CT Property Trust Limited

Environmental, Social and Governance Report 2022

COLUMBIA THREADNEEDLE INVESTMENTS

Contents

Common Acronyms

BREEAM	Building Research Establishment Environmental Assessment Method
CDP	Carbon Disclosure Project
CT REP	Columbia Threadneedle Real Estate Partners (The Manager)
CTPT	CT Property Trust Limited (The Company)
DEFRA	Department for Environment, Food and Rural Affairs
EPC	Energy Performance Certificate
EPRA	European Public Real Estate Association
ESG	Environmental, social and governance
FRI	Full repairing and insuring (lease type)
GAV	Gross Asset Value
GRESB	Global Real Estate Sustainability Benchmark
GRI	Global Reporting Initiative
MEES	Minimum Energy Efficiency Standards, as enforced by The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (Principal Regulations) as amended by The Energy Efficiency (Private Rented Property) (England and Wales) (Amendment) Regulations 2016.
NLA	Net lettable area
NPS	Net Promoter Score
RPI	Responsible Property Investment
sBPR	Sustainability Best Practices Recommendations
TCFD	Task Force on Climate-related Financial Disclosures
TNFD	Task Force on Nature-related Financial Disclosures

Foreword

Davina Walter
Chairman CT Property Trust

ESG remains a central tenet to the Company's strategy and I am pleased that we have had another positive year moving our agenda forward.

We delivered a good result in the annual GRESB survey, maintaining the two Green Star rating and scoring 70 overall by achieving 100% in the management component whilst maintaining a level position within the performance module. I am delighted that we once again received an EPRA Gold Award for the quality of disclosures in our last ESG Report. As we approach the date by which the Minimum Energy Efficiency Standards threshold comes into force, I am pleased to confirm that all leased areas within the Trust's portfolio are compliant with no F or G rated demises. We are confident that we are heading in the right direction.

The increasing threats associated with climate change together with the latent impacts of the global coronavirus pandemic are creating a pressing need to accelerate effort and find sustainable solutions to shape our future. Latest climate science suggests the world is considerably off track to limit global warming to 1.5ºC and avoid its worst impacts. Reaching this goal is still possible but only if global emissions reach net-zero by the middle of the century. We have seen net-zero commitments gain significant traction over the last few years at a country, local and corporate level and whilst such ambition is to be applauded, the need for deliverable strategies to ensure credibility and accountability should not be underestimated.

The Board is pleased that the Company has been able to set out its strategy and publish its pathway with an ambition of achieving net zero carbon by 2040 or sooner. Through the efforts of the Manager working with independent consultants we delivered net-zero carbon assessments across the portfolio. Although energy efficiency and carbon reduction has been something we have been working towards for some years, the assessments have supported a greater understanding of position and assistance in evaluating our journey to net-zero. Real estate plays a vital role in improving energy efficiency together with transition towards a circular economy and value chain engagement. In supporting this objective we are increasingly evaluating the choices we make when undertaking building interventions or selecting our service providers and partners.

As a Board, we continue to give considerable attention to our ESG commitments and support to our Manager in moving the agenda forward. The details of our progress are presented in this report, which we trust you will find informative and beneficial.

Introduction

This ESG Report:

- Describes the Company's Environmental, Social & Governance (ESG) strategy and related priorities, including the process for determining these and the progress against them so far.
- Presents key ESG performance data for the reporting year, as well as our targets for future performance.
- Provides an overview of key ESG risks facing the property portfolio and outlines our approach to managing these.

This report adopts the 2017 EPRA Sustainability Best Practice Recommendations Guidelines (sBPR) to inform the scope of its Environmental, Social and Governance indicators against all EPRA sBPR indicators that are material to the Company, (see page 14). ESG data is reported for and aligned to the financial year ending 30 June 2022.

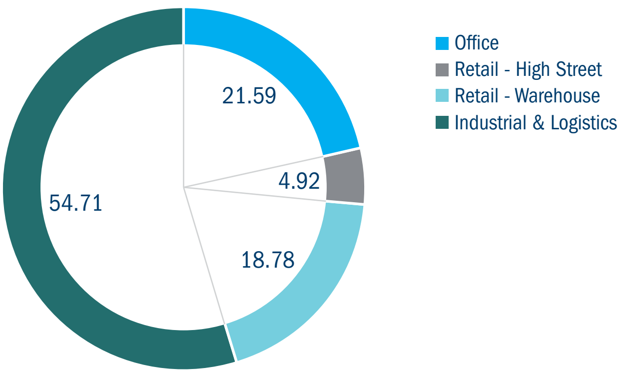
Any reference to "we", "us", "our" or "landlord" throughout the report refers to the Company, being CT Property Trust abbreviated to CTPT. Columbia Threadneedle Real Estate Partners is the Company's Manager and is referred to as CT REP or "Manager" throughout.

A full outline of the EPRA sBPR indicators' scope of reporting and materiality is included on page 14.

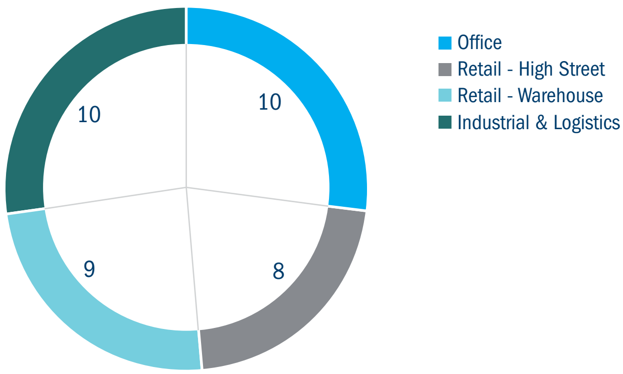
More detailed characteristics of the Company can be found in the 'Company Summary' p.1 of the Annual Report and Accounts 2022.

Figure 1 – Portfolio Composition as of 30 June 2022

Percentage of portfolio capital value 2022



Property type (number of assets) 2022



Management status (absolute) 2022

	Capital Value (£)	Number of Assets	NLA (sq ft)
Directly managed	£176,450,000	16	495,378
Indirectly managed	£233,325,000	21	1,065,785

Management status (percentage) 2022

	Capital Value %	Assets %	NLA %
Directly managed	43.06%	43.24%	31.73%
Indirectly managed	56.94%	56.76%	68.27%

For the purpose of this report, we define directly managed assets as those where the Manager is responsible for and obtains operational data in respect of either energy consumption, water consumption or waste management. Under this definition, we have excluded a small number of sites where the landlord has responsibility for providing certain facilities such as cleaning or security but such services do not extend to energy, water procurement or waste management.

Key 2021/22 Highlights

2040

Net Zero Carbon commitment

Asset level Net Zero Carbon assessments conducted during the reporting period. Target date announced in Q1 2023.

70/100

GRESB performance

Score of 70/100 maintained conferring two Green Stars.

Gold award

EPRA sustainability reporting

Gold Award achieved for level of ESG disclosure and transparency.

Carbon emissions

33% reduction in carbon emissions compared to the previous year.

Renewable energy sources

100%

of landlord electricity and gas supplies contracted on certified green tariffs.

Recycling

99%

of waste material under landlord control averted from landfill.

A

GRESB Public Disclosure

‘A’ rating maintained for transparent public reporting.

I. ESG Strategy and Priorities

A) Approach to ESG and responsible property investment

During the reporting year 2021-22, the Company continued to focus on the effective implementation of its ESG strategy as first established in 2017. A full explanation of this strategy can be summarised by the four key pillars below.

The process for defining and prioritising the Company's material ESG issues include:

1. Leadership & effectiveness

Demonstration of effective governance in relation to ESG criteria.

2. Investment process

Procedures to ensure material ESG factors are central to investment decision-making.

3. Portfolio

Continual monitoring, analysis, attendance to and optimisation of material ESG performance and risk factors.

4. Transparency

Comprehensive reporting on relevant ESG factors.

Driven by responsible property investment principles, the the Manager applies a consistent approach to integrating ESG into the investment process, strategy, asset management, property management, and development and refurbishment, with a particular emphasis on:

- Having a clear understanding of the material issues and priorities for commercial real estate presented by the evolving ESG landscape;
- Identifying and responding to the investment risks and value enhancing opportunities presented by ESG criteria;
- Setting asset-specific targets within an overall context of company policy, direction and vision;
- Applying the ESG framework across all core business functions, supporting full integration, including by its professional staff having a clear understanding of the interactions between different business functions on relevant ESG matters;
- Routinely considering and integrating ESG factors within regular asset business planning activities; and
- Implementing ESG interventions in a co-ordinated manner.

