>



**105.5**  
HOURS VOLUNTEERING  
IN THE COMMUNITY<sup>10</sup>

**WE ARE CURRENTLY  
WORKING WITH THE  
NATURE PROGRAMME  
TEAM AT TESCO, ONE OF  
OUR LARGEST TENANTS, TO  
EXPLORE OPPORTUNITIES  
FOR COLLABORATION ON  
BIODIVERSITY INITIATIVES  
AT THE TESCO SITES  
WITHIN OUR PORTFOLIO**

9. A registered charity established by SUPR's Investment Adviser.

10. In relation to SUPR's Investment Adviser.



Superhero Fun Day at our Willow Brook site in Bradley Stoke.

### PILLAR 2 – CASE STUDY 3

## CHINEHAM SUMMER GARDEN PROJECT



Each year, our site at Chineham is transformed over the summer period with the creation of a summer garden area and launch of a summer event programme including storytelling and family-friendly workshops. This garden area, open free to the public, provides

space for the community to come together and interact. Events held as part of the summer programme include the creation of herb garden, working with local schools to create bench tops using pupil's nature-themed work, and providing space for local community groups, such as the Chineham Conservation Group to speak with shoppers and educate them on local conservation activities. Free family activities focussed around nature & sustainability also take place in the garden, including making bird boxes for families to take home, and creating art using recycled materials.

### PILLAR 2 – CASE STUDY 4

## WILLOW BROOK COMMUNITY ENGAGEMENT PROJECTS



At Willow Brook we actively engage in, host and lead various community, charity, and sustainability initiatives. In the last year, Willow Brook has partnered with tenants and established a herb garden, collaborated with Bradley Stoke Town Council and a local school to construct eight bug hotels

to be strategically positioned about our community, and have participated in numerous charity fundraisers, including Willow Brook's Centre Manager completing a half marathon for charity. We have also provided space for local schools and numerous other groups to showcase and promote themselves and their initiatives. Willow Brook works closely with our local authority and accommodates bi-monthly Town Councillor Surgeries. We have recently introduced a free to use indoor toddler play area and organise numerous free family fun days that attracts hundreds of families.

PILLAR 2 – CASE STUDY 5

## SUPPORT FOR THE BRIGHTWELL FOUNDATION



We are delighted to have provided support for the Brightwell Foundation, a fantastic charity dedicated to enhancing the lives of individuals living with chronic neurological conditions such as Multiple Sclerosis and Parkinson's. A purpose-built centre was opened by The Brightwell Foundation in Bradley Stoke in 2012, close to SUPR's Willow Brook site.

A grant of £5,000 to The Brightwell Foundation was funded via our donation to the Atrato Foundation. Our team at Willow Brook have a history of supporting this charity and a range of other community organisations. On 9 June 2024, Willow Brook sponsored a station at The Brightwell charity Colour Run event where over 300 runners raced to support The Brightwell. This event not only brought the community together for a fun day out but also raised significant awareness and funds for The Brightwell.

PILLAR 2 – CASE STUDY 6

## NATURE VOLUNTEER DAY



In June 2024, our Investment Adviser took part in a nature-related volunteering day, which involved clearing rubbish and plastic pollution from the Paddington Basin Canal.



A colour run event for The Brightwell charity, supported by our Willow Brook site.



PILLAR 3

# RESPONSIBLE BUSINESS

Strengthen ESG performance and uphold responsible business practices to deliver long-term value.

SDG ALIGNMENT:



Our Board and Investment Adviser team on a site visit at Sainsbury's, Ashford

PILLAR 3: RESPONSIBLE BUSINESS

- 23 Responsible Investment
- 24 ESG Reporting and Disclosures
- 24 Corporate Governance
- 25 Responsible Procurement

PILLAR 3

# RESPONSIBLE BUSINESS

We believe that responsible business practices and strong ethics in governance are key to long-term success and value creation. We are committed to upholding strong ethics and integrity including by managing conflicts of interest, maintaining clear and up to date governance and ESG policies and transparent reporting.

## RESPONSIBLE INVESTMENT

Investing responsibly is a necessity for sustainable long-term value creation. SUPR has a defined investment policy to invest in property let to supermarket operators and other retailers. Alongside the Investment Adviser we have developed a bespoke sustainable investment management system, which seeks to ensure that sustainability considerations are integrated through the investment process.

The application of this framework helps to:

- Avoid, mitigate, and manage potential ESG risks associated with assets and tenants
- Optimise the ESG potential of investments at all stages of the investment cycle

We are committed to continually improving our responsible investment approach and activities, and our sustainability disclosures, in line with best practice.

### Materiality Assessment

#### Process to determine material topics

To better understand the sustainability issues, risks and opportunities that are most important to the Company and our stakeholders, we conducted a sustainability materiality assessment in 2021.

The materiality assessment process was led by external consultants and involved engaging with investors, tenants and staff of the Investment Adviser through meetings, surveys and one-on-one engagement. Through this process we first identified a 'long list' of topics relating to environment, social and governance factors, drawn from desktop research and peer analysis, our tenants' policies around sustainability and ESG; and leading ESG standards and frameworks. These were further refined and evolved into questions which were shared with stakeholders. Following the collection and analysis of stakeholder feedback, a materiality matrix was developed to map the most material topics for the Company based on their importance to our business and their importance to our stakeholders. The following priorities were initially identified from this assessment: mitigation of environmental impact, introducing the highest standards of governance and reporting, engagement with tenants and wider stakeholders and responsible citizenship and support for communities.

## Refreshed Sustainability Strategy: Three Pillars

Building on the materiality assessment previously conducted, we have since reviewed and refreshed our Sustainability Strategy to better group our material topics and define our strategic priorities into three key pillars, namely.

