



# SEGRO plc

## Scrip Dividend Scheme Booklet

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you should seek advice from a financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all your shares in SEGRO plc, you should contact your stockbroker or agent without delay for advice as to how you should proceed.

This document contains the terms and conditions of the SEGRO plc Scrip Dividend Scheme and should be read in conjunction with the Mandate Form available at [www.SEGRO.com/investors/shareholder-information/dividend-information](http://www.SEGRO.com/investors/shareholder-information/dividend-information).

SEGRO plc  
Company Number 167591  
Registered in England and Wales  
Registered Office: 1 New Burlington Place, London, England, W1S 2HR

## Key Dates for the 2023 Final Dividend

Ex-dividend Date	14 March 2024
Scrip Calculation Price determined	14 - 20 March 2024
Record Date	15 March 2024
First date for delivery of Mandate <sup>1</sup>	18 March 2024
Scrip Calculation Price announced	21 March 2024
Mandate delivery deadline	12 April 2024
Annual General Meeting	18 April 2024
2023 Final Dividend Payment Date	3 May 2024
Expected date of admission and first day of dealings in New Ordinary Shares on the London Stock Exchange and Euronext Paris	3 May 2024

### Questions

The following pages explain how the Scrip Dividend Scheme works. If you have any further queries please contact our Registrar Equiniti Limited, using the contact details set out below:

by post at: Equiniti Limited,  
Aspect House,  
Spencer Road,  
Lancing,  
West Sussex  
BN99 6DA

by telephone on: +44 (0) 371 384 2186  
Lines are open 8.30am to 5.30pm (UK time), Monday to Friday (excluding public holidays in England and Wales)

This document was published on 14 March 2024.

<sup>1</sup> The first date for delivery of the Mandate is relevant only to shareholders who hold their shares via Euroclear France and who are not able to make evergreen elections to receive New Ordinary Shares for Relevant Dividends. Please see question 27.

# The Scrip Dividend Scheme

## **Terms in upper case have the meanings given to them on pages 9 and 10**

SEGro plc's shares are admitted to trading on both the Main Market of the London Stock Exchange (LSE) and Euronext, Paris.

The following information applies to shareholders who hold their shares directly and via Euroclear UK & Ireland, the clearing and settlement system for the LSE, and to those shareholders who hold their shares via Euroclear France, the clearing and settlement system for Euronext Paris, unless otherwise specified:

### **1. What is the Scrip Dividend Scheme?**

The Scrip Dividend Scheme provides you with an opportunity to receive New Ordinary Shares instead of cash in respect of the 2023 Final Dividend of 19.1 pence per Ordinary Share and for all future Ordinary Dividends and Property Income Distributions (PID) for which a Scrip Dividend Alternative is offered.

The Scrip Dividend Scheme allows you to increase your shareholding in the Company without incurring dealing costs or stamp duty. In addition, we will retain more cash for reinvestment in SEGRO plc.

The issue of New Ordinary Shares under the Scrip Dividend Scheme may, as with cash dividends paid by the Company, be treated as a PID or an Ordinary Dividend, as specified by the Company for each Relevant Dividend. If specified as a PID, the distribution may be subject to withholding tax. Confirmation of whether PID or Ordinary Dividend treatment will apply will be given via a Regulatory Information Service provider and on the Company's website prior to the relevant Ex-dividend Date.

### **2. Who can join the Scrip Dividend Scheme?**

All shareholders who are resident in the United Kingdom can join the Scrip Dividend Scheme. Details regarding participation by Overseas Shareholders are set out at question 23.

### **3. How do I join the Scheme?**

If, after you have read this document, you wish to join the Scrip Dividend Scheme, please complete the Mandate Form available at [www.SEGRO.com/investors/shareholder-information/dividend-information](http://www.SEGRO.com/investors/shareholder-information/dividend-information) and return it to Equiniti.

Mandate Forms must be received by Equiniti no later than the date advised by the Company to be eligible for that particular dividend. Details of the Relevant Dividend Payment Date, Ex-dividend Date and Record Date for each Relevant Dividend can be obtained from the Company's website at [www.SEGRO.com](http://www.SEGRO.com), from the documentation provided to shareholders by the Company in respect of that dividend via a Regulatory Information Service provider, or by contacting Equiniti using the contact details set out on page 2.

Please see question 12 for further information on the Mandate Form.

Alternatively, CREST members should make an election via Euroclear UK & Ireland, as further set out at question 17. Please refer to question 27 if you hold your shares via Euroclear France.

### **4. I am a participant in the 2021 Scheme – do I need to rejoin the Scrip Dividend Scheme?**

If you chose to make an evergreen election in relation to the 2021 Scheme (and such instruction has not been cancelled) then you will continue to receive New Ordinary Shares instead of cash dividends as a matter of routine in respect of all future Relevant Dividends, until such instruction is subsequently cancelled. You do not therefore need to return a Mandate Form or CREST electronic election in order to participate in the Scrip Dividend Scheme.

If you participated in the 2021 Scheme but did not choose to make an evergreen election, or if you chose to make an evergreen election in relation to the 2021 Scheme and such instruction has since been cancelled, then you will need to return a Mandate Form or CREST electronic election if you wish to participate in the Scrip Dividend Scheme.

Please refer to question 27 if you hold your shares via Euroclear France or if you chose to participate in the 2021 Scheme and have subsequently transferred your shares to be held via Euroclear France.