B) Our ESG Priorities & Progress

Theme	ESG Priority	Current Status	Next Steps
Leadership & effectiveness – measures through which the Company demonstrates effective governance in relation to ESG criteria	**GRESB** – Participate in GRESB from 2018, with the objective thereafter of realising year-on-year improvements in score and peer group ranking.	The Company submitted to the 2022 GRESB Real Estate survey in July 2022, maintaining a score of 70 and conferring 2 star status. The reporting year presented challenges around the capture of real energy consumption data from occupiers. Despite the conventional programme of outreach to occupiers, a lack of responsiveness was experienced, potentially due to the conflicting priorities of occupiers given the prevailing economic climate. The Company also achieved an 'A' rating in the GRESB Public Disclosure assessment representing the highest level of transparency and disclosure of ESG related information.	Submit to GRESB in 2023 for the fifth time and achieve a score of at least a 3-stars. Explore opportunities to automate data capture across the portfolio. Continue to achieve an 'A' rating in the GRESB Public Disclosure assessment.
Carbon reduction of the portfolio – initiatives through which CTPT demonstrates robust commitment to lowering its carbon emissions	**Carbon emissions** – Deliver year-on-year carbon reductions to landlord-controlled areas on a like-for like-basis.	Total carbon emissions (kg CO_2e) for the reporting year reduced 33% compared to the previous year.	Even though carbon emissions decreased 33% on a like for like basis in the 2021-2022 reporting year, we remain cautious of the impact of occupational trends following the pandemic. The ambition is to maintain carbon reductions to landlord-controlled areas on a like for like basis by 4.6% annually in line with the Company's wider net-zero carbon strategy.
	Net Zero Carbon – Create a Net-Zero Carbon Roadmap.	Net-Zero Carbon assessments undertaken for the whole portfolio. Net Zero Carbon asset-level model created to determine overall Company pathway to Net Zero, carbon baseline (2019) and Net-Zero target date (2040).	Publish the Company's Net-Zero Carbon Roadmap. Commence implementation of measures at asset-level to achieve Net-Zero-Carbon by 2040 or sooner for the whole portfolio.
	EPCs – Complete EPC Plus reports that describe what measures can be undertaken at asset-level to determine ability to improve the EPC rating at each property.	Instructed third party service provider to produce these reports where appropriate.	EPC Plus reports to be completed by Q1 2023 for relevant demises to determine technical capability and cost to achieve B and C minimum ratings by their respective legislative compliance dates.
	Solar Photo-voltaic – install solar Photo-voltaic where viable across the portfolio.	Key target assets identified, and Photo-voltaic feasibility studies completed on a number of assets in the portfolio.	Advance in or complete Solar Photo-voltaic installations on selected assets. Continue to engage with occupiers to expand number of assets on which to install solar Photo-voltaic.
	Sustainable certifications – Certify selected assets of the portfolio with green building certificates.	3% of the portfolio is certified BREEAM Very Good by NLA.	Aim to certify an increased number of assets with the BREEAM certification.

Theme	ESG Priority	Current Status	Next Steps
Transparency – approach to investor reporting and public disclosure on relevant ESG factors	**TCFD** – Include in the Company's Annual Report clear direction to disclosures made in line with recommendations of the Financial Stability Board (FSB) Task Force on Climate-Related Financial Disclosures (TCFD).	We have continued to advance our approach to addressing climate risk across our portfolio and through our investment processes during 2021-2022. Disclosures aligned to the TCFD recommendations are set out as Appendix 2 to this Report, along with a statement of actions for 2022 and beyond which are intended to further develop the precision of our analysis of, and response to, climate risks and opportunities.	Continue to implement the planned activities set out in Appendix 2 to this Report.
	TNFD – Consider nature-based factors in our portfolio decision-making to the extent that they support loss of biodiversity and climate related risks and opportunities.	We are currently monitoring the developments of the TNFD Reporting Framework. The TNFD's complete recommendations are due to be published in September 2023.	Develop a portfolio strategy based on the TNFD's complete recommendations.

C) Case studies

Spotlight on: 15 London Road, Redhill

Located in Surrey and on the fringe of London's orbital motorway, this 14,000 sq ft mid 1970's constructed three-storey building, designed initially with retail space on the ground floor and office accommodation on the upper floors, benefited from a £1 million refurbishment following engagement with the occupier.

To avoid the potential for extended litigation over historic responsibilities for the maintenance and repair of the building's central plant and equipment under two long but distinct occupational leases, the landlord took a proactive approach and agreed with the occupier, as part of lease regear negotiations, that they accept a more conventional arrangement for future maintenance and management of the refurbished building and associated services.

This fundamental agreement unlocked the opportunity to implement upgrade works to satisfy both landlord and occupier requirements.

The upgrade works included:

- repairs to the building fabric including roof coverings and windows
- installation of new energy efficient lighting
- replacement of central and localised heating, cooling and air handling equipment with modern efficient equivalents
- improvement of the Energy Performance Certificate rating from G to B
- Installation of two electric vehicle charging points

Occupier engagement: experience surveys

In 2019, the Company undertook a pilot occupier satisfaction survey with the support of customer experience consultancy, RealService. The pilot sought to gauge feedback from occupiers solely within directly managed properties where the Company has an agent on site with responsibility for certain management activities, which may include arrangements for cleaning, security, waste removal, and other such facilities requirements.

The outcomes of the pilot were broadly positive. There was a notable success in feedback where the occupier benefited from the presence of local building managers. A Net Promoter Score (NPS), reflecting the likelihood of an occupier recommending the Company as a landlord, was determined from the small sample of 11 occupiers involved, and set a baseline against which the Manager could measure subsequent improvement and performance against benchmark.

In 2021/2022, driven by its ambition to understand and respond to stakeholder expectation, and in line with its intention to replicate the exercise on a three yearly cycle, the Company expanded the pilot exercise to cover full roll-out across the portfolio. All commercial occupiers were given the opportunity to provide feedback, and a sample of 14 occupiers across sectors provided in-depth responses via telephone interviews. The NPS saw an encouraging improvement outperforming the benchmark index by 36%. The underlying details will be considered by the Company to determine appropriate responses and next steps.

II. ESG Performance

A high-level summary of ESG performance for the period ending 30 June 2022 is provided below. A detailed analysis of the data is included in the Environmental Indicators section on page 15 and is presented in accordance with the European Public Real Estate Association's (EPRA) sustainability Best Practice Recommendations (sBPR).

A) Environmental Data Methodology

1) Reporting period

Sustainability data in this report covers the period 1st July 2021 to 30th June 2022.

2) Organisational boundary and data coverage

The Company had an overall investment in real estate of £410 million as at 30th June 2022. Where there is a landlord-obtained supply of water, electricity and/or natural gas, analysis of the respective data on water and energy consumption has been included in this report. The Manager also arranges for waste collection and disposal at six properties, equating to 16% of the whole portfolio by property number.

Landlord-procured utilities may be consumed either in shared spaces, by occupiers in their leased demises, or across the whole of a multi-occupied building. Properties where a full repairing and insuring (FRI) lease is in place are outside the scope of this ESG Report, as the respective occupiers are responsible for property management, including the procurement of utility supplies.

Thus, the organisational boundary used for the environmental data in this report is based upon operational control. The precise scope of the ESG Performance Data held for each asset is listed in Table 1a. For the reporting year, 14 assets, representing 38% by number, have energy consumption data available, 3 buildings, representing 8% by number have water data available whilst 6 properties, representing 16% by number have waste data available. 'Other data' refers to data displayed in the ESG Risk Profile section commencing on page 22, such as EPC profiles or flood risks. Assets marked in red have been sold during the reporting year.