### 1. Climate & Environment

- Energy Consumption and GHG emissions
- Climate Risk
- Water and Waste
- Nature and Biodiversity

➔ [Read more on page 08](#)

### 2. Tenant & Community Engagement

- Engaging with Tenants on ESG performance
- Asset level ESG enhancements
- Community Engagement
- Charitable Giving

➔ [Read more on page 15](#)

### 3. Responsible Business

- ESG Reporting and Disclosures
- Corporate Governance
- Responsible Procurement

➔ [Read more on page 22](#)

## IDENTIFY MATERIAL TOPICS

- SET OBJECTIVES OF ASSESSMENT
- REVIEW OF BUSINESS PRIORITIES
- PEER ANALYSIS AND ESG BENCHMARKING
- INITIAL LONG LIST OF POTENTIAL TOPICS



## STAKEHOLDER ENGAGEMENT

- IDENTIFY KEY STAKEHOLDERS
- DESKTOP RESEARCH AND REVIEW OF STAKEHOLDER ESG PRIORITIES AND STRATEGIES
- INTERVIEWS AND SURVEYS WITH STAKEHOLDERS



## ANALYSIS AND REPORTING

- DATA AGGREGATION AND ANALYSIS
- VALIDATE WITH LEADERSHIP
- MATRIX FINALISATION
- SUSTAINABILITY REPORTING

## PILLAR 3 RESPONSIBLE BUSINESS CONTINUED

We are committed to ongoing review and engagement with stakeholders on our material issues to ensure these remain relevant and that our sustainability strategy is focused on what matters most.

### ESG REPORTING AND DISCLOSURES

SUPR's Board and the Investment Adviser recognise the importance of transparent, decision-useful sustainability reporting to improve our accountability to stakeholders.

Successful delivery of the Climate & Environment pillar of our Sustainability Strategy will primarily be measured through year-on-year portfolio carbon emission reductions. We disclose our Scope 1, 2 and 3 emissions annually in line with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard in both this Sustainability Report (see Climate & Environment Pillar, page 09) and within our Annual Report. In addition to our Sustainability Report, we report annually in line with the recommendations of the TCFD within our Annual Report.



In June 2024, we published our first EPRA Sustainability Best Practices Recommendations ("sBPR") Report, for the reporting period 1 July 2022 to 30 June 2023 and have committed to ongoing annual sBPR reporting. We have included our EPRA sBPR disclosures for this reporting period within the appendix of this Report. SUPR has also been separately recognised by EPRA for its governance, achieving its 5th consecutive EPRA Gold award for governance in 2023.



EPRA Gold Award for  
Governance 2023

➔ [See EPRA sBPR Report on Page 29](#)

We are also proud to support the responsible investment activities and associated reporting of our Investment Adviser as a signatory to the UN PRI, NZAM initiative and the UN Global Compact.

### CORPORATE GOVERNANCE

#### Our Board

The Board of SUPR is dedicated to achieving the highest standards of corporate governance. We have a mature and robust structure of governance, compliant with the Association of Investment Companies ("AIC") 2019 Code of Corporate Governance. Our Board is fully independent and comprises six Non-Executive Directors with multi-decade experience across their respective fields of real estate, law, finance and grocery property.

SUPR is committed to promoting diversity, equity and inclusion ("DE&I"). Our aspiration is to have diversity at Board-level that is representative of society. Currently, the Board comprises of three male and three female Non-Executives Directors, and our Investment Adviser's Leadership Team comprises 50% male and 50% female employees.

#### Our ESG Committee:

Our approach to sustainability is underpinned by the Board's commitment to good stewardship and creating long-term value for our stakeholders. To support the integration of ESG priorities into the execution of the investment strategy, the Board established a dedicated ESG Committee in May 2022.

The ESG Committee serves as an independent and objective party to:

- Monitor the integrity and quality of the Company's ESG strategy.
- Ensure that the ESG strategy is integrated into the Company's business plan, corporate values, and objectives, fostering a culture of responsibility and transparency.
- Review and approve the Company's annual ESG Reporting.

**WE REPORT ANNUALLY  
IN LINE WITH THE  
RECOMMENDATIONS  
OF THE TCFD**

**COMMITMENT TO ONGOING  
EPRA SBPR REPORTING**

**QUARTERLY ESG  
COMMITTEE MEETINGS**

**"WE ARE DEDICATED TO  
ACHIEVING THE HIGHEST  
STANDARDS ACROSS OUR  
BUSINESS WITH A CLEAR  
FOCUS ON TRANSPARENCY  
AND CORPORATE  
GOVERNANCE."**

**Nick Hewson, Chairman**



## PILLAR 3 RESPONSIBLE BUSINESS CONTINUED

The ESG Committee, chaired by Frances Davies and attended by all of the Company's Directors, meets at least four times a year and has responsibility for overseeing the delivery of the Company's Sustainability Strategy.

### Our Investment Adviser:

Our Investment Adviser is responsible for the day-to-day delivery of the sustainability strategy as approved by the Board and associated stakeholder engagement on behalf of the Company.

Reflecting the importance of the sustainability agenda at our Investment Adviser, Steve Windsor, Principal of the Investment Adviser, is the appointed Sustainability Champion and is responsible for oversight, monitoring and management of sustainability risks and opportunities. The Investment Adviser's Managing Director, ESG, is responsible for the operational delivery of the sustainability strategy, including the implementation of commitments, and leads the provision of sustainability risk advice to the Company.

The Investment Adviser has established a dedicated ESG Working Group which meets fortnightly to discuss day-to-day aspects of delivering on our sustainability strategy, including identifying and managing ESG risks and impacts, implementing policy commitments, tracking progress against priority activities and liaising with our tenants and other relevant stakeholders. The Working Group is coordinated by the Investment Adviser's Managing Director, ESG and includes the Managing Director, Fund Management, and representatives from across

fund management, asset management and investor relations. The Managing Director, ESG is also a standing attendee at the Investment Adviser's Investment Committee.

Wider ESG-related initiatives of our Investment Adviser include:

- Being a Living Wage Employer – making a commitment to paying a wage based on the cost of living to all staff.
- Partner of Women in Banking and Finance – offering women employees access to a membership network that has championed women in financial services for over 40 years.
- Signatory and supporter of a range of responsible investment initiatives, including the UN PRI, NZAM and UN GC.

### ESG training

The Board recognises that appropriate training and upskilling is a key enabler to ensure successful implementation of the Company's sustainability strategy and, specifically, the integration of sustainability factors into the investment process. In 2023 and 2024, specific Climate Risk and TCFD training was delivered to the Investment Adviser and the Board respectively, to improve understanding of climate-related risks and opportunities and their tracking and oversight in order to support the management of these issues in the Company's activities. Additional training has also since been delivered to the Board including on topics

such as Climate Transition Planning and EPC fundamentals.

All employees of our Investment Adviser are enrolled into a quarterly online internal training programme, including modules related to ESG and health and safety as well as training that supports the Investment Adviser's DE&I strategy, such as modules on unconscious bias and respect in the workplace.