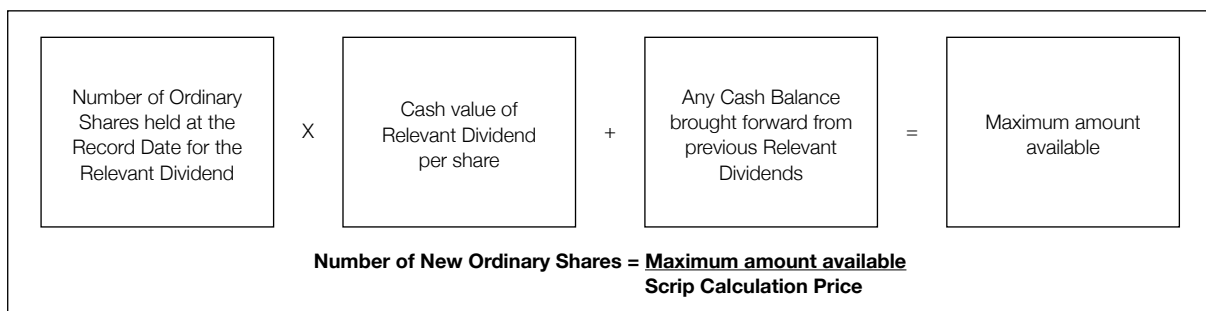
### **5. How many New Ordinary Shares will I receive?**

The number of New Ordinary Shares you will receive in respect of the Relevant Dividend will be calculated by multiplying the cash value of the proposed interim or final dividend per Ordinary Share and the number of Ordinary Shares registered in your name at the Record Date and dividing the result by the Scrip Calculation Price.

The Scrip Calculation Price will be the average of the middle market quotations for Ordinary Shares on the LSE for the five business days commencing on a date to be determined by the Company, such date to be no earlier than the Ex-dividend Date. In respect of the 2023 Final Dividend, this period will be 14 March 2024 to 20 March 2024 inclusive. The Scrip Calculation Price will be announced to the LSE on 21 March 2024 and detailed on the Shareholder Information section of the Company's website, [www.SEGRO.com](http://www.SEGRO.com).

No fractions of shares will be allotted. Unless you hold your shares via Euroclear France, any Cash Balance will be carried forward, without interest, and included in the calculation of your next scrip dividend payment. For an explanation of the Cash Balance, please see question 7 below (question 28 if you hold your shares via Euroclear France). The calculation of your entitlement to New Ordinary Shares will also be subject to rounding to ensure that it is, as nearly as possible, equal to the cash dividend or PID.

Absent any requirement to withhold tax, the formula used in calculating your entitlement to New Ordinary Shares in respect of future Relevant Dividends is therefore as follows:



Where the Scrip Dividend Alternative is a PID however, the number of New Ordinary Shares received will be reduced if withholding tax applies. An example of this is shown in paragraph (B) below.

If the Directors elect to scale back elections made by shareholders, the number of New Ordinary Shares allocated to each shareholder will be reduced on a pro rata basis. Fractions of Ordinary Shares will not be allotted and, unless you hold your shares via Euroclear France, any resulting Cash Balance in respect of shareholders who hold their Ordinary Shares in certificated form will be carried forward, without interest, and included in the calculation of the next Relevant Dividend.

**(A) Worked example of a Scrip Dividend Alternative for a Non-PID**

**Assuming a Relevant Dividend with a cash value of 8.0p per Ordinary Share, a shareholding of 1,000 Ordinary Shares, a Scrip Calculation Price of £8.50 and that the Directors do not elect to scale back elections made by shareholders**

- aggregate value of cash dividend:  $1,000 \times 8.0p = £80$ . This amount of £80 is the maximum amount available
  - **number of New Ordinary Shares under the Scrip Dividend Alternative:  $£80 \div £8.50 = 9.4$  rounded down to 9 New Ordinary Shares**
  - value of New Ordinary Shares at the Scrip Calculation Price:  $9 \times £8.50 = £76.50$
- Deducting this from the amount of the cash dividend (£80) leaves a Cash Balance of £3.50 which, unless you hold your shares via Euroclear France, would be carried forward to the next Relevant Dividend.

**(B) Worked example of a Scrip Dividend Alternative for a PID**

Subject to certain exceptions, the Company is required to withhold tax at source (at 20 per cent) from its PIDs, whether paid in cash or in the form of New Ordinary Shares pursuant to a Scrip Dividend Alternative (see the Appendix to this document for further details about the withholding tax). The Company will satisfy its obligation to withhold tax at source from a PID that is paid in the form of New Ordinary Shares by not issuing the full number of New Ordinary Shares to which a shareholder would otherwise be entitled in respect of that PID and accounting to HMRC for withholding tax on the Cash Equivalent of the PID.

Where withholding tax applies, the formula used to calculate a shareholder's entitlement to New Ordinary Shares is therefore modified so that the number of New Ordinary Shares issued is calculated by reference to 80 per cent of the aggregate value of the cash dividend foregone instead of the whole amount. If the withholding tax rate changes from 20 per cent, the 80 per cent figure will be adjusted accordingly.

