Threadneedle Pensions Limited, Property Fund

Quarterly Report as at 31 March 2023

Confidential

Contents

Mandate Summary

Contact Information

Fund Manager	**Robin Jones**
Client Director Property	**James Allum**
Institutional Client Director	**Moira Gorman**
Institutional Client Director	**Andrew Brown**
Central Contacts:	
Client Services Team	**clientservices@ columbiathreadneedle.com**
Consultant Relations Team	**consultantteam@ columbiathreadneedle.com**

Mandate

To invest directly in UK commercial real estate including retail, office buildings and industrial properties.

We are delighted to announce the launch of three income share classes on the TPEN Property fund. This is in addition to the accumulation units currently offered through the fund, and is in response to client demand as DB schemes reach full funding/maturity and begin to distribute income to underlying pension fund holders. The new income share classes will offer asset allocation flexibility and will complement Columbia Threadneedle Investment's UK property investment philosophy of positioning funds with a focus on income, which we believe is the greatest contributor to total returns and the source of relative outperformance.

If you would like to switch into an income share class please contact your usual Relationship Manager, or Client Services on clientservices@columbiathreadneedle.com

Additional information can be found on the website, along with the current Key Features Document.

Fund Information

- Total Assets: GBP 1,555 million
- Benchmark: MSCI/AREF UK All Balanced Property Funds
- Base currency: GBP
- Reporting currency: GBP
- Quoted price* (Currently Bid): 6.5948
- NAV: 6.6801
- UK pooled pension property fund
- Accumulation Units
- Prices and deals every UK business day

Source: Columbia Threadneedle Investments
*Semi-swinging single price.
Quoted price and NAV are based on share class C (AMC of 0.75%) as at 31 March 2023

Portfolio Highlights

NAV £1.555bn[1]
6th largest Fund in Benchmark

Diversification at asset level
173 properties

Diversified income with
963 tenancies

Highly liquid portfolio with
Average lot size £8.7m

Gross rent roll
£92.4m pa

WAULT to break
4.7 years (vs 6.6 years[2])

Cash 1.9%[1]
(vs 5.3%[1])

Vacancy rate
10.9% (vs 10.2%[2])

GRESB Rating
2022 – 78/100

%NIY

Income advantage
Net Initial Yield
5.7% (vs 5.1%[2])

%EY

Equivalent Yield
7.5% (vs 6.6%[2])

Total return
+0.5%[1]
(3 months net Nav to Nav)

Source: Columbia Threadneedle Investments, [1]MSCI/AREF UK Quarterly Property Fund Index and [2]MSCI UK Monthly Property Index at 31 March 2023. Cash is net debt % NAV (AREF methodology).