### RESPONSIBLE PROCUREMENT

Strong relationships with our suppliers help to enable the successful delivery of our strategy. Although SUPR itself does not have any employees, we stand against modern slavery and are committed to upholding human rights throughout our supply chain. This commitment is outlined in our Supply Chain Human Rights Policy and Modern Slavery Statement.

Our Investment Adviser is a signatory to the UN Global Compact which sets out a principles-based approach to doing business through ten core sustainability principles (the "Ten Principles") covering Human Rights, Labour, Environment and Anti-Corruption. The Ten Principles are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. Our Investment Adviser is also an accredited living wage employer - making a commitment to paying a wage based on the cost of living to all staff.

## GENDER EQUALITY ON SUPR BOARD

## DEDICATED IA ESG WORKING GROUP

## RESPONSIBLE INVESTMENT COMMITMENTS OF SUPR'S INVESTMENT ADVISER



United Nations  
Global Compact



# APPENDIX

## GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

We have aligned our sustainability reporting with the GRI Standards. The table below provides an overview of the reported disclosures from the GRI Standards (including the disclosure titles) and either the corresponding disclosure information or the location of this information.

|  | Statement of use   | Supermarket Income REIT ("SUPR") has reported in accordance with the following GRI Standards for the period 1 July 2023 to 30 June 2024.   |
|--|--|--|
| GRI Standard                           | Disclosure titles  | Disclosure information or Location   |
| <b>GRI 2: General Disclosures 2021</b> | 2-1 Organisational details   | Legal Name: Supermarket Income REIT Plc ("SUPR")<br>Nature of ownership and legal form: Supermarket real estate investment trust. Public limited company<br>Location of headquarters: London, United Kingdom<br>Countries of operation: United Kingdom, France <sup>11</sup>   |
|  | 2-2 Entities included in the organisation's sustainability reporting | Supermarket Income REIT Plc ("SUPR")   |
|  | 2-3 Reporting period, frequency and contact point                    | Reporting period for sustainability reporting: Year ended 30 June 2024<br>Reporting period for financial reporting: Year ended 30 June 2024<br>Frequency of sustainability reporting: Annual<br>Publication date of the Sustainability Report: 17 September 2024<br>Contact point for questions about the report or reported information: ir@atratocapital.com |
|  | 2-4 Restatements of information                                      | <a href="#">Annual Report 2024</a> – Streamlined Energy and Carbon Report  |
|  | 2-5 External assurance   | Grant Thornton UK LLP's assurance report over location-based GHG inventory figures is available on the Sustainability page of the Company's website: <a href="#">Sustainability - Supermarket Income Reit</a> .  |
|  | 2-6 Activities, value chain and other business relationships         | <a href="#">Annual Report 2024</a> – Strategic Report (SUPR at a glance)   |
|  | 2-7 Employees  | SUPR does not have any employees as a result of its external management structure  |
|  | 2-8 Workers who are not employees                                    | <a href="#">Annual Report 2024</a> – Corporate Governance (Leadership and Purpose: How we operate)   |
|  | 2-9 Governance structure and composition                             | <a href="#">Annual Report 2024</a> – Corporate Governance (The Board of Directors)<br><a href="#">Annual Report 2024</a> – Corporate Governance (Leadership and Purpose: Our operating model)<br><a href="#">Annual Report 2024</a> – Corporate Governance (Nomination Committee Report)   |
|  | 2-10 Nomination and selection of the highest governance body         | <a href="#">Annual Report 2024</a> – Corporate Governance (Nomination Committee Report)  |
|  | 2-11 Chair of the highest governance body                            | <a href="#">Annual Report 2024</a> – Corporate Governance (Nomination Committee Report)<br>The Company has no executive directors, employees or internal operations  |

11. In April 2024, we acquired a portfolio of Carrefour omnichannel supermarkets located in France. The disclosures in this Sustainability Report exclude these recently acquired French assets and focus on the sustainability performance of the Company's UK portfolio only. We intend to expand this coverage to cover assets located outside the UK within the next Sustainability Report once a full year of performance data is available.

## APPENDIX CONTINUED

|   | Statement of use   | Supermarket Income REIT ("SUPR") has reported in accordance with the following GRI Standards for the period 1 July 2023 to 30 June 2024.  |
|---|--|---|
| GRI Standard  | Disclosure titles  | Disclosure information or Location  |
| <b>GRI 2: General Disclosures 2021</b>                  | 2-12 Role of the highest governance body in overseeing the management of impacts | ESG Committee Terms of Reference.<br>Sustainability Report 2024: Responsible Business – Corporate Governance  |
|   | 2-13 Delegation of responsibility for managing impacts                           | <a href="#">Annual Report 2024</a> – Corporate Governance (ESG Committee Report)<br>Sustainability Report 2024: Responsible Business – Corporate Governance   |
|   | 2-14 Role of the highest governance body in sustainability reporting             | <a href="#">Annual Report 2024</a> – Corporate Governance (ESG Committee Report)  |
|   | 2-15 Conflicts of interest   | <a href="#">Annual Report 2024</a> – Corporate Governance (Leadership and Purpose: Conflicts of Interest)   |
|   | 2-16 Communication of critical concerns  | <a href="#">Annual Report 2024</a> – Corporate Governance (Audit and Risk Committee Report)<br>Whistleblowing Policy  |
|   | 2-17 Collective knowledge of the highest governance body                         | <a href="#">Annual Report 2024</a> – Corporate Governance (Nomination Committee Report: Director training programme)<br><a href="#">Annual Report 2024</a> – Corporate Governance (ESG Committee Report)  |
|   | 2-18 Evaluation of the performance of the highest governance body                | <a href="#">Annual Report 2024</a> – Corporate Governance (Nomination Committee Report)   |
|   | 2-19 Remuneration policies   | <a href="#">Annual Report 2024</a> – Corporate Governance (Remuneration Committee Report)   |
|   | 2-20 Process to determine remuneration   | <a href="#">Annual Report 2024</a> – Corporate Governance (Remuneration Committee Report)   |
|   | 2-21 Annual total compensation ratio   | N/A: SUPR does not have any employees as a result of its external management structure  |
|   | 2-22 Statement on sustainable development strategy                               | Sustainability Report 2024: Sustainability Strategy Overview  |
|   | 2-23 Policy commitments  | Website: Sustainability – Sustainability Reports and Policies: <a href="#">Sustainability – Supermarket Income Reit</a>   |
|   | 2-24 Embedding policy commitments  | Sustainability Report 2024: Responsible Business – Corporate Governance   |
|   | 2-25 Processes to remediate negative impacts                                     | Sustainability Report 2024: Climate & Environment. The Company has not yet established a formal grievance mechanism process, however, the Company is committed to mitigating the environmental impacts of our assets and engaging with stakeholders to improve sustainability performance |
| 2-26 Mechanisms for seeking advice and raising concerns | <a href="#">Whistleblowing Policy</a>  |   |