**Assuming a Relevant Dividend with a cash value of 8.0p per Ordinary Share, a withholding tax of 20 per cent, a shareholding of 1,000 Ordinary Shares, a Scrip Calculation Price of £8.50 and that the Directors do not elect to scale back elections made by shareholders**

- aggregate value of cash dividend:  $1,000 \times 8.0p = £80$
- **number of New Ordinary Shares under the Scrip Dividend Alternative:  $£80 \times 80 \text{ per cent } (£64) \div £8.50 = 7.5$  rounded down to 7 New Ordinary Shares**
- value of New Ordinary Shares at the Scrip Calculation Price:  $7 \times £8.50 = £59.50$

Deducting this from £64 (being £80 less withholding tax at 20 per cent) leaves a Cash Balance of £4.50 which, unless you hold your shares via Euroclear France, would be carried forward to the next Relevant Dividend.

**Fluctuation in market value of Ordinary Shares and amount of withholding tax**

The market value of the New Ordinary Shares at the time of issue may differ from the Scrip Calculation Price, and accordingly the market value of those additional New Ordinary Shares that would have been issued to the shareholder absent any withholding tax requirement may not equate to the actual amount of withholding tax that the Company is required to account for to HMRC and in respect of which the shareholder may be entitled to credit. No additional payment will be made to, or sought from, a shareholder in respect of any such difference.

*Note: The examples above assume no Cash Balance has been brought forward in respect of a previous Relevant Dividend (relevant only to shareholders who do not hold their shares via Euroclear France).*

## **6. How will I know how many New Ordinary Shares I have received?**

For every dividend where the Scrip Dividend Alternative is offered, you will receive a Scrip Statement for any New Ordinary Shares issued. Your Scrip Statement will show:

- (a) any Cash Balance brought forward from a previous dividend payment (unless you hold your shares via Euroclear France);
- (b) the cash dividend which you would otherwise have received;
- (c) the number of New Ordinary Shares issued to you;
- (d) any Cash Balance carried forward to the next dividend payment (unless you hold your shares via Euroclear France); and
- (e) details of the "cash equivalent of the New Ordinary Shares". (You need this for your tax return).

## **7. What is the "Cash Balance"?**

When we calculate your entitlement to New Ordinary Shares, it is likely that the result will not be an exact number of New Ordinary Shares. Fractions of shares cannot be issued and, unless you hold your shares via Euroclear France, your entitlement to the cash value of these fractions will be retained without interest and carried forward to the next Relevant Dividend.

Furthermore, if (i) your Mandate ceases to remain in force; (ii) you dispose of your entire holding of Ordinary Shares; (iii) the Company terminates the Scrip Dividend Scheme; or (iv) you die as sole shareholder, become bankrupt, go into liquidation or suffer from mental incapacitation, any Cash Balance will be paid (without interest) to you, your estate or your trustee, as soon as possible.

Please refer to question 28 if you hold your shares via Euroclear France.

## **8. Will my New Ordinary Shares have the same voting rights?**

Yes, the New Ordinary Shares will carry the same voting rights as, and otherwise rank equally in all respect with, existing Ordinary Shares.

## **9. When will I receive my New Ordinary Shares?**

The New Ordinary Shares will be issued and share certificates and Scrip Statements will be posted on or about the same day as dividend payments are made to shareholders who are taking the dividend in cash. The expected date in respect of each Relevant Dividend will be made available on [www.SEGRO.com](http://www.SEGRO.com).

CREST members who have elected to receive New Ordinary Shares will have their CREST accounts credited directly with the relevant New Ordinary Shares and will be notified via CREST on the Relevant Dividend Payment Date. If the Company is unable to do this under the provisions of the Uncertificated Securities Regulations 2001 or the facilities and requirements of CREST the relevant New Ordinary Shares will be issued as certificated shares.

The expected timetable for the 2023 Final Dividend can be found on page 2.

Applications will be made to the Financial Conduct Authority, the LSE and Euronext Paris for the New Ordinary Shares to be admitted to listing and trading. In the unlikely event that the New Ordinary Shares are not admitted to listing, listing does not become effective or the New Ordinary Shares are not admitted to trading, your dividend will be paid in cash as soon as possible after the Relevant Dividend Payment Date.

## **10. Will the Company offer New Ordinary Shares under the Scrip Dividend Scheme as a PID?**

It is possible for the Company to offer New Ordinary Shares under the Scrip Dividend Scheme as a PID and the Company may choose to do so.

Where the Company elects to offer New Ordinary Shares under the Scrip Dividend Scheme as a PID, the Company will give sufficient notice to shareholders via a Regulatory Information Service and on the Company's website and shareholders will have the opportunity to revoke any existing Mandate Form.

## **11. Are there any circumstances in which I will not be issued New Ordinary Shares?**

If your cash entitlement, together with any Cash Balance brought forward from previous dividends (unless you hold your shares via Euroclear France), is insufficient to acquire at least one New Ordinary Share, you will not be issued with any shares. We will send you a Scrip Statement explaining that no new shares have been issued to you and, unless you hold your shares via Euroclear France, showing the Cash Balance that has been carried forward to the next dividend. For further details of the Scrip Statement, please refer to question 6. Please refer to question 28 if you hold your shares via Euroclear France.

The applicability of the Scrip Dividend Scheme for any dividend is also conditional on the Directors having the authority from shareholders to offer Scrip Dividend Alternatives. The 2024 Notice of Annual General Meeting contains an ordinary resolution which proposes to give authority to the Directors to offer Scrip Dividend Alternatives for three years starting from 18 April 2024 and ending on the earlier of 17 April 2027 and the beginning of the third annual general meeting of the Company following 18 April 2024. If this resolution is passed by shareholders, then the Directors will be authorised to implement the Scrip Dividend Scheme.