Table 1a: ESG Data Coverage by Asset

Property Name	Is energy consumption data available?	Is water consumption data available?	Is waste data available?	Other data
Bracknell, 1/2 Network Bracknell, Eastern Rd	Not in Scope	Not in Scope	Not in Scope	Included
Bromsgrove, Brook Retail Park, Sherwood Road	Included	Not in Scope	Included	Included
Eastleigh, Wide Lane	Not in Scope	Not in Scope	Not in Scope	Included
Kingston-Upon-Thames, 11 Church Street	Not in Scope	Not in Scope	Not in Scope	Included
New Malden, 7 Beverley Way	Not in Scope	Not in Scope	Included	Included
Nottingham, 21/22 Long Row, 2/6 King Street	Not in Scope	Not in Scope	Not in Scope	Included
Rayleigh, 41/47 & 55/55A High Street	Not in Scope	Not in Scope	Not in Scope	Included
Bury, Halls Mill Retail Park, Foundry Street	Included	Not in Scope	Not in Scope	Included
St. Albans, 16,18 & 20 Upper Marlborough Road	Not in Scope	Not in Scope	Not in Scope	Included
Chelmsford, County House, County Square.	Included	Not in Scope	Included	Included
Banbury, 3663 Unit, Echo Park	Not in Scope	Not in Scope	Not in Scope	Included
Banbury, Land and Premises at Southam Road	Not in Scope	Not in Scope	Not in Scope	Included
Bellshill, Mercury House, Strathclyde Bus Pk	Not in Scope	Not in Scope	Not in Scope	Included
Colnbrook, Heathrow Truck Centre	Not in Scope	Not in Scope	Not in Scope	Included
Colnbrook, Units 1-8 Lakeside Road	Included	Not in Scope	Not in Scope	Included
Eastleigh, Southampton International Park	Not in Scope	Not in Scope	Not in Scope	Included
Guildford,51-53 High Street	Not in Scope	Not in Scope	Not in Scope	Included
Edinburgh, 1-2 Lochside Way, Edinburgh Park	Included	Not in Scope	Not in Scope	Included
Hemel Hempstead, Hemel Gateway	Included	Not in Scope	Not in Scope	Included
Milton Keynes,Site E Chippenham Drive	Not in Scope	Not in Scope	Not in Scope	Included
Nottingham, Standard Hill	Not in Scope	Not in Scope	Not in Scope	Included
High Wycombe, A3 Glory Park, Wooburn Green	Included	Included	Not in Scope	Included
London SW1, 24 Haymarket & 1/2 Panton Street	Included	Not in Scope	Not in Scope	Included
York, Clifton Moor Gate	Not in Scope	Not in Scope	Not in Scope	Included
London W1, 14 Berkeley Street	Included	Not in Scope	Included	Included
Nelson, Churchill Way	Not in Scope	Not in Scope	Not in Scope	Included
Northallerton, Willowbeck Road	Included	Not in Scope	Included	Included
Nottingham, 25/27 Bridlesmith Gate	Not in Scope	Not in Scope	Not in Scope	Included
Nottingham, Park View House, 58 The Ropewalk	Included	Included	Included	Included
Andover, Keens House, Anton Mill Road.	Not in Scope	Not in Scope	Not in Scope	Included
Rayleigh, 81/87 High Street.	Included	Not in Scope	Not in Scope	Included
Theale, Maxi Centre	Not in Scope	Not in Scope	Not in Scope	Included
Newbury, The Triangle, Pinchington Lane	Not in Scope	Not in Scope	Not in Scope	Included
Luton, Enterprise Way	Not in Scope	Not in Scope	Not in Scope	Included
Redhill, 15 London Road	Included	Included	Not in Scope	Included
Sunningdale, 53/79 Chobham Road, Berkshire	Included	Not in Scope	Not in Scope	Included
Basingstoke, Unit K60, Lister Road	Not in Scope	Not in Scope	Not in Scope	Included

Assets in red typeface represent sold assets during the reporting period. Data for the part-period is included in the overall data.

For each asset within the organisation boundary, the table above highlights the data coverage for each performance measure.

Exceptions are as follows:

- Where a occupier within one of these properties procures their own energy separate to the building supply for shared spaces; these scenarios are considered the same terms as FRI occupiers and data was not obtained due to unavailability of such data for the reporting year.
- Water data was not gathered where procurement of water is under the responsibility of the occupier. The gross asset value (GAV) of assets within the organisational boundary where the landlord gathers water data represents approximately 3% of the Company's total capital value.
- Waste data was not gathered from the portfolio where responsibility for waste removal rests with the occupier. Within the organisational boundary, assets having waste data collected by the landlord represents approximately 18% by GAV.

Table 1.b: Coverage of data

Coverage of In Scope Data	Industrial and Logistics	Offices	Retail – High Street	Retail – Warehouse
Elec-Abs	100%	100%	75%	75%
Elec-Lfl	100%	67%	75%	75%
Fuel-Abs	100%	100%	75%	75%
Fuel-Lfl	100%	67%	75%	75%
Energy-Int	100%	100%	75%	75%
GHG-Dir-Abs	100%	100%	75%	75%
GHG-Indir-Abs	100%	100%	75%	75%
GHG-Int	100%	100%	75%	75%
Water-Abs	N/A	50%	N/A	N/A
Water-Lfl	N/A	33%	N/A	N/A
Water-Int	N/A	50%	N/A	N/A
Waste-Abs	N/A	50%	N/A	75%
Waste-Lfl	N/A	50%	N/A	75%
Cert-Tot	100%	100%	100%	100%

3) Estimates

The proportions of estimates used for portfolio energy, water and waste by asset class are shown in the table below. Estimates were calculated by pro-rating available data to missing periods.

The proportions of estimates were based on both the floor area and the time interval for which data was estimated.

Table 2: Estimation of data

	2022				2021			
Estimation of Data	Electricity	Gas	Water	Waste	Electricity	Gas	Water	Waste
Industrial	0.0%	0.0%	N/A	N/A	0.0%	0.0%	N/A	N/A
Offices	1.1%	0.0%	33.9%	N/A	14.3%	0.0%	11.0%	12.5%
Retail	0.0%	0.0%	N/A	N/A	0.0%	0.0%	N/A	N/A
Retail Warehouses	25.4%	0.0%	N/A	56.6%	0.0%	0.0%	N/A	8.3%

4) Conversion Factors

Emissions were calculated in kg CO_2 equivalent using the DEFRA GHG Conversion Factor Guidelines for 2021 and 2022. The conversion factors from DEFRA for 2021 and 2022 are presented in the following table.

Table 3: DEFRA conversion factors (kg CO_2 e per kWh)

	2021	2022
Electricity	0.21233	0.19338
Natural Gas	0.18316	0.18254

* Where the conversion factor used is for gross calorific value as opposed to net.

Normalisation

Intensities (for energy, emissions and water) have been calculated per square meter of space for each individual property, normalising the data for comparability to other properties. As a general rule, all properties have been normalised using a denominator based on net lettable area (NLA).

Exceptions to this are as follows:

- Assets for which the landlord does not procure energy for the whole building
- Assets for which there is no indoor energy procured by the landlord

In the first scenario the common parts area (CPA) was used as the denominator; CPA is considered to be a more appropriate basis for relating landlord consumption to the areas served, and, as a result, a more meaningful measure of efficiency. These were estimated using an estimate of 5% of building NLA. For energy provided to outdoor areas this was estimated from floor plans in the case of outdoor walkways, but where the energy supply is to car park lighting, the number of car parking spaces multiplied by 25m^2 (per BBP REEB recommendation) was used. It should be noted that while the intensities were normalised for floor area, there was no normalisation carried out for degree days. This is when heating data is corrected according to weather patterns. The Company intends to correct for degree days in future reports.

Renewable energy

Since October 2018, the Company has purchased renewable electricity for all properties where the landlord is responsible for energy procurement. From October 2020, this extended to green gas, effectively bringing the Company's operational landlord emissions to near zero. The Manager continues to engage the services of a third-party environmental data services provider to collect and report this data. This includes energy consumption for those assets where there is a permanent or temporary (in the case of vacated premises) landlord-controlled energy supply.

Auditing and assurance

Appendix 1 on page 27 provides details on third-party assurance in accordance with ISO 14064-3.

B) Materiality

The Manager undertook a review of materiality against each of the EPRA sBPR indicators. Table 4 below indicates the outcome of the review.

Table 4: Review of materiality

EPRA sBPR code	Code meaning	Table number	GRI Standard and CRESD indicator code	Outcome of the review
Elec-Abs (4.1)	Total electricity consumption	5	302-1	Material
Elec-LfL (4.2)	Like-for-like total electricity consumption	5	302-1	Material
DH&C-Abs (4.3)	Total district heating and cooling consumption	Excluded	302-1	Not material – none of the Company's assets are connected to district energy supplies
DH&C-Lfl (4.4)	Like-for-like total district heating and cooling consumption	Excluded	302-1	Not material – none of the Company's assets are connected to district energy supplies
Fuel-Abs (4.5)	Total fuel consumption	5	302-1	Material
Fuels-LfL (4.6)	Like-for-like total fuel consumption	5	302-1	Material
Energy-Int (4.7)	Building energy intensity	5	CRE1	Material
GHG-Dir-Abs (4.8)	Total direct greenhouse gas emissions	6	305-1	Material
GHG-Indir-Abs (4.9)	Total indirect greenhouse gas emissions	6	305-2	Material
GHG-Int (4.10)	Greenhouse gas emissions intensity from building energy consumption	6	CRE3	Material
Water-Abs (4.11)	Total water consumption	7	303-1	Material
Water-LfL (4.12)	Like-for-like total water consumption	7	303-1	Material
Water-Int (4.13)	Building water intensity	7	CRE2	Material
Waste-Abs (4.14)	Total weight of waste by disposal route	8	306-2	Material
Waste-Lfl (4.15)	Like-for-like total weight of waste by disposal route	8	306-2	Material
Cert-Tot (4.16)	Type and number of sustainably certified assets	10	CRE8	Material
Diversity-Emp (5.1)	Employee gender diversity	11	405-1	Material
Diversity-Pay (5.2)	Gender pay ratio	11	405-2	Material
Emp-Training (5.3)	Training and development	N/A	404-1	Not material – the Company does not have employees
Emp-Dev (5.4)	Employee performance appraisals	N/A	404-3	Not material – the Company does not have employees
Emp-Turnover (5.5)	Employee turnover and retention	N/A	401-1	Not material – the Company does not have employees
H&S- Emp (5.6)	Employee health and safety	N/A	403-2	Not material – the Company does not have employees
H&S-Asset (5.7)	Asset health and safety assessments	Page 20	416-1	Material
H&S-Comp (5.8)	Asset health and safety compliance	Page 20	416-2	Material
Comty-Eng (5.9)	Community engagement, impact assessments and development programmes	Page 20	413-1	Material
Gov-Board (6.1)	Composition of the highest governance body	13	102-22	Material
Gov-Select (6.2)	Nominating and selecting the highest governance body	12	102-24	Material
Gov-Col (6.3)	Process for managing conflicts of interest	12	102-25	Material