## APPENDIX CONTINUED

|  | Statement of use                          | Supermarket Income REIT ("SUPR") has reported in accordance with the following GRI Standards for the period 1 July 2023 to 30 June 2024.                              |
|--|---|---|
| GRI Standard                           | Disclosure titles                         | Disclosure information or Location  |
| <b>GRI 2: General Disclosures 2021</b> | 2-27 Compliance with laws and regulations | <a href="#">Annual Report 2024</a> – Financial Statements (Independent Auditors' Report: Non-compliance with laws and regulations)                                    |
|  | 2-28 Membership associations              | N/A: SUPR does not participate in a significant role in any industry associations, other membership associations, or national or international advocacy organisations |
|  | 2-29 Approach to stakeholder engagement   | <a href="#">Annual Report 2024</a> – Corporate Governance (Our Key Stakeholder Relationships)   |
|  | 2-30 Collective bargaining agreements     | N/A: SUPR does not have any employees as a result of its external management structure  |
| <b>GRI 3: Material Topics 2021</b>     | 3-1 Process to determine material topics  | <a href="#">Sustainability Report 2024: Responsible Business – Process to determine material topics</a>   |
|  | 3-2 List of material topics               | <a href="#">Sustainability Report 2024: Responsible Business – Refreshed Sustainability Strategy: Three Pillars.</a>  |
|  | 3-3 Management of material topics         | Sustainability Report 2024: <a href="#">Climate &amp; Environment</a> ; <a href="#">Tenant &amp; Community Engagement</a> ; and <a href="#">Responsible Business</a>  |

See the EPRA sBPR disclosure tables below for the Company's GRI Topic Standards disclosures related to energy, GHG emissions and water & waste.

## APPENDIX CONTINUED

### EPRA SUSTAINABILITY BEST PRACTICES RECOMMENDATIONS INDICATOR DISCLOSURES

The below tables contain our EPRA sBPR disclosures (Sustainability Performance Measures and Overarching Recommendations) for the reporting period 1 July 2023 to 30 June 2024.

#### Overarching recommendations

The table below highlights where Supermarket Income REIT ("SUPR") have made a focused effort to implement the overarching recommendations into their reporting.

Table 1: How SUPR have addressed the overarching recommendations.

| Overarching recommendations                          | How SUPR integrate these recommendations   |
|--|--|
| Operational boundaries                               | SUPR's approach to operational boundaries is based on operational control of SUPR's portfolio.   |
| Coverage   | SUPR are currently able to report electricity for 100% of their portfolio, with 52% estimated; fuels for 100%, with 36% estimated; and water for 100%, with 100% estimated. SUPR aim to improve data coverage and completeness overtime through engagement with tenants and improving data collection processes.   |
| Estimation of landlord-obtained utility consumption  | 31% of landlord-obtained electricity consumption was estimated; 100% of landlord-obtained liquid fuel was estimated; 57% of landlord-obtained natural gas was estimated.   |
| Third party assurance                                | SUPR have sought third-party assurance for this reporting year from Grant Thornton UK LLP.   |
| Boundaries   | All landlord and available tenant data is reported. Estimations were used to gap-fill data so that 100% of consumption is reported.  |
| Normalisation  | MWh/m <sup>2</sup> is used to measure intensity.   |
| Segmental analysis                                   | This report covers the property assets within SUPR's portfolio for the financial year 1 July 2023 to 30 June 2024.<br>During this period, SUPR engaged in a single segment business, namely, being investment in United Kingdom in supermarket property assets; the non-supermarket properties are ancillary in nature to the supermarket property assets and are therefore not segmented. |
| Disclosure on own offices                            | SUPR have no offices in operation.   |
| Narrative on performance                             | An overview is provided for each topic in this report and further sources are highlighted where required.  |
| Location of EPRA Sustainability Performance Measures | EPRA Sustainability Performance Measures are included in the tables on the following pages.  |
| Reporting period                                     | Financial year 1 July 2023 to 30 June 2024.  |
| Materiality  | SUPR conducted its first formal materiality assessment in September 2021.<br>The aim of this assessment was to identify the priority ESG areas for the Company based on their importance to the business and their significance to SUPR's stakeholders.<br>SUPR has more recently conducted materiality review as part of the refinement of its Sustainability Strategy.                   |

## APPENDIX CONTINUED

### ENVIRONMENTAL PERFORMANCE

The environmental data on which SUPR's emissions are calculated comes from electricity, liquid fuel and natural gas. There is no consumption of district heating and cooling at SUPR sites. Waste and water data were estimated based on BBP Benchmarks<sup>12</sup>, GRESB 2020 Benchmarks<sup>13</sup> and Defra waste statistics<sup>14</sup>, and are not included in the assessment of GHG emissions.

SUPR have calculated and reported GHG emissions from 1 July 2021. Efforts have been made to improve data quality through tenant engagement. This has resulted in continued reductions in estimations required, to provide a more accurate picture of SUPR's consumption and emissions.

Below is a breakdown of environmental data and a more in-depth analysis by topic, including Energy, GHG emissions, Waste and Water and Sustainably certified assets.