Market Context

Market Commentary

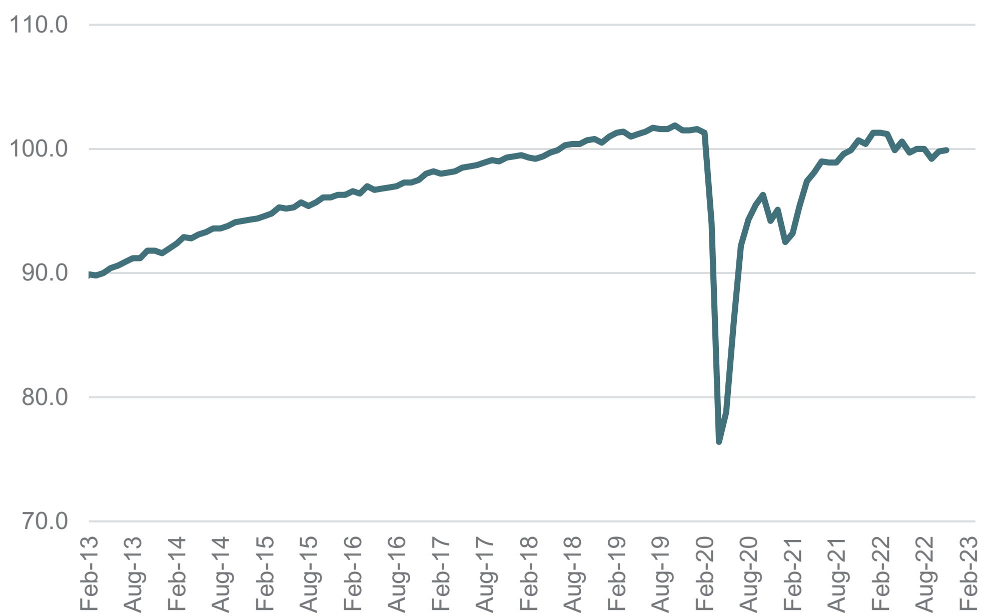
UK Macroeconomy

After averting the technical recession economists expected in Q4 22, the UK economy has continued on a trajectory of modest GDP growth in Q1 23, reflecting global and domestic inflationary headwinds, a series of regional bank failures in the USA, and the takeover of Credit Suisse by UBS. UK GDP is estimated to have grown by 0.4% m/m in January and 0.0% m/m in February, led by growth in the construction sector of 2.4% m/m. With the high inflation proving more persistent than anticipated, the Bank of England has continued its programme of interest rate rises, increasing the base rate 25bps to 4.25%, in an attempt to reduce inflation towards the 2% target.

The consumer economy continues to outperform consensus expectations, with total retail sales volumes up by 0.6% q/q, which represents the first quarterly rise since Q2 2021. Labour markets remain relatively constrained; however, unemployment has increased from 3.7% to 3.8% in the three months to February. During the same period, average total pay, including bonuses grew at an annual rate of 5.9% which was up 20bps from 5.7% measured the previous month.

The easing in global energy prices contributed to a fall in CPI inflation in March, to 10.1% from 10.4% in February; however, core inflation remained at 6.2% in line with the previous month. An additional 25bps interest rate rise to 4.5% is anticipated at the next MPC meeting in May as the BoE seek to lower the rate of core inflation. Whilst investors may welcome the independent Office of Budget Responsibility's (OBR) improved GDP growth outlook that predicts the UK avoiding recession in 2023, an element of cautiousness will remain due to ongoing global geo-political and economic headwinds.

10-year UK GDP (Indexed)



Source: Columbia Threadneedle Investments, MSCI UK Monthly Property Index, ONS GDP Monthly Estimate February 23 as at 31 March 2023.

Market Context

Market Commentary (continued)

Investment volumes

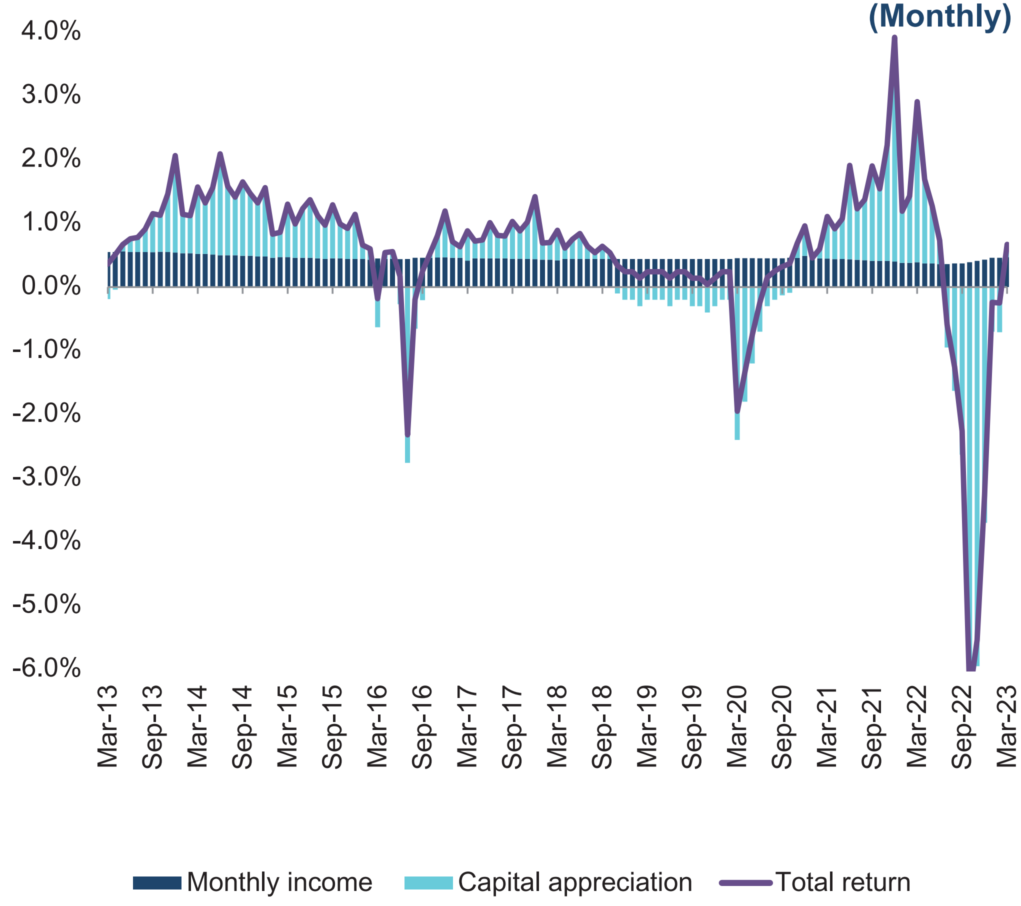
Total UK commercial property investment volumes reached £8.0bn for Q1 2023, which is c.38% down on the 5-yearly quarterly average but a 2% increase on Q4 2022. As with Q4 22, reduced transactional volumes are to be expected, given prevailing pricing volatility through the period. Negative sentiment prevailed through the quarter, but confidence began to return through March, as pricing levels stabilised. We are aware that significant capital remains available for investment, subject to pricing fully reflecting interest rate / funding cost expectations. Liquidity remains strongest for smaller lot sizes which attract a diverse active pool of domestic and overseas investors.