1) Environmental Indicators

A) Energy

The Manager has engaged the services of Envizi, a third-party environmental data management platform provider, to host and report energy, water and waste data on those assets the Company owns and where these services are, in part or entirely, under Company control. The figures presented in this section show the outcome of the in-house analysis of this data and include properties for which there has been some Company responsibility during the reporting period from transient utility supplies, typically those associated with vacant demised premises. The output covers the energy consumption (absolute) and intensities (energy use by respective area) of relevant assets.

The prior and current year absolute energy figures and subsequent emissions were verified by an independent external advisor, Lucideon. The conclusion of the verification can be found in Appendix 1. EPRA sBPR codes DH&C-Abs and DH&C-LfL are excluded as no district heating and cooling is provided within the portfolio.

Natural gas consumption has gone down by 15.6% and total energy intensity of the portfolio has decreased by just over 35%. This is principally on account of High Wycombe having been vacant for almost half of the reporting year.

Table 5: CTPT Energy Consumption

Measure (units)	EPRA Code		Industrial	Offices	Retail	Retail Warehouse	Grand Total
Electricity Consumption (kWh) With proportion of landlord procured electricity from renewable sources	**Elec-Abs**	2022	4,528	683,056	7,130	28,238	722,951
		2021	7,209	1,125,115	8,072	50,922	1,191,318
		2022	100%	100%	100%	100%	100%
		2021	100%	100%	100%	100%	100%
Change in Electricity Consumption (kWh/%)	**Elec-LfL**	2022	4,528	683,056	7,130	18,398	713,111
		2021	7,209	626,484	8,072	50,922	692,686
		2022	-37.20%	9.03%	-11.67%	-63.87%	2.95%
		2021	↓	↑	↓	↓	↑
Natural Gas Usage (kWh) With proportion of landlord procured natural gas from renewable sources	**Fuel-Abs**	2022	N/A	475,841	N/A	N/A	508,439
		2021	N/A	602,424	N/A	N/A	602,424
		2022	N/A	100%	N/A	N/A	100%
		2021	N/A	73%	N/A	N/A	73%
Change in Natural Gas Consumption (kWh/%)	**Fuel-LfL**	2022	N/A	475,841	N/A	N/A	508,439
		2021	N/A	602,424	N/A	N/A	602,424
		%	N/A	-21.01%	N/A	N/A	-15.60%
			N/A	↓	N/A	N/A	↓
Energy Intensity (kWhe/m² NLA)	**Energy-Int**	2022	3.1	185.9	39.0	2.5	53.0
		2021	4.9	290.8	44.2	4.6	81.9
Change in Energy Intensity (%)			-36.89%	-36.06%	-11.67%	-44.94%	-35.35%
			↓	↓	↓	↓	↓

	Current year 2022	Prior year 2021	% Change	
Like-for-like Electricity Usage (kWh)	713,111	692,686	3%	↑
Like-for-like Fuel Usage (kWh)	508,439	602,424	-16%	↓
Energy intensity (kWhe/m²)	53.0	81.9	-35%	↓

B) Emissions

Data collected from properties where there is landlord-procured energy was used to calculate emissions, reported here on a located-based methodology as kilograms of carbon dioxide equivalent (kg CO_2e).

The following tables report on:

- Scope 1 emissions – resulting from the burning of natural gas in a boiler on site and any refrigerant leakages that may have occurred from the air-conditioning systems.
- Scope 2 emissions – resulting from the acquisition and use of electricity from the National Grid.
- Scope 3 emissions from landlord procurement of water and waste management services.

Scope 3 emissions – resulting from occupier procured energy, and for which limited data is currently available, is not included in the table.

Total emissions have gone down 33% across the portfolio. As mentioned above, this is mainly on account of High Wycombe, as the property was empty for almost half of the reporting year causing a significant reduction in emissions and, in turn, impacting the portfolio.

Table 6: CTPT Emissions

Measure (units)	EPRA Code		Industrial	Offices	Retail	Retail Warehouses	Grand Total
Emissions from Scope 1 Usage (kg CO_2e)	**GHG-Dir-Abs**	2022	N/A	86,860	N/A	N/A	92,811
		2021	N/A	110,340	N/A	N/A	110,340
Change in Emissions from Scope 1 Usage (%)			N/A	-21%	N/A	N/A	-16%
			N/A	↓	N/A	N/A	↓
Emissions from Scope 2 Usage (kg CO_2e)	**GHG-Indir-Abs**	2022	876	132,089	1,379	5,461	139,804
		2021	1,531	228,166	1,714	6,260	237,671
Change in Emissions from Scope 2 Usage (%)			-43%	-42%	-20%	-13%	-41%
			↓	↓	↓	↓	↓
Emissions Intensity for Scope 1 and 2 (kg CO_2e/m² NLA)	**GHG-Int**	2022	0.6	46.6	7.6	0.5	13.3
		2021	1.0	72.1	9.4	0.6	19.9
Change in Emissions Intensity from Scope 1 & 2 Usage (%)			-40%	-35%	-20%	-18%	-33%
			↓	↓	↓	↓	↓
Emissions from Scope 3 Transmission & Distribution Losses (kg CO_2e)							12,789

	Current year 2022	Prior year 2021	% Change	
Total carbon emissions (kg CO_2e)	232,615	348,011	-33%	↓
Emissions intensity for Scope 1 and 2 (kg CO_2e/m²)	13.3	19.9	-33%	↓
Total Scope 1 emissions from natural gas (kg CO_2e)	92,811	110,340	-16%	↓
Total Scope 1 emissions from generators (kg CO_2e)	0	0	N/A	
Total Scope 2 (location-based) emissions (kg CO_2e)	139,804	237,671	-41%	↓
Total Scope 2 (market-based) emissions (kg CO_2e)	0	0	N/A	

NB. No emissions from refrigerant leakages in the last 2 years.

C) Water

The following tables report on water consumption and intensities of the Company's assets. These are determined from analysis of data from invoices and meter readings on the Envizi data management portal where there is landlord-procured supply. All such consumption is from municipal water supplies (there is no water usage from other sources within the managed portfolio). The absolute water consumption figures for 2021-22 were independently verified by Lucideon. The verification statement can be found in Appendix 1.

Consumption has gone up by 61% across the portfolio. This is principally attributed to Nottingham Park View House, however variances in consumption are disproportionate given the low overall levels of landlord consumption. Thus, the increased volume of water is relatively small but appears disproportionately large due to the limited level of direct control of water by the landlord.

Table 7: CTPT Water Consumption

Measure (units)	EPRA Code		Offices	Grand Total
Water consumption (m^3)	Water-Abs	2022	2,351	2,351
		2021	1,451	1,451
Change in water consumption (m^3)	Water-Lfl	2022	2,351	2,351
		2021	1,090	1,090
		%	116%	116%
			↑	↑
Water Intensity (m^3/m^2)	Water-Int	2022	0.52	0.52
		2021	0.32	0.32
Change in water intensity (%)			61%	61%
			↑	↑

		Offices	Grand Total
Scope 3 Emissions from Water Consumption (kg CO_2e)	2022	990	990
	2021	611	611

D) Waste

In 2018, the Company set an ambition of zero waste to landfill by the end of 2020. Since then, collection of waste data has become more sophisticated and now monitors the output and destination of hazardous and non-hazardous waste from relevant sites. Some estimates are still used for small waste streams, such as with feminine waste, but data coverage is at 100% of managed sites where waste is in landlord control. These waste streams are controlled by site management policies and procedures which align with and confer ISO 14001 accreditation. This accreditation validates safe and responsible management and removal of waste from site.

The following table shows the breakdown of waste by destination, with percentage figures in blue indicating the proportion of the waste that was hazardous. The waste figures were also independently verified by Lucideon. The verification statement for the current year can be found in Appendix 1.