Table 2: SUPR's environmental performance measures

| Impact Area                  | GRI Standard and CRES D indicator code | EPRA code     | Environmental performance measures                           | Performance FY23                   | Performance FY24                   |
|------------------------------|--|---------------|--|------------------------------------|------------------------------------|
| Energy                       | 302-1                                  | Elec-Abs      | Total electricity consumption                                | 139,320 MWh                        | 125,440 MWh                        |
|                              | 302-1                                  | Elec-Lfl      | Like-for-like total electricity consumption                  | *                                  | -17,914 MWh*                       |
|                              | 302-1                                  | DH&C-Abs      | Total district heating and cooling consumption               | N/A                                | N/A                                |
|                              | 302-1                                  | DH&C-Lfl      | Like-for-like total district heating and cooling consumption | *                                  | N/A                                |
|                              | 302-1                                  | Fuels-Abs     | Total fuel consumption                                       | 49,010 MWh                         | 49,936 MWh                         |
|                              | 302-1                                  | Fuels-Lfl     | Like-for-like total fuel consumption                         | *                                  | 89 MWh*                            |
|                              | CRE1                                   | Energy-Int    | Building energy intensity                                    | 0.2 MWh/m <sup>2</sup>             | 0.2 MWh/m <sup>2</sup>             |
| GHG emissions                | 305-1                                  | GHG-Dir-Abs   | Total direct greenhouse gas (GHG) emissions                  | 10 tCO <sub>2</sub> e              | 11 tCO <sub>2</sub> e              |
|                              | 305-2                                  | GHG-Indir-Abs | Total indirect greenhouse gas (GHG) emissions                | 81,007 tCO <sub>2</sub> e          | 84,270 tCO <sub>2</sub> e**        |
|                              | CRE3                                   | GHG-Int       | GHG emissions intensity from building energy consumption     | See breakdown below                | See breakdown below                |
| Water & Waste                | 303-1                                  | Water-Abs     | Total water consumption                                      | 639,277 m <sup>3</sup>             | 675,586 m <sup>3</sup>             |
|                              | 303-1                                  | Water-Lfl     | Like-for-like total water consumption                        | *                                  | *0 m <sup>3</sup>                  |
|                              | CRE2                                   | Water-Int     | Building water intensity                                     | 0.8 m <sup>3</sup> /m <sup>2</sup> | 0.8 m <sup>3</sup> /m <sup>2</sup> |
|                              | 306-2                                  | Waste-Abs     | Total weight of waste by disposal route                      | See breakdown below                | See breakdown below                |
|                              | 306-2                                  | Waste-Lfl     | Like-for-like total weight of waste by disposal route        | *                                  | * See breakdown below              |
| Sustainably certified assets | CRE8                                   | Cert-Tot      | Type and number of sustainably certified assets              | See breakdown below                | See breakdown below                |

\* During the financial year of 2024, SUPR acquired two new supermarket sites. Like-for-Like consumption values have excluded these two new sites in order for an equivalent portfolio size to be compared from FY23 to FY24.

Absolute consumption and emission figures for FY24, however, include these two new supermarket sites. \*\* FERA emissions are included in Scope 3 Category 13: Downstream Leased Assets. Emissions are reported on a location-basis.

12. BBP (2021) 2020 Real Estate Environmental Benchmarks, 2020 Real Estate Environmental Benchmarks\_2.pdf (betterbuildingspartnership.co.uk)

13. GRESB (2020) Environmental performance data, Asset Portal guide – GRESB

14. Defra (2023) Local Authority Collected Waste Statistics – Local Authority data UK statistics on waste – GOV.UK (www.gov.uk)

## APPENDIX CONTINUED

### ENERGY AND GHG EMISSIONS

Between 1 July 2023 and 30 June 2024, SUPR calculated Scope 1, 2 and 3 GHG emissions.

Scope 3 emissions reported include:

1. Category 1: Purchased Goods and Services
2. Category 3: Fuel-and-energy-related-activities (FERA)
3. Category 13: Downstream Leased Assets.

This is the third year SUPR has reported their GHG emissions. Additionally, in 2023, SUPR developed and submitted a net zero science-based target as well as an emissions reduction action plan.

SUPR have set both a near-term and long-term target:

Near-term target:

- SUPR commits to reduce absolute Scope 1 and 2 GHG emissions 42% by FY2030 from a FY2023 base year.

Long-term target:

- SUPR commits to reduce absolute Scope 1, 2 and 3 GHG emissions 90% by FY2050 from a FY2023 base year.

As part of its decarbonisation roadmap, SUPR has identified a number of key objectives including:

- 1) Implementation of energy efficient LED lighting in communal areas and expanding onsite solar electricity at sites where SUPR has operational control, to meet the near-term target.
- 2) Engagement and collaboration with SUPR's tenants on energy efficiency opportunities to reduce energy consumption and energy waste, and ultimately reduce Scope 3 emissions.
- 3) When developing new buildings, ensuring, as far as possible, that these new builds have low carbon intensities, and high energy efficiency/EPC ratings.
- 4) Engagement with SUPR's suppliers to encourage suppliers to set SBTs and to measure and reduce their emissions.

The following tables provide energy consumption and GHG emissions for SUPR's assets for the reporting year: 1 July 2023 – 30 June 2024. Emissions and associated consumption data reported below include both a location-based and market-based approach. Market-based emissions include market instruments under Scope 3 category 13: downstream leased assets. Market-based instruments include 100% renewable green tariff electricity used by all Sainsbury's and Tesco stores.

In relation to floor area coverage, 32% of the floor area of properties is landlord managed and accounted for in Scope 1 and 2 emissions; 68% of floor area of properties is tenant managed and included in Scope 3 downstream leased assets.

## APPENDIX CONTINUED

Table 3: SUPR's Energy impact area performance

| EPRA code | Indicator                     | Metric  | 1 July 22 – 30 June 23 | 1 July 23 – 30 June 24 |
|-----------|-------------------------------|---|------------------------|------------------------|
| Elec-Abs  | Electricity                   | Total electricity consumption – landlord obtained               | 521 MWh                | 444 MWh                |
|           |                               | % of floor coverage   | 30%                    | 32%                    |
|           |                               | Total electricity consumption – tenant obtained                 | 138,799 MWh            | 124,997 MWh            |
|           |                               | % of floor coverage   | 70%                    | 68%                    |
|           |                               | % of landlord-obtained electricity from renewable sources       | 0%                     | 0%                     |
|           |                               | % of tenant-obtained electricity from renewable sources         | 1%                     | 55%*                   |
|           |                               | Total electricity consumption                                   | 139,320 MWh            | 125,440 MWh            |
|           |                               | % of floor coverage   | 100%                   | 100%                   |
|           |                               | % of electricity estimated                                      | 78%                    | 52%                    |
| Elec-Lfl  | Electricity                   | Like-for-like total electricity consumption                     | N/A                    | -17,914 MWh**          |
| DH&C-Abs  | District Heating & Cooling*** | Total heating & cooling – landlord obtained                     | N/A                    | N/A                    |
|           |                               | Total heating & cooling – tenant obtained                       | N/A                    | N/A                    |
|           |                               | % of heating & cooling from renewable sources – landlord        | N/A                    | N/A                    |
|           |                               | % of heating & cooling from renewable sources – tenant obtained | N/A                    | N/A                    |
| Fuels-Abs | Fuels                         | Total fuels – landlord obtained                                 | 53 MWh                 | 57 MWh                 |
|           |                               | % of floor coverage   | 30%                    | 32%                    |
|           |                               | Total fuels – tenant obtained                                   | 48,957 MWh             | 49,880 MWh             |
|           |                               | % of floor coverage   | 70%                    | 68%                    |
|           |                               | % of landlord obtained fuels from renewable sources             | 0%                     | 0%                     |
|           |                               | % of tenant obtained from renewable sources                     | 0%                     | 0%                     |
|           |                               | Total fuel consumption  | 49,010 MWh             | 49,936 MWh             |
|           |                               | % of floor coverage   | 100%                   | 100%                   |
|           |                               | % of fuels estimated  | 75%                    | 36%                    |