Returns

Total returns for UK Real Estate turned positive in March 2023 for the first time since June 2022, resulting in a 0.2% total return for Q1 23 as represented by the MSCI UK Monthly Property Index. Whilst all-property capital values declined -1.2% q/q, the market delivered an income return of 1.4% q/q, which highlights the assertive positive income attributes of UK Real Estate.

The return of capital growth in March follows an 'All Property' cumulative peak-to-trough capital value fall of 23%. The market has seen increasing sector performance divergence, with values increasing in the industrial, retail warehousing and some alternatives sectors, but continuing to fall for offices. Retail warehousing was the best performing sub-sector, delivering capital growth of 0.5% q/q, as investors recognise the robust occupational resilience of the sector. Following a quarterly decline of -20.3% in Q4 22, the industrial sector saw values stabilise at -0.8% for Q1 23.

10-year UK Commercial property total returns (Monthly)



Source: Columbia Threadneedle Investments, MSCI UK Monthly Property Index and LSH UKIT Q1 2023 report as at 31 March 2023.

Market Context

Market Commentary (continued)

Offices recorded capital value declines of -3.1% q/q as the market continues to react to challenges of hybrid working trends and heightened risks of obsolescence. “Other” assets, such as residential and student housing, recorded positive capital growth of 0.1% q/q, avoiding much of the capital volatility experienced in the traditional core sectors.