Table 8: CTPT Waste Production

Measure (units)	EPRA Code				Offices		Retail Warehouse		Grand Total
Total weight of waste by disposal route (tonnes) and proportion relating to hazardous waste (%)	Waste-Abs	Recycling	2022		8.21	0%	3.11	0%	11.32
			2021		13.30	0%	0.61	0%	13.91
		Incineration without energy recovery	2022		0.18	0%	–	0%	0.2
			2021		6.66	0%	–	0%	6.66
		Incineration with energy recovery	2022		5.89	0%	1.46	0%	7.3
			2021		6.03	0%	2.44	0%	8.47
		Landfill	2022		0.07	0%	–	0%	0.1
			2021		0.07	0%	–	0%	0.07
Change in weight of waste by disposal route (tonnes)	Waste-Lfl	Recycling	2022		8.21	0%	3.11	0%	11.32
			2021		13.30	0%	0.61	0%	13.91
		Incineration without energy recovery	2022		0.18	0%	–	0%	0.2
			2021		6.66	0%	–	0%	6.66
		Incineration with energy recovery	2022		5.89	0%	1.46	0%	7.3
			2021		6.03	0%	2.44	0%	8.47
		Landfill	2022		0.07	0%	–	0%	0.1
			2021		0.07	0%	–	0%	0.07
Total weight of waste (tonnes)			2022		14.35		4.57		18.92
			2021		26.07		3.05		29.12
Number of sites for which there is hazardous waste									0
Scope 3 Emissions from Waste Management (kg CO_2e)			2022						435
			2021						652

E) Disclosure on occupational offices

The Company's Manager operates from its leased offices at 7, Seymour Street, London. Unaudited head office data for energy, emissions and water can be found below, aligned with the EPRA reporting guidelines. The Manager will endeavour to extend this reporting to include waste, pending the sharing of data from the landlord of the Manager's leased offices.

Table 9: Head office environmental performance

Measure (units)	EPRA Code		Head Office
Electricity consumption (kWh)	Elec-Abs	2022	88,980
		2021	92,734
With proportion of estimated data		2022	0%
		2021	0%
With proportion of electricity from renewable sources		2022	100%
		2021	100%
Natural gas consumption (kWh)	Fuel-Abs/Fuel-Lfl	2022	45,407
		2021	58,040
With proportion of estimated data		2022	0%
		2021	0%
Energy intensity (kWhe/m²)	Energy-Int	2022	203.7
		2021	220.4
Change in energy intensity (%)			-8%
			↓
Emissions from Scope 1 usage (kg CO_2e)	GHG-Dir-Abs	2022	8,289
		2021	10,631
Change in emissions from scope 1 usage (%)			-22%
			↓
Emissions from scope 2 usage (kg CO_2e)	GHG-Indir-Abs	2022	17,207
		2021	19,690
Change in Emissions from scope 2 usage (%)			-13%
			↓
Emissions intensity for scope 1 and 2 (kg CO_2e/m^2)	GHG-Int	2022	48.5
		2021	57.6
Change in emissions intensity from scope 1 & 2 usage (%)			-16%
			↓
Water consumption (m³)	Water-Abs	2022	84
		2021	76
With proportion of estimated data		2022	0%
		2021	100%
Water intensity (m³/m²)	Water-Int	2022	0.16
		2021	0.14
Change in water intensity (%)			11%
			↑

F) Type and number of certified sustainable assets

The following table presents the percentage of certified assets by net lettable area (NLA) in the portfolio at the end of the reporting year, including energy performance certificates (EPCs) and Building Research Establishment Environmental Assessment Method (BREEAM) certifications.

Table 10: Type and number of certified assets

	% of properties certificate exists for		Ratings summary	
	EPC	BREEAM	EPC	BREEAM
EPRA code: Cert-tot	100%	3%	94% E rating or higher	3% Very Good

2) Social Indicators

A) Scope

The Company has no direct employees, however, through The Manager we take a responsible approach to corporate citizenship, both through engagement with industry and corporate stakeholders, and through the positive impact it seeks to generate in the communities around its managed assets.

B) Gender Equality

With no direct employees, the following table discloses gender equality data as it applies to the Company's board.

Table 11: EPRA sBPR for reporting on gender equality

EPRA CODE	Social Performance Measure	Company Response
Diversity-Emp	Percentage of male and female employees in the Company's governance body.	There are two female members on the Board equating to 40% representation.
Diversity-Pay	Ratio of remuneration of men to women (gender pay ratio).	The remuneration of the two female members of the Board equates to 95.6% of that of the average salary of men on the Board

C) Health and Safety

The Manager ensures that where it has operational control all legal obligations connected with maintaining safe and secure premises are met through robust management procedures. This includes, but is not necessarily restricted to, undertaking regular reviews of health and safety status and performance, undertaking fire risk assessments, including special investigations as presented by the Grenfell disaster for example, and maintaining robust procedures for the control of water hygiene.

With regards to the EPRA sBPR guidelines on health and safety assessments (H&S-Asset), of the 20 assets that have any degree of direct management control – including a small number of sites which are de minimis in terms of the extent of responsibility.

- 100% undergo regular review in respect of health and safety controls and performance.
- 100% undergo fire risk assessments.
- 25% (of assets directly managed by the Company) undergo a water hygiene assessment, including assessment of potable water management and risk of legionella.

In terms of asset Health & Safety compliance (H&S-Comp), there were no breaches of compliance with legislation in the reporting period for assets owned by the Company.

D) Community Engagement

The Company undertook a pilot occupier satisfaction survey with the support of customer experience consultancy, RealService. The survey aimed to assess feedback from occupiers solely within directly managed properties where the Company has a managing agent on site with responsibility for certain management activities, which may include arrangements for cleaning, security, waste removal, and other such facilities requirements. There was a notable success in feedback where the occupier benefited from the presence of local building managers. Please refer to the Case Studies section on page 8 of the report which illustrates inputs and outcomes in greater depth.

3) Governance Indicators

The Trust has a strong governance structure that ensures its activities are undertaken in the best interests of the Company. Its robust operating procedures and policies ensure the risks associated with illegal practices such as bribery and corruption are managed appropriately and in line with relevant legislation. The Company's board nomination (Gov-Select) and conflict management (Gov-Col) processes are discussed in detail in the 2022 Annual Report and Consolidated Accounts. References to the relevant section in the Annual Report are shown in **Table 12** and **Table 13** below, or where reference cannot be made, an explanation of whether conflicts of interest are disclosed to stakeholders has been provided.

Table 12: EPRA sBPR for reporting on governance performance measures

EPRA Code	Reference
Gov-Select	Corporate governance statement – page 39
Gov-Col: Cross-board membership	Corporate governance statement – page 39
Gov-Col: cross shareholding with suppliers and other stakeholders	Corporate governance statement – page 39
Gov-Col: existence of controlling shareholders	Director's Report – page 35
Gov-Col: related party disclosure	Notes to the accounts – note 17

Table 13: EPRA sBPR for reporting on composition of the highest governance body

Gov-Board	Number
Number of executive board members	0
Number of independent non-executive board members	5
Average tenure on the governance body	6.2 years
Number of independent non-executive board members with competencies relating to environmental and social topics	0

III. ESG Risk Profile

The ESG Risk Profile described in this section presents key data collated by The Manager as part of its ongoing process of appraising all held assets using its ESG appraisal system. It provides a picture of the key ESG characteristics of the portfolio at 30 June 2022 with respect to issues such as environmental management, flood risk, energy performance and contamination.

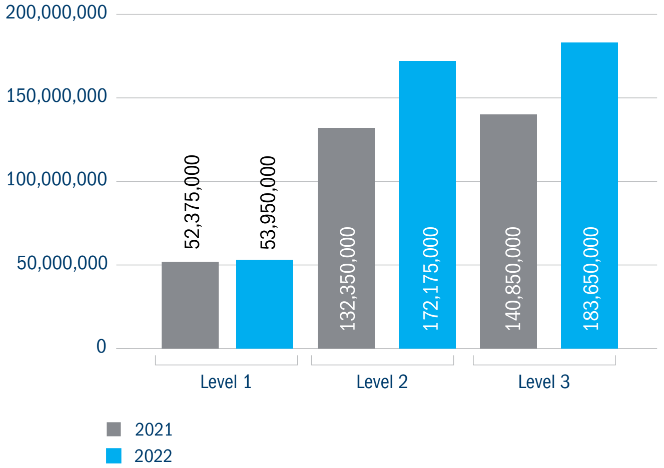
A) Asset Classifications

We believe it is important that our approach to ESG is proportionate in the context of each asset's impact and the degree to which we have management control. This is particularly the case for energy, in relation to which both regulatory and performance-related risks to value can materialise. We have therefore devised a classification system to enable resources to be directed at those assets for which the risks and potential enhancement opportunities are likely to be greatest.