## APPENDIX CONTINUED

Table 3: SUPR's Energy impact area performance continued

| EPRA code  | Indicator        | Metric                               | 1 July 22 – 30 June 23 | 1 July 23 – 30 June 24 |
|------------|------------------|--------------------------------------|------------------------|------------------------|
| Fuels-LfL  | Fuels            | Like-for-like total fuel consumption | N/A                    | 89 MWh**               |
| Energy-Int | Energy intensity | Energy intensity per m <sup>2</sup>  | 0.2 MWh/m <sup>2</sup> | 0.2 MWh/m <sup>2</sup> |

\* Renewable sources include green tariff purchased electricity and on-site generated solar.

\*\* During the financial year of 2024, SUPR acquired two new supermarket sites. Like-for-Like consumption values have excluded these two new sites in order for an equivalent portfolio size to be compared from FY23 to FY24. Absolute consumption and emission figures for FY24, however, include these two new supermarket sites.

\*\*\* No district heating & cooling used in buildings

Table 4: SUPR's GHG emissions impact area performance

| EPRA code     | Indicator               | Metric                   | 1 July 22 – 30 June 24                     | 1 July 23 – 30 June 24                    |   |
|---------------|-------------------------|--------------------------|--|---|---|
|               |                         |                          | Location-based:                            | Location-based:                           | Market-based*:                            |
| GHG-Dir-Abs   | Direct                  | Scope 1                  | 10 tCO <sub>2</sub> e*                     | 11 tCO <sub>2</sub> e                     | 11 tCO <sub>2</sub> e                     |
|               |                         | % of floor area coverage | 30%  | 32%                                       | 32%                                       |
| GHG-Indir-Abs | Indirect                | Scope 2                  | 101 tCO <sub>2</sub> e*                    | 92 tCO <sub>2</sub> e                     | 162 tCO <sub>2</sub> e                    |
|               |                         | % of floor area coverage | 30%  | 32%                                       | 32%                                       |
|               |                         | Scope 3                  | 80,906 tCO <sub>2</sub> e*                 | 84,178 tCO <sub>2</sub> e                 | 82,913 tCO <sub>2</sub> e                 |
|               |                         | % of floor area coverage | 70%  | 68%                                       | 68%                                       |
| GHG-Int       | GHG emissions intensity | Scope 1 and 2            | 0.0004 tCO <sub>2</sub> e/m <sup>2</sup> * | 0.00037 tCO <sub>2</sub> e/m <sup>2</sup> | 0.00062 tCO <sub>2</sub> e/m <sup>2</sup> |
|               |                         | Scope 3                  | 0.1362 tCO <sub>2</sub> e/m <sup>2</sup> * | 0.13800 tCO <sub>2</sub> e/m <sup>2</sup> | 0.13593 tCO <sub>2</sub> e/m <sup>2</sup> |

\* Market-based emissions include market instruments under scope 3 category 13: downstream leased assets.

## APPENDIX CONTINUED

### WATER AND WASTE

The table below provides water and waste consumption values for SUPR's assets for the reporting year: 1 July 2023 – 30 June 2024.

Water and waste were estimated this year using on BBP Benchmarks<sup>15</sup>, GRESB 2020 Benchmarks<sup>16</sup> and Defra waste statistics<sup>17</sup>.

SUPR aim to improve on this next year by increasing the actual data on water and waste provided by tenants.

An error was found in the total floor areas used for last year's (FY23) water and waste estimations. These have now been amended and are consistent with the floor areas used to calculate the Water-LfL and Waste LfL metrics this year (FY24). As the same BBP and GRESB benchmarks have been used, and have not been updated since last year's report, the water and waste metrics are the same as last year's corrected figures, resulting in 0 LfL changes between FY23 and FY24.

Table 5: SUPR's Water and Waste impact area performance

| EPRA code | Indicator           | Metric                                     | 1 July 23 – 30 June 24             | 1 July 23 – 30 June 24             |
|-----------|---------------------|--|------------------------------------|------------------------------------|
| Water-Abs | Water consumption   | Total water consumption                    | 639,277 m <sup>3</sup>             | 675,586 m <sup>3</sup>             |
|           |                     | % of floor area coverage                   | 100%                               | 100%                               |
|           |                     | % of water estimated                       | 100%                               | 100%                               |
| Water-LfL | Water consumption   | Like-for-like total water consumption      | N/A                                | *0 t                               |
| Water-Int | Water Intensity     | Building water intensity                   | 0.8 m <sup>3</sup> /m <sup>2</sup> | 0.8 m <sup>3</sup> /m <sup>2</sup> |
| Waste-Abs | Total waste         | Total waste sent to landfill               | 13,663 t                           | 13,752 t                           |
|           |                     | Total waste diverted from landfill         | 154,506 t                          | 155,512 t                          |
|           |                     | % of floor area coverage                   | 100%                               | 100%                               |
|           |                     | % of waste estimated                       | 100%                               | 100%                               |
| Waste LfL | Proportion of waste | Proportion of waste sent to landfill       | N/A                                | *0 t                               |
|           |                     | Proportion of waste diverted from landfill | N/A                                | *0 t                               |

\* During the financial year of 2024, SUPR acquired two new supermarket sites. Like-for-Like consumption values have excluded these two new sites in order for an equivalent portfolio size to be compared from FY23 to FY24. Absolute consumption and emission figures for FY24, however, include these two new supermarket sites.