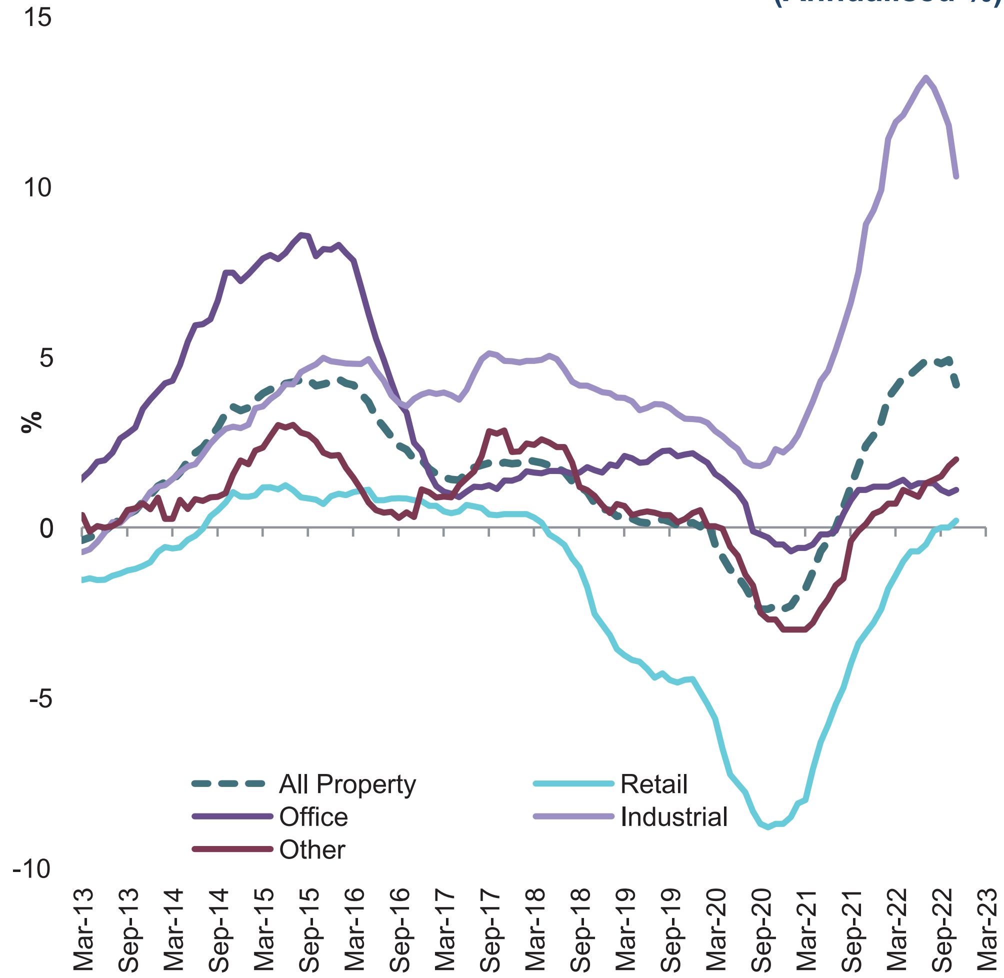
Occupational trends

Despite the macro-economic challenges, core occupier markets have continued to demonstrate underlying resilience. The industrial sector recorded positive rental growth of +1.8% q/q and +8.6% y/y, in recognition of the continued occupier demand and severely constrained supply. The retail sector saw rental values return to positive growth of +0.2% q/q driven by retail warehousing rental growth of +0.4% q/q. Despite the structural impact of a change in working behaviours post-pandemic, offices rents remain positive, delivering rental growth of +0.3% q/q, predominantly driven by low levels of supply and Central London rental performance.

Outlook

The “All Property” Net Initial Yield at the end of March 2023 increased by 9bps over the quarter to 5.2%, which is saliently less than the 70bps outward movement experienced in Q4 22. While primitive indications of a capital value recovery are evident, the asset class will not be immune to persistent inflationary pressure and subsequent monetary policy responses. High conviction sectors such as industrials and retail warehousing will continue to benefit from structural societal trends. A stable occupational market characterised by sustainable rental income and low vacancy rates, and very modest levels of debt by historic standards, should enable performance to remain positive on a relative basis. The extensive re-basing of capital values witnessed through H2 2022 and Q1 23 arguably provides an attractive entry point for investors considering allocations to the sector.

10-year UK Commercial property rental value growth (Annualised %)



Source: Columbia Threadneedle Investments, MSCI UK Monthly Property Index and LSH UKIT Q1 2023 report as at 31 March 2023.

Fund Overview – Q1 2023

Portfolio Activity

- During Q1 2023, the Threadneedle Pensions Limited Pooled Property Fund (TPEN PF) made 7 strategic asset sales with an achieved total sales receipt of c.£13.7m, representing a c.£0.2m (c.2%) discount to the latest Independent Valuation. No asset acquisitions were concluded during the quarter.
- Extracting latent value through active asset management initiatives remains a critical focus for TPEN. A total of 189 new lettings/lease renewals were successfully completed in the 12 months to the end of Q1 2023, with a combined rental value of c.£14.4m per annum. Importantly, the TPEN PF continues to maintain high levels of occupier retention at 'tenant break options', with just 12 out of these 110 options being exercised (c.89% retention rate). As a direct result of new letting activity (expiry of rent-free periods) and fixed rental value increases, the total rent generated by the TPEN PF's property portfolio is set to increase by a further c.£5.9m per annum over the next 12 months.

Rent Collection

- TPEN PF continues to work with occupiers on a case-by-case basis to agree appropriate strategies for rent collection, having regard both to UK government legislation, industry guidance, and the cash flow position of occupiers' businesses. As a result of the work undertaken by the Fund's asset and property managers, rent collection for the forthcoming quarter stands at c.96.3% (as at Day 21). It is forecasted that rent collection rates as at the last day of the quarter will recover to pre-pandemic levels of c.99% as the backlog of rent arrears as a result of the pandemic is cleared.