When future dividends are announced the Company will advise whether the Scrip Dividend Scheme applies. The Directors may amend, suspend or cancel the Scrip Dividend Scheme.

Please see question 22 in relation to the circumstances in which the Company may cancel the Scrip Dividend Scheme.

## **12. What is the Mandate Form?**

The Mandate Form is available at [www.SEGRO.com/investors/shareholder-information/dividend-information](http://www.SEGRO.com/investors/shareholder-information/dividend-information). You must complete it and return the Mandate Form to Equiniti by the Mandate Delivery Deadline in order to participate in the Scrip Dividend Scheme.

Unless you hold your shares via Euroclear France, your Mandate is evergreen and will remain valid in respect of all Relevant Dividends until cancelled by you or until the Scrip Dividend Scheme is cancelled by the Company.

For further details, please see questions 20 and 21. By signing a Mandate Form, either for yourself or on a shareholder's behalf, you are deemed to have:

- (a) agreed to participate in the Scrip Dividend Scheme on the terms and conditions set out in this document; and
- (b) authorised the Company to send you a share certificate in respect of New Ordinary Shares or credit the New Ordinary Shares to your CREST account (or, in the case of Euroclear France members, to Euroclear Bank's CREST account for onward delivery to your Euroclear France account, via the Euroclear Bank safekeeping account in Euroclear France).

Details of future payment dates and delivery deadlines will be made available on the SEGRO website at [www.SEGRO.com](http://www.SEGRO.com). You can also contact Equiniti using the contact details set out on page 2. Mandate Forms received after the relevant Mandate Delivery Deadline will be effective from the following Relevant Dividend.

Please refer to question 27 if you hold your shares via Euroclear France.

## **13. Can I complete a Mandate Form for part of my holding?**

No. Mandate Forms will not be accepted for part of your holding. The Mandate Form applies to the full number of Ordinary Shares that appear on it. However the Company may permit you to complete a Mandate Form in respect of a lesser number of Ordinary Shares than your full shareholding if you are acting on behalf of more than one beneficial owner (i.e. as a nominee). Any such partial election shall have effect only in respect of the dividend to which it relates. Any residual cash balance will be paid out at the same time as the cash dividend.

A cash dividend will automatically be paid on any Ordinary Shares which are not specified in your Mandate Form.

## **14. Does the Mandate apply to Ordinary Shares held in joint names?**

Yes, but all joint holders must sign the Mandate Form.

## **15. What happens if I buy more Ordinary Shares after I have completed a Mandate Form?**

If you buy Ordinary Shares before the shares are quoted "ex-dividend" for a dividend, you may be entitled to the dividend on those shares. You are advised to contact your stockbroker or other agent through whom the purchase was made without delay to ensure that the purchased shares are registered promptly in your name.

Any additional Ordinary Shares which you buy, and which are registered in your name in respect of the same holding prior to the Record Date, will be covered by the Mandate Form and you will receive New Ordinary Shares, instead of cash dividends, for your entire holding.

## **16. What happens if I have more than one holding?**

If your Ordinary Shares are registered in more than one holding and you want to receive New Ordinary Shares instead of cash dividends in respect of each holding, you must complete a separate Mandate Form for each holding. You can also ask Equiniti to combine your holdings. (You cannot combine a sole shareholding with a joint shareholding).

## **17. What happens if I hold my Ordinary Shares wholly or part in CREST (including via Euroclear France)?**

Under the Uncertificated Securities Regulations 2001, if holdings of Ordinary Shares are held partly in certificated and partly in uncertificated form, the Company will treat such shareholdings as if they were separate shareholdings and a separate Mandate Form will need to be completed for each certificated holding.

If a holding is wholly or partly in uncertificated form (i.e. in CREST, including via Euroclear France) at the Record Date for the Relevant Dividend, by submitting an electronic election via Euroclear UK & Ireland or via their custodians through Euroclear France the relevant shareholder is deemed to authorise the Company to issue New Ordinary Shares in uncertificated form. Similarly, to the extent that a holding is in certificated form at the Record Date for the Relevant Dividend, or a shareholder converts from certificated to uncertificated form after the relevant Record Date, by signing the Mandate Form the relevant shareholder is deemed to authorise the Company to issue New Ordinary Shares in certificated form.

CREST members should elect for the Scrip Dividend Alternative using the Euroclear UK & Ireland functionality for electronic dividend elections. Euroclear France members should elect for the Scrip Dividend Alternative by contacting their custodians. Any paper elections relating to dematerialised holdings are submitted wholly at your own risk and Equiniti reserves the right to reject any paper elections received relating to these holdings.

## **18. What happens if I sell part of my holdings?**

If you sell any of your Ordinary Shares before the shares are quoted "ex-dividend" for a dividend, you may not be entitled to the dividend on those shares. You should contact your stockbroker or other agent through whom the sale was effected without delay as there may be a claim for the cash amount of the dividend by the purchaser.

If you sell part of your shareholding before the Record Date for any dividend and the sale is registered in the Company's register of members before the relevant Record Date, the Scrip Dividend Scheme will only apply to your remaining Ordinary Shares.