15. BBP (2021) 2020 Real Estate Environmental Benchmarks, 2020 Real Estate Environmental Benchmarks\_2.pdf (betterbuildingspartnership.co.uk)

16. GRESB (2020) Environmental performance data, Asset Portal guide – GRESB

17. Defra (2023) Local Authority Collected Waste Statistics – Local Authority data UK statistics on waste – GOV.UK (www.gov.uk)

## APPENDIX CONTINUED

### SUSTAINABLY CERTIFIED ASSETS

The table below provides a breakdown of EPC ratings for SUPR's assets for the reporting year: 1 July 2023 – 30 June 2024. SUPR's assets include 55 supermarkets, 121 ancillary units and 18 communal areas. SUPR have set a target to have all owned properties at EPC C or above by 2028 and EPC B or above by 2030. Currently, 87% of buildings are rated EPC C or above.

Table 6: SUPR's Certifications impact area performance

| EPRA code | Metric   | 1 July 23 – 30 June 24 | 1 July 23 – 30 June 24 |
|-----------|--|------------------------|------------------------|
| Cert-Tot  | No. of buildings with an EPC Rating Certifications | 161                    | 163                    |
|           | A  | 1%                     | 4%                     |
|           | B  | 37%                    | 52%                    |
|           | C  | 50%                    | 31%                    |
|           | D  | 12%                    | 13%                    |
|           | E  | 0%                     | 0%                     |
|           | F  | 0%                     | 0%                     |
|           | G  | 0%                     | 0%                     |

### SOCIAL PERFORMANCE

Table 7: An overview of SUPR's social performance.

| EPRA code     | Indicator  | 1 July 23 – 30 June 24 <sup>18</sup>  |
|---------------|--|---|
| Diversity-Emp | Employee gender diversity  | N/A: SUPR does not have any employees.  |
| Diversity-Pay | Gender pay ratio   |   |
| Emp-Training  | Employee training and development                                | N/A: SUPR does not have any employees.  |
| Emp-Dev       | Employee performance appraisals                                  |   |
| Emp-Turnover  | New hires and turnover   |   |
| H&S-Emp       | Employee health and safety                                       | N/A: SUPR does not have any employees.  |
| H&S-Asset     | Asset health and safety assessments                              |   |
| H&S-Comp      | Asset health and safety compliance                               |   |
| Comty-Eng     | Community engagement, impact assessments, development programmes | 100% of supermarket assets. The supermarket tenants of SUPR's assets (namely, Tesco, Sainsbury's, Asda, Morrisons, Waitrose, M&S and Aldi) all have established formal community engagement programmes as part of their corporate policies. |

18. No change from prior year.

## APPENDIX CONTINUED

Table 8: A detailed breakdown of SUPR's Diversity social performance.

| EPRA code     | Indicator                                 | Unit     | 1 July 23 – 30 June 24 <sup>19</sup>   |
|---------------|---|----------|--|
| Diversity-Emp | Governance body (SUPR Board of Directors) | % male   | 50%                                    |
|               |   | % female | 50%                                    |
|               | Directors                                 | % male   | N/A: SUPR does not have any employees. |
|               |   | % female |  |
|               | Line managers                             | % male   |  |
|               |   | % female |  |
|               | Other employees                           | % male   |  |
|               |   | % female |  |

19. No change from prior year.

Table 9: A detailed breakdown of SUPR's Employees social performance.

| EPRA code    | Indicator                         | Unit   | 1 July 23 – 30 June 24                 |
|--------------|-----------------------------------|--|--|
| Emp-Training | Employee training and development | Average hours of training per male employee                      | N/A: SUPR does not have any employees. |
|              |                                   | Average hours of training per female employee                    |  |
| Emp-Dev      | Employee performance appraisals   | Percentage of male employees with regular performance review     |  |
|              |                                   | Percentage of female employees with a regular performance review |  |
| Emp-Turnover | New hires and turnover: males     | Total number of employee hires                                   |  |
|              |                                   | Rate of employee hires   |  |
|              |                                   | Total number of employee turnover                                |  |
|              |                                   | Rate of employee turnover  |  |
|              | New hires and turnover: females   | Total number of employee hires                                   |  |
|              |                                   | Rate of employee hires   |  |
|              |                                   | Total number of employee turnover                                |  |
|              |                                   | Rate of employee turnover  |  |

## APPENDIX CONTINUED

Table 10: A detailed breakdown of SUPR's Health and Safety social performance.

| EPRA code | Indicator                           | Unit   | 1 July 23 – 30 June 24   |
|-----------|-------------------------------------|--|--|
| H&S-Emp   | Employee health and safety          | Rate of employee turnover  | N/A: SUPR does not have any employees.   |
|           |                                     | Injury Rate  |  |
|           |                                     | Lost day rate  |  |
|           |                                     | Absentee rate  |  |
| H&S-Asset | Asset health and safety assessments | Percentage of assets of which H&S impacts are assessed or reviewed | Assets that fall under the responsibility of the occupiers are excluded from this Performance Measure. Therefore, this indicator only applies to the following 10 assets: <ul style="list-style-type: none"> <li>1. Morrisons, Telford</li> <li>2. The Peel Centre Branknell</li> <li>3. Weeke Shopping Centre</li> <li>4. Balloo Retail Park</li> <li>5. Queens Drive Retail Park</li> <li>6. Derwent Howe Retail Park</li> <li>7. Minor Centre</li> <li>8. Chineham Shopping Park</li> <li>9. West End Retail Park</li> <li>10. The Willow Brook Centre</li> </ul> This represents 18% of the supermarket portfolio. <sup>20</sup> |
| H&S-Comp  | Asset health and safety compliance  | Number of incidents of non-compliance                              | This indicator only applies to assets noted above. In total there were 30 incidents of non-compliance across the 10 assets during the reporting year.  |

20. 55 supermarket assets in total portfolio.