Liquidity Management

- At the end of Q1 2023, the TPEN PF's liquidity position was c.£45.5m, equivalent to c.2.9% of net asset value (NAV), excluding debtors and creditors and increasing as a result of sale completions. Market volatility increased substantially as a result of the UK Government's mini-budget on 23 September which led to a rapid increase in UK gilt yields. This caused UK Defined Benefit (DB) pension funds to significantly increase redemptions to meet margin calls on Liability Driven Investment (LDI) products, prompting a liquidity crisis and an acceleration in the decline of property capital value as sales progressed to meet client demands.
- A Redemption Deferral Policy (the Policy) for TPEN PF was enacted effective for investor dealings from 3 October 2022 to protect all Investors' interests as a result of the volatility in the investment market since 23 September 2022. The Policy takes into account the differing liquidity requirements of the fund's Defined Contribution (DC) and DB investor base and will be operated in a way that is appropriate and fair to each type of investor. The aim of the Policy is to defer investor redemptions, pricing and settling monthly, on a "first come, first served" basis but permitting "regular" (i.e. normal course of business) DC redemptions to be priced and settled on a daily basis in accordance with standard terms. The manager continues to monitor liquidity closely as a means of protecting the fund against the prevailing market volatility.

Performance

- In Q1 2023, TPEN PF generated a total return of 0.5%, outperforming the MSCI/AREF UK 'All Balanced Open-Ended' Property Fund index (the benchmark) weighted average total return of -0.2%. For the year ending 31 March 2023, the TPEN PF generated a total return of -13.8%, outperforming the benchmark return of -14.5%. Over the medium to long term, the TPEN PF has delivered annualised total returns against the benchmark of 2.7% versus 2.6% over three years; 2.5% versus 2.5% over five years; 6.5% versus 6.4% over 10 years; and 4.5% versus 3.7% over 15 years.

Source: MSCI/AREF UK Quarterly 'All Balanced Open-Ended' Property Fund index, as at 31 March 2023. Weighted average return statistics are measured at fund level (NAV to NAV, net of fees) and take into account cash holdings.

Attribution

- During the 12 months ending 31 March 2023, TPEN PF's directly held property assets (excluding property hold costs and cash) generated a total return of -12.5%, outperforming the broader property market on a relative basis by +2.9% (as represented by the MSCI UK Monthly index – unfrozen). This was achieved through a positive relative income return of +0.7% and relative capital value performance of +2.2%. TPEN PF's retail assets outperformed the wider market by +1.9%, delivering a total return of -6.4% with a relative capital value of +0.7%. Offices underperformed by -0.2% relative to the market, producing a total return of -13.4% over the previous 12 months; TPEN PF's proactive approach to the capital expenditure required to retain and enhance the long-term value of its office portfolio is reflected in these figures. TPEN PF's industrial assets delivered a total return of -16.5%, outperforming the market by +6.4%, with relative capital value performance to the market of +5.8% over the previous 12 months.

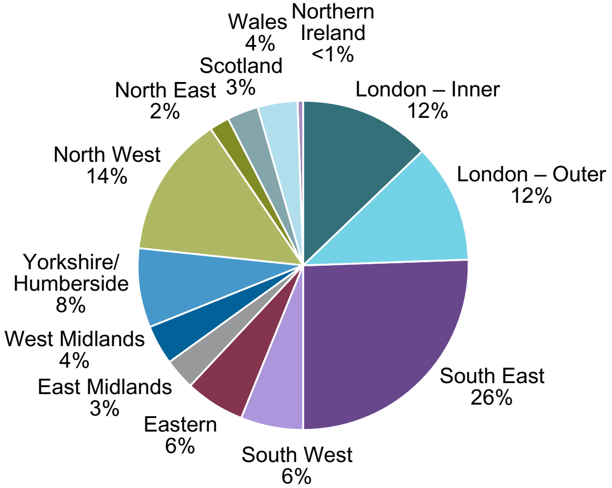
Source: MSCI UK Monthly Property index (unfrozen) and TPEN PF's directly held assets compared to the MSCI UK Monthly Property index – March 2023).