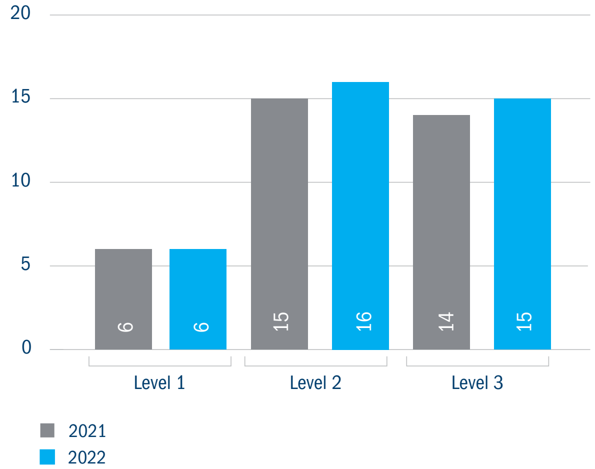
The classification of an asset determines the frequency and extent to which its ESG characteristics and performance are monitored within the investment and property management process. The classification of an individual asset will quite likely change over time, as its energy rating(s) or performance attributes evolve.

Figure 2: Asset classification

Capital Value 2021-2022



Number of assets 2021-2022



Asset Classification	Energy Rating		Energy Spend
Level 1	EPC Rating of F or G	and/or	Total annual landlord energy spend ≥£50,000
Level 2	EPC rating of E	and/or	Total annual landlord energy spend >£0 and <£50,000
Level 3	EPC Rating of A+ to D	and	No landlord energy spend (typically FRI assets)

B) Flood Risk

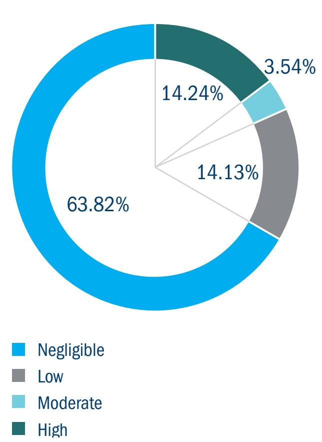
The exposure of the portfolio to the principal sources of flood risk is shown in the charts below. This shows that, taking account of flood defences, the majority of the portfolio is at negligible or low risk of flooding from rivers or seas, with 14.24% of capital value at high risk of flooding from this source. Approximately 4.44% of capital value is deemed to be at high risk from groundwater flooding, principally confined to a number of office and high street retail assets. Circa 5.89% of capital value is deemed to be at high risk from surface water flooding, again principally confined to office and retail sectors.

The principal elements of our approach to managing flood risk include:

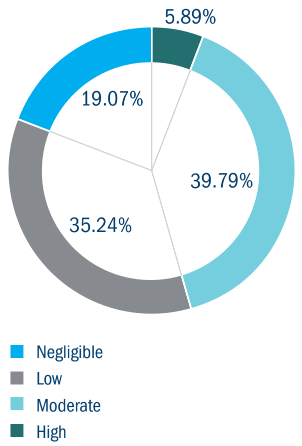
- Undertaking regular flood risk assessments of all held assets to keep our overview of portfolio risk exposure under regular review;
- Undertaking flood risk assessments, including an assessment of repairing obligations within lease terms, at the pre-acquisition stage for all assets in which we consider investing and taking account of any material issues in investment decisions and subsequent asset business planning;
- Ensuring that we have adequate insurance cover in place;
- In areas of higher risk, maintain a watching brief on insurance premiums and planning decisions for development work, including in relation to change of use decisions which may be pertinent to future asset strategy;
- For assets subject to higher levels of direct risk, review asset files, including purchase reports, to ensure that detailed flood risk information is held by the Company;
- For directly managed assets in areas of high and moderate indirect risk, prepare operational contingency plans so that anticipatory and responsive measures can be put in place effectively to deal with local disruption, and ensure that occupiers are engaged in this process;
- Engage with our occupiers in those assets that are not directly managed but to which higher levels of risk apply, to ensure that they can be prepared for a possible future flood event; and
- Ensuring that flood resilience is a feature of our approach to sustainable development and refurbishment.

Figure 3: Flood Risk Comparison

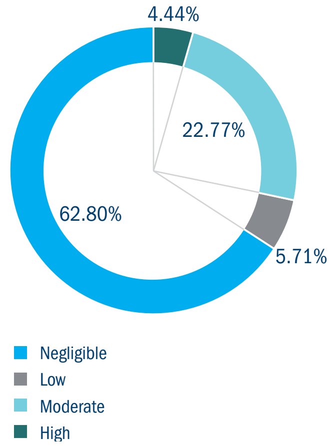
Fluvial flood risk as a proportion of total capital value



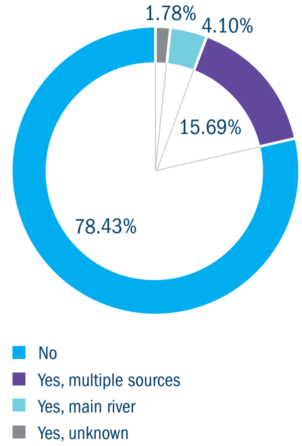
Surface water risk as a proportion of total capital value



Groundwater flood risk as a proportion of total capital value



Distribution of historic flood incidents in relation to capital value



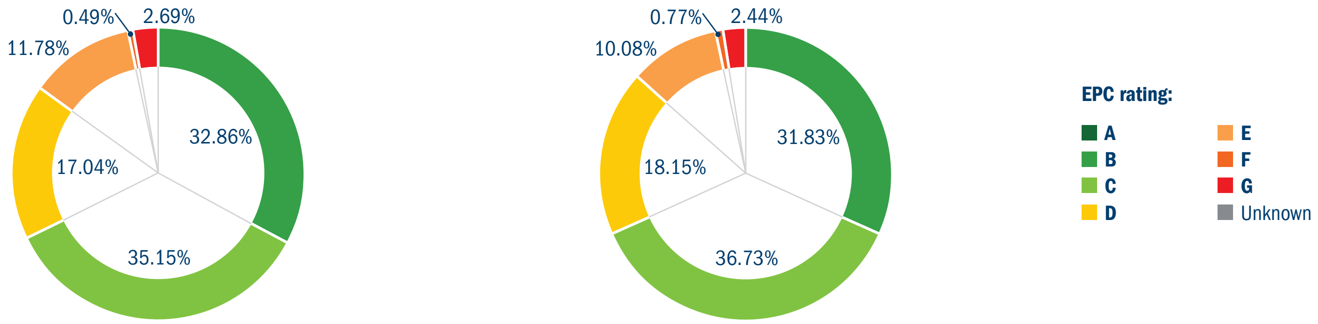
C) EPC Ratings

The charts below and overleaf provide a summary of the profile of Energy Performance Certificate (EPC) ratings for the portfolio. Across all UK assets, the majority, from both a rental value and floor area point of view, relates to the higher EPC ratings, indicating a good level of modelled energy performance for the portfolio. Indeed, the properties with F or G ratings summate in combination to only 2.91% of rental value and 2.99% of the total lettable floor area. When viewed specifically within the context of our properties located in England & Wales, the jurisdiction within which regulations pertaining to Minimum Energy Efficiency Standards (MEES) apply, the proportion of rental value that is associated with F and G ratings is 3.17%, applicable to some 3.21% of net lettable area.