## APPENDIX CONTINUED

### GOVERNANCE PERFORMANCE

Table 11: An overview of SUPR's Governance.

| EPRA code                                      | Governance performance measures                                  | 1 July 23 – 30 June 24 <sup>21</sup>  |
|--|--|---|
| Gov-Board                                      | Composition of highest governance body                           | The Board is composed of six non-executive Directors.<br>Gender diversity; three male and three female members.<br>Minority Ethnic diversity – one member is from an ethnic minority therefore ensuring recommendations of the Parker Review are met.   |
| Gov-Selec                                      | Process for nominating and selecting the highest governance body | The recruitment process followed in relation to Board appointments is designed to be independent and transparent. The recruitment criteria are focused on merit with reference to the candidates' experience and their alignment with the skill and experience gaps identified by both the AIC and the FRC Guidance on Board effectiveness. Based on these criteria the Investment Adviser will initially identify a long list of candidates, with reference to the connections of the IA Group, Board members and their respective advisers. The Investment Adviser then coordinates a series of interviews with members of the Board and the Investment Advisory team to identify a preferred candidate. Following this recruitment process, the Company's nominations committee will recommend to the Board the appointment of a new member. Each Director is appointed for an initial three-year term subject to annual re-election at the Company's AGM. Directors are typically expected to serve two three-year terms but may be invited by the Board to serve for an additional period. During the financial period the Board appointed one additional non-executive director, Sapna Shah, following the process described above.   |
| Gov-Process for managing conflicts of interest | Process for managing conflicts of interest                       | The Directors declare any conflicts or potential conflict of interest to the Board which has the authority to approve such situations. The Company Secretary maintains the Register of Directors' Conflicts of Interests which is reviewed at each quarterly board meeting, and when changes are notified. The Directors advise the Company Secretary and Board as soon as they become aware of any conflicts of interest. Directors who have conflicts of interest do not take part in discussions which relate to any of their conflicts. The Investment Adviser also has a Conflicts of Interest Policy which applies to all employees, contractors and interns in respect of all business activities in relation to Eligible Counterparties and Professional Clients undertaken by the Investment Adviser. The Investment Adviser's policy has been prepared for compliance with the FCA's rules and regulations. It is not possible to identify all the potential conflicts of interest which may arise. The purpose of the Investment Adviser's Conflict of Interest policy is to serve as an explanatory guide for how the Investment Adviser actively manages and deals with conflicts in the course of day-to-day business and provide controls and relevant monitoring programmes that can be adapted to manage the detail of the specific conflicts as they arise. The policy contains controls to minimise this risk of potential damage to clients and forms an important element in protecting and enhancing the Investment Adviser's reputation. The policy may not cover all eventualities and all circumstances that may be encountered but is regularly reviewed. |

21. No change from prior year.

## APPENDIX CONTINUED

### GHG INVENTORY AND REPORTING CRITERIA

The following sets out the overall methodology applied to reported GHG Inventory data in this Sustainability Report.

The 2022 Conversion Factors published by the UK Department for Energy Security and Net Zero (“DESNZ”) and Department for Business, Energy, and Industrial Strategy (“BEIS”) was the main source used for emission factors. All relevant categories have been included and any exclusions are described below.

We engaged Grant Thornton UK LLP to perform independent limited assurance over the location-based GHG Inventory figures. Grant Thornton UK LLP has issued an unqualified opinion over the selected data and the full assurance report is available on the Sustainability page of the Company’s website: [Sustainability – Supermarket Income Reit](#)

#### Scope 1 & 2

For electricity and natural gas, some actual consumption data was provided for communal areas where energy consumption is controlled by SUPR. Where there were gaps, estimations were made using the data from previous year or floor area intensities (based on similar sites within the portfolio) as proxies. For fuel oil, spend was used as a proxy due to a lack of activity data.

#### Scope 3 (1. Purchased Goods & Services)

This category was estimated using spend as a proxy and applying Department for Environment, Food & Rural Affairs (“DEFRA”) input-output factors kgCO<sub>2</sub>/GBP to expenditure.

#### Scope 3 (13. Downstream Leased Assets)

The majority of emissions relate to tenant energy use, particularly for supermarket branches. Some supermarket tenants, including Tesco, Sainsbury’s and M&S provided actual consumption data for electricity and heating. Where no consumption data was available, estimations were made using benchmark intensity data based on floor area. The majority of refrigerant consumption was estimated for all sites.

A smaller amount of emissions arise from the communal areas of sites where the Company owns the land but is not responsible for paying for the energy. These emissions were estimated using the floor area intensities of similar sites with actual data.

The GHG Inventory figures in the table below have removed FERA emissions that are categorised under Scope 3 category 13: Downstream Leased Assets (“DLA”) to align with the SBTi minimum boundary alignment. These FERA emissions are associated with the tenants Scope 1 and 2 emissions that are also categorised under Scope 3 DLA. The figures reported in EPRA sBPR tables above account for a fuller view of DLA emissions by including FERA emissions under Scope 3 DLA. Therefore, Scope 3 DLA and consequentially total Scope 3 figures reported in the EPRA sBPR tables are higher than figures reported in the GHG inventory table below which excludes Scope 3 FERA.

Table 12: FY24 GHG Inventory

|   | FY23 (as restated) <sup>22</sup>  | FY24                              |                                 |  |
|---|-----------------------------------|-----------------------------------|---------------------------------|--|
|   | Location-based tCO <sub>2</sub> e | Location-based tCO <sub>2</sub> e | Market-based tCO <sub>2</sub> e | Market-based (S1&2 & DLA) tCO <sub>2</sub> e |
| <b>Scope 1 Total</b>  | <b>10.49</b>                      | <b>11.46</b>                      | <b>11.46</b>                    | <b>11.46</b>                                 |
| <b>Scope 2 Total</b>  | <b>100.81</b>                     | <b>91.87</b>                      | <b>162.38</b>                   | <b>162.38</b>                                |
| 1: Purchased Goods and Services   | 3,131.50                          | 2,214.70                          | 2,214.70                        | 2,214.70                                     |
| 2: Capital Goods  | 463.49                            | 0                                 | 0                               | 0  |
| 3: Fuel- and Energy-Related Activities  | 37.46                             | 32.15                             | 45.16                           | 45.16  |
| 13: Downstream Leased Assets  | 72,902.93                         | 72,030.53                         | 72,030.53                       | 67,008.85                                    |
| <b>Scope 3 Total</b>  | <b>76,535.38</b>                  | <b>74,277.38</b>                  | <b>74,290.39</b>                | <b>69,268.71</b>                             |
| <b>Scope 1, 2, 3 Total</b>  | <b>76,646.68</b>                  | <b>74,380.71</b>                  | <b>74,464.23</b>                | <b>69,442.55</b>                             |
| Intensity ratio: tCO <sub>2</sub> e (gross Scope 1 & 2) per m <sup>2</sup> of floor area    | 0.00047                           | 0.09201                           | 0.00062                         | 0.00062                                      |
| Intensity ratio: tCO <sub>2</sub> e (gross Scope 1, 2 & 3) per m <sup>2</sup> of floor area | 0.09201                           | 0.08345                           | 0.08355                         | 0.07791                                      |

22. FY23 figures (1 July 2022 – 30 June 2023) as restated due to an error identified in the supermarket refrigerant emission calculation for FY23.

**THANK YOU**



Hope to see you  
again soon