Outlook

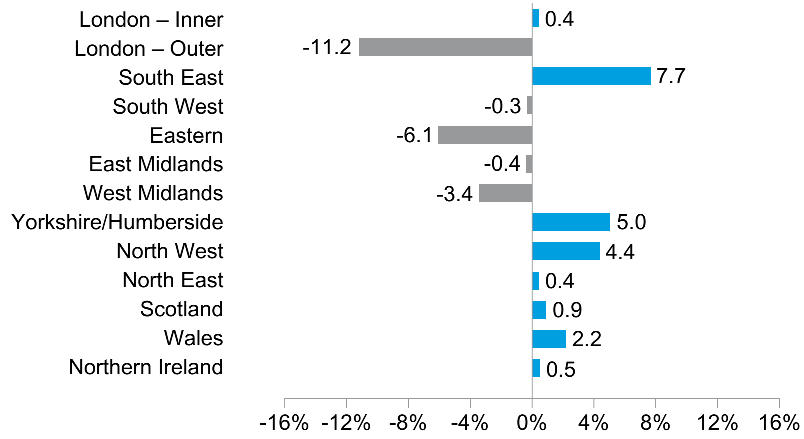
- While primitive indications of a capital value recovery are evident across the UK Commercial Real Estate sector, the asset class will not be immune to persistent inflationary pressure and subsequent monetary policy responses. High conviction sectors such as industrials and retail warehousing will continue to benefit from structural societal trends. A stable occupational market characterised by sustainable rental income and low vacancy rates, and very modest levels of debt by historic standards, should enable performance to remain positive on a relative basis. The extensive re-basing of capital values witnessed through H2 2022 and Q1 2023 arguably provides an attractive entry point for investors considering allocations to the sector.
- Columbia Threadneedle Investments believes TPEN PF is well placed to capture a positive total return over the long run through its enduring focus on actively managing property assets to generate a high and sustainable income yield advantage from a diverse asset and occupier base. TPEN PF's property assets currently offer a net initial yield of 5.7% against 5.1% recorded by the MSCI UK Monthly Property index (frozen) as at end March 2023. TPEN PF's overweight positions in industrials and retail warehouses should continue to provide a solid foundation for performance over the course of 2023.

Property Portfolio Sector and Geographical Positioning

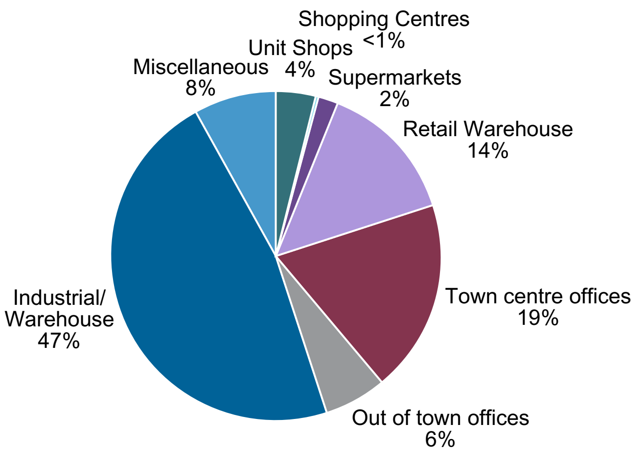
Property portfolio weighting – geographical split



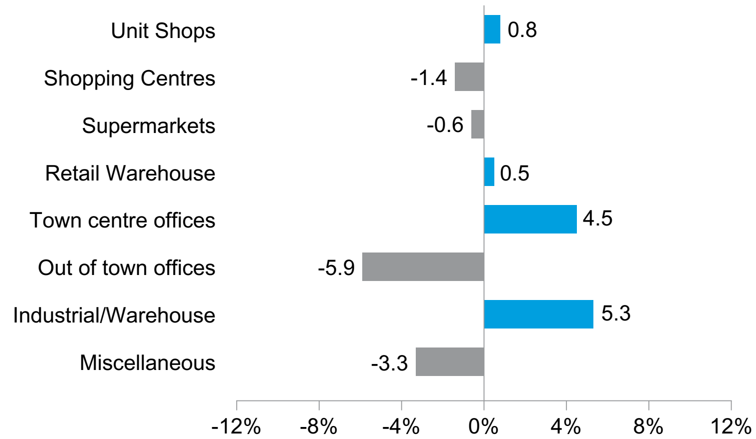
Relative portfolio weighting (%) versus MSCI Monthly Index



Property property weighting – sector distribution



Relative portfolio weighting (%) versus MSCI Monthly Index

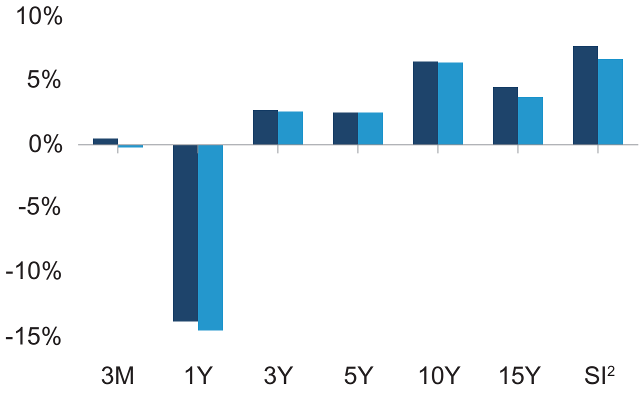


Source: Columbia Threadneedle Investments and MSCI UK Monthly Property Index as at 31 March 2023