### **19. How do I notify changes?**

Any notifications regarding the Scrip Dividend Scheme should be addressed to Equiniti at the address on page 2. All communications, notices, certificates and remittances sent to or from you are sent at your own risk. You can also manage your shareholdings online at [www.shareview.co.uk](http://www.shareview.co.uk).

### **20. Can I cancel my Mandate?**

You can cancel your Mandate at any time by writing to Equiniti at the address on page 2.

In order for a cancellation instruction to be effective for a particular dividend, it must be received at least 15 working days before the Relevant Dividend Payment Date. If a cancellation instruction is received after that date, it will only apply to subsequent dividends.

Please refer to question 27 if you hold your shares via Euroclear France.

### **21. When will my Mandate be cancelled?**

Instructions will be regarded as cancelled for Ordinary Shares which you sell or transfer to another person and regarded as fully cancelled on the sale or transfer of the whole of your shareholding. This will take effect from registration of the share transfer.

Instructions will be regarded as cancelled immediately on notice being given to Equiniti of the death, bankruptcy, liquidation or mental incapacity of a Shareholder, unless the shareholder was a joint holder in which case participation of the other joint holder(s) will continue.

All elections will be cancelled at the Annual General Meeting in 2027, unless the authority to offer the Scrip Dividend Scheme is renewed at that meeting, in which case shareholders will be able to continue to elect to participate in the Scrip Dividend Scheme for future Relevant Dividends. Unless you hold your shares via Euroclear France, Mandate Forms are evergreen and will automatically remain valid for the period of the renewed authority. As explained in question 20, you can cancel your Mandate voluntarily.

Please refer to question 27 if you hold your shares via Euroclear France.

### **22. Can the Company cancel the Scrip Dividend Scheme?**

The Directors can cancel the Scrip Dividend Scheme at any time, however it is the Directors' intention to offer a Scrip Dividend Alternative on a continuing basis until it expires. Unless the Directors seek authority from the shareholders to renew the Scrip Dividend Scheme it will expire three years after it is approved by shareholders. Please see question 11 for further details.

The operation of the Scrip Dividend Scheme is always subject to the Directors' decision to offer a Scrip Dividend Alternative in respect of any particular dividend. The Directors also have the power to amend, suspend or terminate the Scrip Dividend Scheme at any time prior to the allotment of the New Ordinary Shares and may scale back elections made under the Scrip Dividend Scheme in respect of any particular dividend. If the Directors suspend or terminate the Scrip Dividend Scheme, decide not to offer New Ordinary Shares or scale back elections in respect of any particular dividend, you will receive your dividend in cash in full in the usual way (or, in the case of a scaling back of elections, in a greater amount than would otherwise be the case) on, or as soon as possible after, the Relevant Dividend Payment Date. In the case of an amendment to the Scrip Dividend Scheme, your instructions will remain valid under the amended terms unless you notify Equiniti in writing 15 working days before the next Relevant Dividend Payment Date.

### **23. Can Overseas Shareholders join the Scrip Dividend Scheme?**

The right to receive New Ordinary Shares instead of cash dividends is not available to any person in any jurisdiction outside the United Kingdom where such an offer would require compliance by the Company with any governmental or regulatory procedures or any similar formalities.

The ability of shareholders who have registered addresses outside of the United Kingdom, or who are resident or located in, or citizens of, countries other than the United Kingdom to participate in the Scrip Dividend Scheme may be affected by the laws of the relevant jurisdiction.

No person receiving a copy of this document or a Mandate Form in any such country or jurisdiction may treat such documents as offering a right to elect unless such an offer could lawfully be made without any such compliance.

Any shareholder outside the United Kingdom wishing to receive New Ordinary Shares is responsible for ensuring, without any further obligation on the Company, that their election can be validly made and to satisfy themselves as to the full observance of the laws of the relevant territory, including obtaining any governmental or other consents which may be required and observing all other necessary formalities.

By completing and returning a Mandate Form, making an election via Euroclear UK & Ireland or, for Euroclear France members, making an election via their respective custodians, each shareholder will confirm that they are not resident in any jurisdiction that would require the Company to comply with any governmental or regulatory procedures or requirements or any similar formalities arising out of this election or holding any Ordinary Shares as nominee(s), transferee(s) or any beneficial holder who is so resident.

### **24. What are the tax consequences of electing to receive New Ordinary Shares instead of cash?**

A summary, accurate as at 14 March 2024 (the latest practicable date before the publication of this document), of certain UK tax consequences of electing to receive New Ordinary Shares instead of a cash dividend is set out in the guidelines in the Appendix. This summary is for information purposes only and if you are in any doubt as to your own taxation position, you should consult a professional adviser before taking any action.

**25. What is the governing law of the Scrip Dividend Scheme?**

The Scrip Dividend Scheme is subject to the Company's Articles of Association and its terms and conditions are subject to English law. By electing to receive New Ordinary Shares you agree to submit to the exclusive jurisdiction of the English courts.

**26. What should I do if I have any questions?**

If you have any questions, please contact Equiniti using the contact details on page 2.

**The following information applies only to those shareholders who hold their shares via Euroclear France:**

**27. How do I join the Scrip Dividend Scheme if I hold my shares via Euroclear France?**

Shareholders who hold their shares via Euroclear France, and shareholders who previously participated in the 2021 Scheme but have subsequently transferred their shares to be held via Euroclear France, should contact their respective custodians in order to make an election to join the Scrip Dividend Scheme.

