

Audit, Risk and Internal Control *continued*

Property Valuation Committee

Members	Attendance
Richard Jones (Chair)	4/4
Mark Batten	4/4
Helen Beck	4/4
Francis Salway	4/4

Focus areas for 2025/2026

- Transition to new valuer
- Review of quarterly valuations



Terms of reference

The Committee's terms of reference set out its responsibilities, and are reviewed annually. These include reviewing the quarterly valuation reports prepared by the external valuer, in accordance with the Royal Institution of Chartered Surveyors Red Book valuation standards, before they are submitted to the Board, focusing on:

- Significant adjustments from prior quarters;
- Assessment of individual property valuations;
- Management commentary;
- Identification of significant asset-specific issues for management's attention;
- Material or unexplained movements in the Company's net asset value;
- Compliance with applicable standards and guidelines;
- Review of the valuer's findings or recommendations; and
- Consideration of the appointment, remuneration and removal of the Company's valuer, with recommendations provided to the Board as appropriate.

Activity

The Committee met four times during the financial year ending 31 March 2026, overseeing the transition from CBRE Limited ('CBRE') to Knight Frank LLP ('Knight Frank'). Additionally, members of the Property Valuation Committee, together with management, met quarterly with Knight Frank to review the valuations and assess the underlying assumptions incorporated into the year-end valuation process.

These valuations are undertaken in accordance with the Royal Institution of Chartered Surveyors Red Book valuation standards. The matters which were considered included:

- Current property market conditions and prevailing trends;
- Quarter-on-quarter changes focusing on movements greater than 5%;
- Impact of break notices and capital expenditure on the valuation;
- Property portfolio yields;
- Letting activity and vacancies;
- Covenant strength and lease lengths;
- Estimated rental values; and
- Comparable market evidence.

Audit, Risk and Internal Control *continued*

In April 2025, the Committee considered market trends confirming these had been fully reflected in the quarterly valuation reports. The Committee was also satisfied with the valuation process carried out by CBRE throughout the previous financial year and noted Knight Frank's appointment as new external valuer for the Group, in line with the new RICS requirement for the mandatory periodic review of UK valuers.

At the July 2025 meeting, the Committee reviewed Knight Frank's delivery of its first portfolio valuation following appointment, noting the smoothness of the transition from CBRE to Knight Frank and that the valuation process for the June 2025 quarter had been conducted efficiently and without issue.

In October 2025, the Knight Frank team updated the Committee on current real estate market conditions and the future outlook and highlighted emerging trends.

In January 2026, the Committee reviewed its constitution, performance and terms of reference as part of the broader internal Board and Committee evaluation process. The Committee concluded that it continued to operate effectively and was satisfied with the outcome of the review.

In March 2026, Knight Frank advised that it would include a market conditions statement with the 31 March 2026 quarterly valuation noting that the valuation was prepared during a period of geopolitical tension arising from the Iran conflict commencing on 28 February 2026. Knight Frank drew attention to the resulting increase in global risk premiums, disrupted supply chain conditions, and heightened volatility in energy markets; and highlighted that such instability could affect financing conditions, inflation, and investor sentiment, with behaviour capable of changing rapidly

during periods of heightened volatility. Knight Frank therefore recommended that the valuation was closely monitored as it continued to track how market participants respond to these evolving market conditions.

External valuer

Knight Frank was appointed as external valuer for the Group effective June 2025. Knight Frank is responsible for carrying out a valuation of the Group's property assets each quarter, the results of which are incorporated into the Group's half-year and annual financial statements, and quarterly net asset statements. The valuations are carried out in accordance with the Royal Institution of Chartered Surveyors Red Book valuation standards.

As this is Knight Frank's first year of appointment the Committee agreed to defer its annual assessment of the external valuer's performance until April 2026. The Committee confirmed at the April meeting, that it was satisfied with Knight Frank's performance during the year, having considered the breadth of experience of the team, their objectivity, independence, and consistency of approach.

Richard Jones

Chair of the Property Valuation Committee
11 June 2026

 We appointed Knight Frank as our new external valuer, effective June 2025.