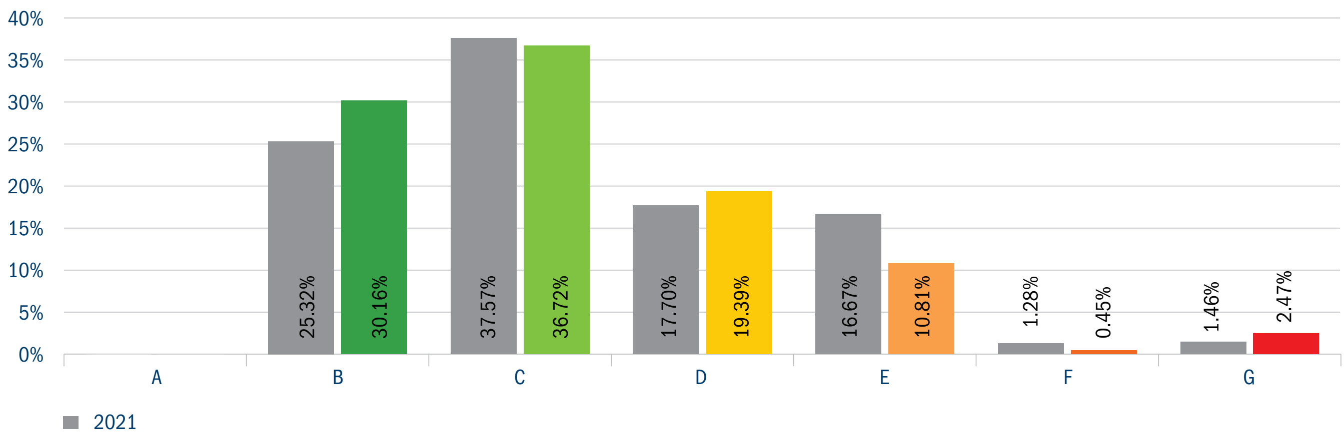
Figure 4: EPC Ratings

2022 Distribution of EPC ratings by rental value
Assets in England & Wales only

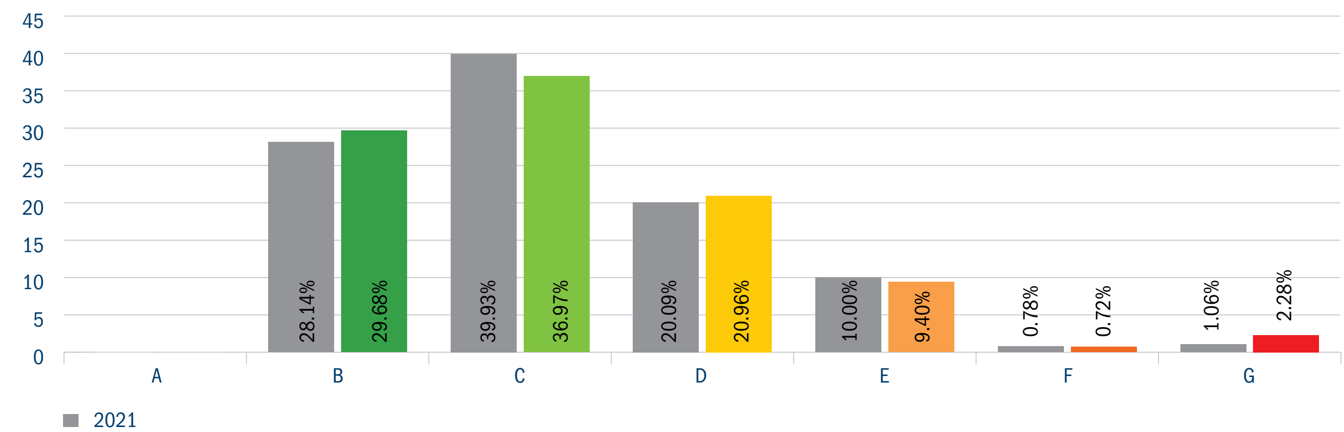
2022 Distribution of EPC ratings by NLA
Assets in England & Wales only



2022 EPC ratings by rental value against 2021
Whole portfolio - including assets in Scotland



2022 EPC ratings by net lettable area against 2021
Whole portfolio - including assets in Scotland



At the end of the reporting year, the Company's assets had the following demises rated at F or G,

- Bracknell, 1/2 Network Bracknell, Eastern Rd, Unit 1 (G) – *this has since been improved to a C rating*;
- Guildford,51-53 High Street, Second Floor (F) – *the whole asset has subsequently been sold*;
- Nottingham, 21/22 Long Row, 2/6 King Street, offices at 2, King Street (F) – *this has since been improved to a D rating*;
- Sunningdale, 53/79 Chobham Road, Berkshire, Shope 61 (F) and Shop 65 (G) – *both have been improved to a B rating*;

Throughout our portfolio, we have in place a comprehensive policy and strategy for managing the risks associated with MEES, with particular emphasis on ensuring that:

- We maintain comprehensive records that are kept up-to-date to ensure clear visibility on related risks;
- We procure high-quality EPC assessments from best-in-class providers so that the ratings we hold are accurate and the information supporting them useful for managing performance;
- We are well-sighted on energy performance risk when acquiring assets and when preparing for and executing lease transactions;
- We have robust processes in place to ensure that EPC ratings are optimised through development, refurbishment and routine property management activities;
- We have in place comprehensive information to support sales when we choose to bring properties to the market. With these measures in place, we ensure not only that we take timely and cost-effective action to address energy ratings ahead of a legislative restriction on transactions, but also that we future-proof our assets to future regulatory change and standards, in the interests of delivering occupational benefits for our customers and sustainable returns for our shareholders in the long-term.

D) Other RPI risk metrics

The profile of the portfolio with reference to a range of additional ESG attributes is shown in Figure 5. This indicates that the exposure of the Company's assets to various environmental risk criteria is limited, whilst other metrics convey the extent to which certain management actions have been fulfilled.

Current contamination risk

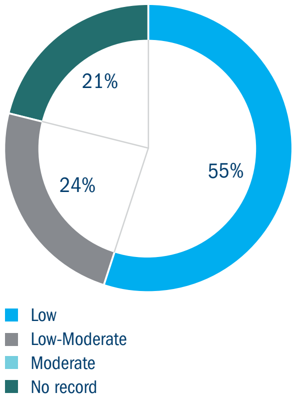
Taking account of the underlying regulatory regime and frameworks, land contamination risk is qualitatively categorised as being either low, low-moderate, moderate or high. The majority (79%) of the portfolio is either at low or low-moderate risk of contamination in terms of capital value. This is no change from the prior reporting year. Contamination is an 'investment critical' criteria within our ESG Appraisal process when considering potential acquisitions. FRI assets over which we have no direct management control benefit from an annual inspection by the Manager, whilst directly managed assets have the benefit of our Environmental Management System, certified to the ISO 14001 standard, of which the prevention and management of contamination is part.

HCFC coolants

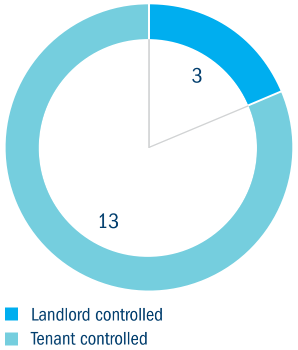
Currently, four office assets within the managed portfolio have air-conditioning equipment that utilises a hydrochlorofluorocarbon (type R-410A and R407C) coolant which is subject to the European F-Gas Regulations for the phasing out of ozone depleting substances. This is an increase of one asset, County House in Chelmsford, as it became a directly managed asset after refurbishment works. The Regulations prohibit the use of 'recycled' and 'reclaimed' HCFCs to top up or service existing equipment and we manage the implications of this through our asset business plans.

Figure 5: Other Risk Metrics

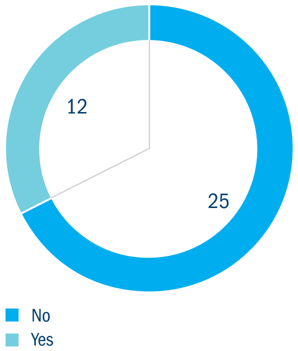
Current contamination risk
What is the current contamination risk?



HCFC coolants
HCFC colants in directly managed assets



Acquifer protection zones
Site falls under Aquifer/Groundwater Protection Zone



Groundwater Source Protection Zones

Twelve assets fall within Groundwater Source Protection Zones, five of which, two Nottingham properties, Bromsgrove, Hemel Hempstead and High Wycombe, relate to directly managed sites. These are designated zones around public water supply abstractions and other sensitive receptors that signal there are particular risks to the groundwater source they protect. It is important that our pollution prevention measures are particularly effective in these areas of elevated risk.

Statutory wildlife designations

None of our properties are affected by statutory wildlife designations.

Building Manager ESG Training

All building managers employed directly by the Manager have received a basic foundation level of training on relevant ESG matters, commensurate with the enhanced RPI Protocols for investment and property management that have been put in place. This training has been delivered by the Manager's dedicated sustainability professionals.

Green Building Certification

Following the refurbishment of County House in Chelmsford, undertaken between 2019 and 2021, the building was awarded a BREEAM Very Good rating for its attention to positive sustainability attributes. As previously mentioned, the Company considers the merits of green building certification on a case-by-case basis.

Environmental Management System

An Environmental Management Systems (EMS) accredited to the ISO 14001 standard and covering energy, water, waste and the control of hazardous substances has been established by CT REP and applies to all directly managed assets with the exception of properties considered to be de minimis in terms of the landlord's environmental impact. For the current portfolio, 12 of the 20 directly managed assets are considered to be of this nature.

Appendix 1: Third-Party Assurance in accordance with ISO 14064-3

Verification of Columbia Threadneedle Real Estate Partners 2022 Greenhouse Gas Emissions

Lucideon CICS Limited was contracted to undertake the actions necessary to provide limited assurance in verification of GHG emissions reported in the "Environmental, Social and Governance Report 2022" for the period 1 July 2021 to 30 June 2022. The verification was carried out against the requirements of the CDP based on ISO14064-3.

Organisational Boundary

The boundaries for the corporate wide emission inventory were developed on the basis of operational control. As a real estate business, the scenarios for operational control may vary from building to building therefore further explanation on how this has been handled can be found in the Inventory Management procedure. In summary, only energy, water and waste that is directly the responsibility of the Company is included, anything that is a tenant responsibility is outside of the boundary for the purposes of the report.