If you hold your shares via Euroclear France, you are not able to make an evergreen election to participate in the Scrip Dividend Scheme and Mandate Forms received after the relevant Mandate Delivery Deadline will not be effective for subsequent dividends. You will therefore need to contact your custodian to make an election to receive New Ordinary Shares each time a Scrip Dividend Alternative is offered in order to receive New Ordinary Shares for that particular Ordinary Dividend or PID.

**28. How will my Cash Balance be treated if I hold my shares via Euroclear France?**

If you hold your shares via Euroclear France, as you are unable to make evergreen elections to receive New Ordinary Shares in respect of all Relevant Dividends, your Cash Balance cannot be carried forward to the next Relevant Dividend. It will therefore be paid to your custodian as soon as possible following the Relevant Dividend Payment Date of the Relevant Dividend for which you have elected to receive New Ordinary Shares.

**29. When will I receive my new Ordinary Shares if I hold my shares via Euroclear France?**

For Euroclear France members who have elected to receive New Ordinary Shares in respect of a Relevant Dividend, Euroclear Bank's CREST account will be credited with the relevant New Ordinary Shares for onward delivery to their Euroclear France account, via the Euroclear Bank safekeeping account in Euroclear France. If the Company is unable to do this under the provisions of the Uncertificated Securities Regulations 2001 or the facilities and requirements of CREST, Euroclear France or Euroclear Bank the relevant New Ordinary Shares will be issued as certificated shares.

The expected timetable for the 2023 Final Dividend can be found on page 2.



# Definitions

The following definitions apply throughout this document and to the accompanying documents unless the context otherwise requires:

<b>“2021 Scheme”</b>	the scrip dividend scheme approved at the Company’s 2021 annual general meeting
<b>“2023 Final Dividend”</b>	the final dividend of 19.1 pence per Ordinary Share for the year ended 31 December 2023
<b>“Final Dividend Payment Date”</b>	the date on which the 2023 Final Dividend is proposed to be paid, being 3 May 2024
<b>“2024 Notice of Annual General Meeting”</b>	the notice of SEGRO plc’s annual general meeting to be held on 18 April 2024 (or any adjournment thereof)
<b>“Cash Balance”</b>	the cash value of any fraction of a New Ordinary Share which is not issued to a shareholder pursuant to a Scrip Dividend Alternative
<b>“Cash Equivalent”</b>	means the amount of the cash dividend foregone by a shareholder electing to receive a Scrip Dividend Alternative save that, if the difference between the cash dividend foregone and the market value of the New Ordinary Shares on the first day of dealing on the London Stock Exchange equals or exceeds 15 per cent of that market value, that market value will be the Cash Equivalent
<b>“Company” or “SEGRO”</b>	SEGRO plc
<b>“CREST”</b>	the relevant system as defined in the Uncertificated Securities Regulations 2001 (SI/3755) in respect of which Euroclear UK & Ireland Limited is the operator
<b>“Directors”</b>	the Directors of the Company from time to time
<b>“Equiniti” or “Registrar”</b>	Equiniti Limited
<b>“Euroclear Bank”</b>	Euroclear Bank SA/NV
<b>“Euroclear France”</b>	the central securities depository operated by Euroclear France S.A.
<b>“Euronext Paris”</b>	the regulated market operated by Euronext Paris S.A.
<b>“Ex-dividend Date”</b>	the day the Ordinary Shares are first quoted “ex” for the Relevant Dividend
<b>“Group”</b>	the Company and its subsidiaries from time to time
<b>“London Stock Exchange” or “LSE”</b>	the London Stock Exchange plc
<b>“Mandate Delivery Deadline”</b>	the deadline by which Mandate Forms must be received by Equiniti, being 15 working days before the Relevant Dividend Payment Date, in order for the Mandate to be effective for the next Relevant Dividend
<b>“Mandate Form” or “Mandate”</b>	a mandate, in a form provided by the Company, from a shareholder to the Directors to allot New Ordinary Shares under the terms of the Scrip Dividend Scheme
<b>“New Ordinary Shares”</b>	new Ordinary Shares to be issued fully paid up at par value pursuant to the Scrip Dividend Scheme
<b>“Ordinary Dividend”</b>	any dividend or other distribution from the Company which is not a PID
<b>“Ordinary Shares”</b>	ordinary shares of 10p each in the capital of the Company
<b>“Overseas Shareholder”</b>	a shareholder not resident in the United Kingdom
<b>“Property Income Distribution” or “PID”</b>	a distribution of the tax-exempt profits or gains from the Group’s UK property rental business (which will in principle be subject to withholding tax)
<b>“Real Estate Investment Trust” or “REIT”</b>	a listed property company which qualifies for and has elected into the tax regime which exempts qualifying UK property rental income and gains on investment property disposals from corporation tax
<b>“Record Date”</b>	the date on which Ordinary Shares must be held in order for a shareholder to be eligible to receive a declared dividend, being in the case of the 2023 Final Dividend 15 March 2024
<b>“Relevant Dividend”</b>	PIDs or Ordinary Dividends proposed by the Company for which the Scrip Dividend Alternative is offered
<b>“Relevant Dividend Payment Date”</b>	a date on which a Relevant Dividend will be paid