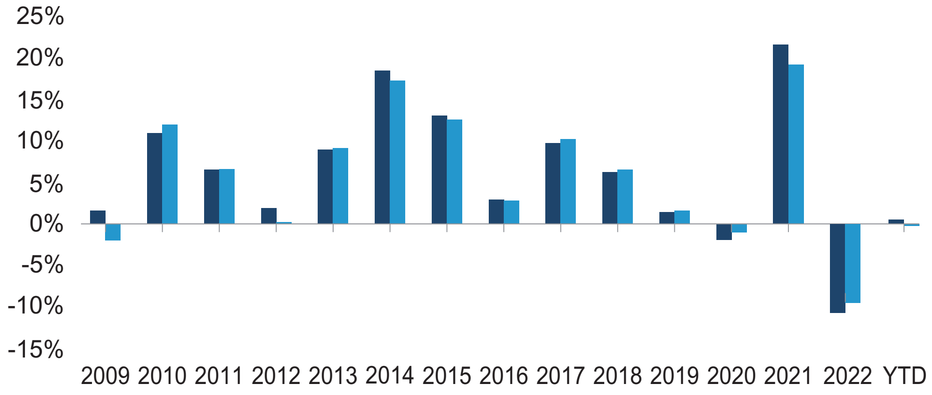
Fund Performance

Long Term Performance

Discrete periods[1]



Calendar Years



Fund Performance **Annualised Performance**

	3M %	YTD %	1Y %	3Y %	5Y %	10Y %	15Y %	SI* %
Fund	0.5	0.5	-13.8	2.7	2.5	6.5	4.5	7.7
Benchmark**	-0.2	-0.2	-14.5	2.6	2.5	6.4	3.7	6.7
Relative (Arithmetic)	0.7	0.7	0.7	0.1	0.0	0.1	0.8	1.0

Source: AREF/MSCI
* Since Inception – March 1995
** MSCI/AREF UK All Balanced Property Funds Weighted Average. Based on NAV to NAV (net of fees) from 1/01/2014. Historical returns are for information purposes only.

Notes: 1. Periods > one year are annualised.
2. SI = Since Inception.
3. Benchmark is MSCI/AREF UK All Balanced Property Funds Weighted Average. Based on NAV to NAV (net of fees). Historical returns are for information purposes only.
Columbia Threadneedle Investments was appointed investment advisor to the Trust in November 1998.

Source: Portfolio – Columbia Threadneedle Investments. Based on NAV to NAV (net of fees).

Top 10 Holdings and Tenants

Property

Location	Name	Sector	Lot size (£m)
Deeside	Deeside Industrial Park	Industrial / Warehouse	50-75
Chelmsford	Boreham Airfield	Miscellaneous	50-75
Watford	Penfold Works	Industrial / Warehouse	25-50
Sittingbourne	Spade Lane DC	Industrial / Warehouse	25-50
Cambridge	Compass Hse, Vision	Out of Town Office	25-50
South Ockendon	Arisdale Ave	Industrial / Warehouse	25-50
London EC1	29-35 Farringdon Rd	Town Centre Office	25-50
London EC1	28-42 Banner Street	Town Centre Office	25-50
Bristol	G Park, Next DC	Industrial / Warehouse	25-50
Woodford	Woodford Ind. Est.	Industrial / Warehouse	10-25

Tenant

	% of rents passing
Next Group Plc	4.1
Magnet Limited (NOBIA AB)	2.2
John Lewis Partnership Plc (Waitrose)	1.7
Norton Group Holdings (The Range)	1.7
Heidelberg Cement AG (Hanson)	1.6
Currys Plc	1.5
Invesco Ltd	1.5
Howard Tenens (North West) Limited	1.5
Missouri Topco Limited (Matalan Retail)	1.4
Associated British Foods Plc (Primark Stores)	1.3