Conclusion

Lucideon CICS Limited has verified the reported emissions with the "Environmental, Social and Governance Report 2022" from the operations of Columbia Threadneedle Real Estate Partners consistent with the requirements of ISO14064-3 and provides limited assurance that the CO_2 emissions for the 2022 reporting year are verifiable.

Sorcha Anderson Lead Verifier
For and on behalf of Lucideon CICS Limited

26th September 2022

LUCIDEON
Materials Development and Commercialization

Appendix 2: TCFD Disclosures

Recommended disclosure	Current arrangements	Planned activity
Governance		
Board's oversight of climate-related risks and opportunities	The Manager's ESG Team provides regular progress reports to the Manager who, in turn, formally updates the Board on salient matters at quarterly Board Meetings. Progress on ESG matters, including on climate change, figure in the Company's Annual Report and the aligned ESG Report, both of which are reviewed and signed-off by the Board in discussion with the Manager.	The Board will continue to receive regular updates and act across the full range of material ESG factors to which the Company is attending, including climate change.
Management's role in assessing and managing climate-related risks and opportunities	As part of its ESG programme, the Manager is responsible for ensuring that climate-related risks and opportunities are integrated into operational processes and asset management decisions making recommendations to the Board on appropriate objectives and targets and arranging for the implementation of measures necessary to fulfil these.	The Manager built on its analysis of potential impacts of climate-related risks and opportunities, particularly with respect to physical risk factors in the short, medium, and long-term. Supported by several climate consultants, The Manager is currently evaluating the portfolio to expand this methodology to reflect transitional climate risk and future investment strategy of the Company following proper consideration by the Board.
Strategy		
Climate-related risks and opportunities the organisation has identified over the short, medium and long-term	The two principal forms of climate-related risk pertinent to the Company are from the potential exposure of its portfolio to the physical effects of climate change and from the growing regulatory and market demands associated with the transition to a low-carbon economy. **Short-term:** the key risks arise from changes to levels of flood risk and from the restrictions on property transactions associated with building energy performance regulations in England & Wales and, in Scotland. Risk profile changes are confirmed at least annually and documented in each annual ESG Report. **Medium-term:** work has been completed to understand the extent of the measures that would need to be implemented across the portfolio to ensure that energy and carbon reduction levels are in line with the Paris Agreement on climate change. Taking account of reasonable assumptions for grid decarbonisation and future churn in the portfolio, we have ascertained that annual energy reduction needs to be of the order of 3%. The completed analysis of the exposure of the portfolio to physical climate risks in the short, medium, and longer terms has been incorporated into individual asset business plans and will contribute to wider considerations around strategies to exploit opportunities and mitigate risk.	As part of our Net-Zero Carbon strategy, we will establish baseline positions at asset-level on carbon and will be integrating these in our wider asset management strategies.

Recommended disclosure	Current arrangements	Planned activity
Impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	To date, the level of short-term risk facing the portfolio from physical climate risks has not been deemed to have a substantive financial or strategic impact; most assets face low or negligible flood risk, whilst insurance cover, contingency planning and property management arrangements are considered adequate in this current context. We continue to monitor changes in the extent of asset and portfolio-level flood risk on an annual basis. More detailed analyses are undertaken for those limited number of assets at which the level of risk is high. Our strategy and asset business planning has evolved to take account of transition risks associated with energy performance ratings and consumption. This has been explained in detail in this report, and in the relevant ESG Commitments described in the Annual Report and Accounts.	The Company currently aims to complement its completed physical climate scenario modelling by exploring appropriate criteria, approaches and methodologies for evaluating transitional climate risk and potential impacts on the portfolio.
Resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	A scenario-based analysis of physical climate risks together with an assessment of the resilience of the Company's strategy has determined that the portfolio is well positioned to mitigate short- and medium-term risks associated with overheating and cooling demands, storm damage, soil shrinkage and heightened flood perils.	Building on its completed physical risk analysis, the Company is currently looking at expanding its climate considerations towards transitional risk.
Risk Management		
Organisation's processes for identifying and assessing climate-related risks	Climate risks are integrated into multi-disciplinary company-wide risk identification, assessment, and management processes and are considered at each key stage of the property investment process, including: • Enhanced due diligence assessments when looking at potential real estate acquisitions, including consideration of multiple flood risk factors, energy efficiency, metering and ratings. • Regular (annual) reappraisal of the ESG (including climate-related) characteristics of assets held by the Company, including reclassifying assets according to changes in their energy risk profile in order to determine the frequency and extent of asset management routines and interventions.	We are currently working on enhancing our acquisition due diligence approach to take fuller account of longer-term climate risk factors, including: • Sensitivity to potential changes in the cost and availability of insurance cover. • Potential effects of physical climate risks including in relation to overheating and cooling demand, storm damage, soil shrinkage and heightened flood risk. This will inform the ongoing advancement of our approach to investment decision-making.
Organisation's processes for managing climate-related risks	Ultimate responsibility for managing climate-related risks across the portfolio rests with the Manager, using the intelligence gained from enhanced due diligence and annual reappraisal of climate characteristics at the individual asset level. Core risk management features of our asset and property management procedures for all assets are: • Incorporating appropriate actions to mitigate climate-related risks and capture related opportunities into Asset Business Plans. • Safeguarding the transition and physical risk resilience credentials of a property when negotiating leases and considering applications for alterations, especially in relation to energy performance ratings. • Targeting optimal performance and resilience outcomes when undertaking development or refurbishment work.	We continue to refine specific climate-related considerations into our investment criteria for acquisitions, hold/sell and CapEx decisions.
How processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Ownership and management of all risks, including climate-related risks, is the responsibility of the Manager. The Manager, reporting to the Board, is responsible for ensuring the operating effectiveness of the internal control systems, whilst the Manager's asset and sustainability team are responsible for implementing key risk mitigation plans. Climate-related risks which are included in this process.	We expect to deliver briefing and training sessions to our asset, property, and project managers so they are aware of risks and opportunities and recommended actions for improving the resilience of individual assets.

Recommended disclosure	Current arrangements	Planned activity
Metrics & Targets		
Metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Financial category: Expenditures (Energy/Fuel): • Total electricity consumption (kWh) • Like-for-like total electricity consumption (kWh/%) • Total fuel consumption (kWh) • Like-for-like total fuel consumption (kWh/%) • Building energy intensity (kWh/m² NLA) Financial category: Expenditures (GHG emissions): • Emissions from Scope 1 consumption (kg CO^2 e) • Change in emissions from Scope 1 consumption (%) • Emissions from Scope 2 consumption (kg CO^2 e) • Change in emissions from Scope 2 consumption (%) • Emissions intensity for Scope 1 & 2 (kg CO^2 e/m² NLA) • Change in emissions intensity from Scope 1 & 2 consumption (%) Financial category: Expenditures (Water): • Water consumption (m^3) • Change in water consumption (m^3 /%) • Water intensity (m^3/m^2 NLA) • Change in water intensity (%) Financial category: Assets (Location): • Flood risk distribution of portfolio for fluvial flooding, pluvial flooding, groundwater flood risk (% capital value, # assets) • Historic flooding (% capital value, # assets) Financial category: Assets (Risk Adaptation & Mitigation): • Proportion of assets that are BREEAM rated (% NLA) • Distribution of EPC ratings (% rental value, % NLA) • Number of assets in which HVAC systems use HCFC coolants (# assets)	During 2022-2023, we may refine the suite of metrics we use to monitor our exposure to climate risk and opportunity, particularly on a result of the scenario analysis of physical risks. This may include the addition of Risk Adaptation and Mitigation Metrics pertaining to revenues and expenditures.
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Disclosed in full on pages 15 to 19 of this report, with independent statement of verification of greenhouse gas emissions in Appendix 1.	Disclosed annually in the Annual Report & Accounts from 2022.
Targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Short-term: • We have established annual targets to reduce landlord energy consumption on a like-for-like basis. • In parallel, we established a target of having renewable electricity supplies for all landlord-procured power by the end of 2018. This was achieved as planned. Medium-term: • We worked with Verco Advisory to set are target for reducing the energy intensity of the portfolio by 20% per square meter by 2031, against a 2016 baseline, for landlord-procured energy. With the evolution of expectations within the market, the Company has sought to re-frame its energy and carbon targets to be more in line with science-based methodologies and net zero carbon ambitions.	During 2022, the Company looked to set a pathway for achieving net zero carbon emissions, in line with the collective climate change commitments made by member organisations within the Better Buildings Partnership. During 2023, the Company will continue to refine its Net-Zero Carbon pathway based on its asset-level assessments.

CT Property Trust Limited

Environmental, Social and Governance Report 2022

Directors (all non-executive)

Davina Walter *(Chairman – appointed 29 November 2022)*
Mark Carpenter
David Ross
Alexa Henderson
James Thornton *(appointed 29 November 2022)*
Vikram Lall *(retired 29 November 2022)*
Rebecca Gates *(resigned 31 August 2022)*

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