<b>“Scrip Calculation Price”</b>	the average of the middle market quotations of an Ordinary Share, derived from the London Stock Exchange Daily Official List, for the five consecutive business days commencing on the Ex-dividend Date
<b>“Scrip Dividend Alternative”</b>	an issue of shares by the Company to shareholders, pursuant to the Scrip Dividend Scheme, in place of a cash dividend
<b>“Scrip Dividend Scheme”</b>	the offer by the Company to shareholders to issue shares instead of paying a cash dividend in respect of Relevant Dividends, comprising the terms and conditions contained in this document and the Mandate Form, as amended from time to time
<b>“Scrip Statement”</b>	the written statement delivered to each shareholder who has joined the Scrip Dividend Scheme on every occasion that a Scrip Dividend Alternative is offered, which sets out, amongst other things, details of the New Ordinary Shares issued to the shareholder and any Cash Balance carried forward
<b>“shareholder” or “you”</b>	a holder of Ordinary Shares
<b>“Substantial Shareholder”</b>	means a company that: <ul style="list-style-type: none"> <li>(i) is beneficially entitled, directly or indirectly, to 10 per cent or more of the Company's share capital or dividends; or</li> <li>(ii) controls, directly or indirectly, 10 per cent or more of the voting rights in the Company,</li> </ul> and for the purposes of this definition, “company” includes any body corporate and entities which are treated as bodies corporate under the laws of overseas jurisdictions with which the UK has double taxation agreements.

# Appendix

## **Taxation Guidelines**

The following paragraphs are intended only as a general guide to and high-level summary of current UK law and HMRC practice. Such law and practice may change, possibly with retroactive effect. These guidelines are intended to apply only to shareholders who are resident in the UK for tax purposes (save where express reference is made to Overseas Shareholders) who are the absolute beneficial owners of their shares in the Company and who hold them as investments. The guidelines are not applicable to certain classes of shareholder, including Substantial Shareholders, dealers in securities, insurance companies, collective investment schemes and persons who have acquired (or are deemed for tax purposes to have acquired) their shares by reason of office or employment.

This summary does not purport to be a complete analysis of all the potential tax consequences of electing to receive New Ordinary Shares instead of a cash dividend. Investors should seek independent professional advice applicable to their own particular circumstances.

## **Taxation overview**

The Group converted to a Real Estate Investment Trust (REIT) on 1 January 2007. As a result, UK resident Group members with a property rental business and non-UK resident Group members with a property rental business in the UK (together, the "Tax-Exempt Business") do not pay UK direct taxes on their income profits and capital gains from the Tax-Exempt Business, provided certain conditions are satisfied. Instead, the principal company of the Group is required to distribute to shareholders at least 90 per cent of

the income profits of the UK Tax-Exempt Business arising in each accounting period. This obligation is fulfilled by way of a PID, which can be distributed in cash or as New Ordinary Shares and will in either case (with some exceptions) be subject to withholding tax. Corporation tax is payable in the normal way in respect of income and gains from other parts of the Group's business (the "Residual Business") and a dividend relating to the Residual Business, or Ordinary Dividend, is treated for UK tax purposes as a normal dividend.

The following paragraphs outline the main aspects of the tax treatment of PIDs and Ordinary Dividends in the hands of various categories of shareholder.

## **Taxation of PIDs**

For the purposes of this section, the value attributed to PIDs is:

- (i) in the case of a PID in the form of New Ordinary Shares, the Cash Equivalent of the New Ordinary Shares; and (ii) in the case of a PID in the form of cash, the amount of that cash PID, in both cases before any applicable obligation to make a withholding on account of tax.

## **Individual Shareholders**

### **UK income tax**

PIDs received by individual shareholders will generally be treated as the profit of a UK property business, irrespective of whether the PID is paid in cash or as New Ordinary Shares. The PID, together with any PIDs received by that shareholder from other UK REITs, will be treated as the profit of a separate UK property business from any other such business carried on by that shareholder. Any surplus expenses from other UK property businesses of that shareholder cannot be offset against the PID for UK tax purposes.

## **UK capital gains tax**

Individual shareholders who receive a PID in the form of New Ordinary Shares will be treated as having acquired those New Ordinary Shares for an amount equal to their Cash Equivalent. The capital gains tax regime will apply in the normal way to subsequent disposals.

## **Corporate Shareholders**

### **Corporation tax (profits)**

PIDs received by shareholders that are within the charge to corporation tax will generally be treated as the profit of a UK property business, irrespective of whether the PID is paid in cash or as New Ordinary Shares. The PID, together with any PIDs received by that shareholder from other UK REITs, will be treated as the profit of a separate UK property business from any other such business carried on by that Shareholder. Any surplus expenses from other UK property businesses of that shareholder cannot be offset against the PID for UK tax purposes.

### **Corporation tax (chargeable gains)**

Shareholders within the charge to corporation tax that receive a PID in the form of New Ordinary Shares will be treated as having acquired those New Ordinary Shares for an amount equal to their Cash Equivalent. The corporation tax regime will apply in the normal way to subsequent disposals.

## **Overseas Shareholders**

PIDs received by Overseas Shareholders will, subject to the provisions of any relevant double taxation agreement, generally be chargeable to UK income tax as the profit of a UK property business and the tax will be collected by way of a withholding. Such shareholders may also be subject to taxation under the law of their jurisdiction of residence.

## **Withholding tax**

### **General**

Subject to certain exceptions outlined below, the Company is required to withhold tax at source from PIDs at the basic rate of income tax (currently 20 per cent), irrespective of whether the PID is paid in cash or as New Ordinary Shares. In the case of a PID paid in cash, the Company will provide shareholders with a certificate setting out the gross amount of the PID, the amount of tax withheld, and the net amount of the PID. In the case of a PID paid as New Ordinary Shares, the Company will provide shareholders with a Scrip Statement.

For a worked example of the operation of the withholding tax in the case of a PID paid as New Ordinary Shares, please see question 5(B) in the main text of this document.

### **Individual Shareholders**

When tax has been withheld at source, individual shareholders may, depending upon their particular circumstances, be liable to further tax at their applicable marginal rate, or may be entitled to claim repayment of some or all of the tax withheld.

### **Corporate Shareholders**

In the event that tax is withheld at source on a PID paid to a shareholder within the charge to corporation tax, the tax withheld can be offset against such shareholder's liability to corporation tax in the accounting period in which the PID is received.

### **Overseas Shareholders**

It is not possible for Overseas Shareholders to make a claim under a double tax treaty for a PID to be paid gross or at a reduced rate of withholding. The shareholder may however be entitled to claim full or (more often) partial repayment of tax withheld from a PID, depending on the terms of any applicable double tax treaty.

### **Exceptions**

The Company is not required to withhold income tax at source from a PID if it reasonably believes that: (i) the person beneficially entitled to the PID is a company (other than an authorised investment fund which is a "tax elected fund") resident for tax purposes in the UK (or resident outside the UK but required to bring the PID into account in computing the taxable profits of a permanent establishment in the UK) or is a charity, local authority or specified government body; (ii) the PID is paid to the scheme administrator of a registered pension scheme, the sub-scheme administrator of certain pension sub-schemes, or the account manager of an Individual Savings Account (ISA), and will be applied for the purposes of the relevant scheme, sub-scheme or account; or (iii) the body beneficially entitled to the PID is a partnership, each member of which falls within one of the foregoing exceptions.

In order to receive PIDs free of withholding tax, shareholders that fall within one of the exceptions above should submit a valid "Declaration of Eligibility" (copies of which are available on the Shareholder Information (REIT) section of our website at [www.SEGRO.com](http://www.SEGRO.com) and may be obtained from the Registrar by calling its shareholder helpline). The Declaration of Eligibility must

be lodged with the Registrar no later than the Record Date for the Relevant Dividend. Shareholders should note that the Company may seek recovery from shareholders if the statements made in their Declaration of Eligibility are incorrect and the Company suffers tax as a result.

### **Taxation of non-PIDs Individual Shareholders**

#### **Income tax**

Individual shareholders who receive an Ordinary Dividend in the form of New Ordinary Shares or who receive an Ordinary Dividend in the form of cash will be treated as if they had received dividend income; in the case of New Ordinary Shares, the income will be an amount equal to the Cash Equivalent.

A nil rate of income tax applies to the first £1,000 of taxable dividend income received by the shareholder in a tax year (the "Nil Rate Amount"), regardless of what tax rate would otherwise apply to that dividend income.

Any taxable dividend income received by such a shareholder in a tax year in excess of the Nil Rate Amount is taxed at a special rate, as set out below. That tax is applied to the amount of the dividend income actually received by the shareholder (rather than to a grossed-up amount).

The excess amount (the "Relevant Dividend Income") is subject to income tax:

- at the rate of 8.75%, to the extent that the Relevant Dividend Income falls below the threshold for the higher rate of income tax;
- at the rate of 33.75%, to the extent that the Relevant Dividend Income falls above the threshold for the higher rate of income tax but below the threshold for the additional rate of income tax; and
- at the rate of 39.35%, to the extent that the Relevant Dividend Income falls above the threshold for the additional rate of income tax.

In determining whether and, if so, to what extent the Relevant Dividend Income falls above or below the threshold for the higher rate of income tax or, as the case may be, the additional rate of income tax, the shareholder's total dividend income for the tax year in question (including the part within the Nil Rate Amount) is treated as the highest part of the shareholder's total income for income tax purposes.

#### **Capital gains tax**

Individual shareholders who receive an Ordinary Dividend in the form of New Ordinary Shares will be treated as having acquired those New Ordinary Shares for an amount equal to their Cash Equivalent. The capital gains tax regime will apply in the normal way to subsequent disposals.

#### **Corporate Shareholders**

##### **Corporation tax (profits)**

Shareholders within the charge to corporation tax that receive an Ordinary Dividend will not generally be liable to corporation tax on it, irrespective of whether the Ordinary Dividend is paid in cash or as New Ordinary Shares.

##### **Corporation tax (chargeable gains)**

Ordinary Dividend New Ordinary Shares received by shareholders within the charge to corporation tax should be treated as a bonus issue for which there is no acquisition cost. The calculation of gains or losses on subsequent disposals will, therefore, be made by reference to the base cost of the original holding only.

#### **Overseas Shareholders**

The Company is not required to withhold any tax when an Overseas shareholder receives an Ordinary Dividend, irrespective of whether the Ordinary Dividend is paid in cash or as New Ordinary Shares, and such shareholders will generally have no UK tax liability in respect of the Ordinary Dividend.

#### **Stamp Duty/Stamp Duty Reserve Tax**

No stamp duty or stamp duty reserve tax will be payable on the issue of New Ordinary Shares.