Source: Columbia Threadneedle Investments as at 31 March 2023

Investment Activity – Key Purchases and Sales Over Q1 2023

Property	Quarter	Sector	Price (£m)	Net Initial Yield
Purchases				
None				
Sales				
Tilbury, 11 Capstan Centre	Q1 2023	Industrial / Warehouse	0-2.5	5.8
Bristol, Unit 700 Aztec West	Q1 2023	Industrial / Warehouse	2.5-5	6.4
Worksop, The Priory Centre	Q1 2023	Shopping Centre	5-10	8.9
Glasgow, Dean Park	Q1 2023	Industrial / Warehouse	0-2.5	6.4
Coventry, Foleshill Enterprise	Q1 2023	Industrial / Warehouse	0-2.5	6.4
Warrington, 7 Farrell Street	Q1 2023	Industrial / Warehouse	0-2.5	8.9
Leeds, 36-38 Commercial Street	Q1 2023	Unit Shop	0-2.5	3.4

Responsible Investment: key business initiatives

Delivering positive outcomes

Policy Statement

- ESG Working Group set up in 2018 to draw together existing workstreams and formalise existing longstanding working practices
- ESG Policy Statement and Refurbishment Guide enshrined 2019
- ESG incorporated within Managing Agent KPIs since 2021
- Personal ESG Goals introduced from 2021

Governance

- UKRE business benefits from established robust UK and offshore governance framework
- Internally and externally audited
- Latest ISAE report released January 2022
- ESG governance and oversight framework improved 2021 by introduction of ESG Steering Group

Environmental

- GRESB participation since 2016 (TPEN PF)
- SDGs provide framework to independently monitor environmental performance
- On-going engagement with largest tenants to improve FRI data sharing
- Physical Risk Screening Assessments completed in November 2021, complementing prior workstreams

Net Zero

- UKRE Net Zero Pathway published August 2021
- Fund Net Zero pathways published October 2021
- Fund Net Zero sensitivity analysis completed Q2 2022
- Asset level Net Zero Carbon audits and Sustainability reports to be completed through 2022 and 2023

Social

- Annual tenant engagement surveys
- Social Value Framework embedded within Refurbishment Guide and being trialled on largest service charges
- Community Spaces trial in vacant property
- Active Management provides ad-hoc engagement opportunities
- Wider social engagement via the Columbia Threadneedle Foundation

Reporting

- ESG introduced into standard reporting from 2017
- Responsible Investment Paper in 2019 updated investors on our approach and commitments
- Reporting suite has evolved over time taking into account prevailing regulations, including:
  - SECR*
  - SFDR*
  - TCFD*

Source: Columbia Threadneedle Investments, as at 31 March 2022. *Note, not all regulations are applicable to all UK Real Estate strategies. Material is illustrative only. Sustainability risks are integrated into the fund's investment decisions making process for financial Risk Management purposes only. The decision to invest in the promoted fund should also take into account all the characteristics or objectives of the promoted fund as described in its prospectus.

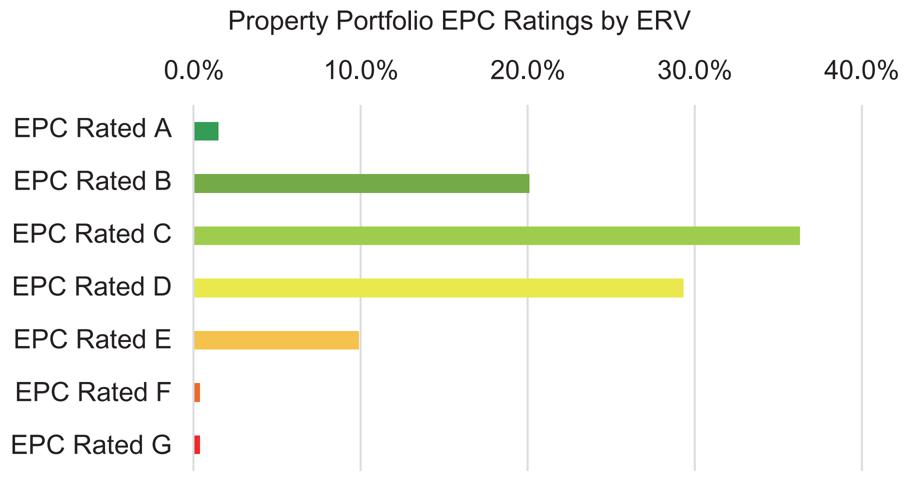
Responsible Investment: environmental

Sustainability Dashboard – quarterly performance metrics

Property infrastructure: EPCs
Target EPC 'B' by 2030

Key performance metrics

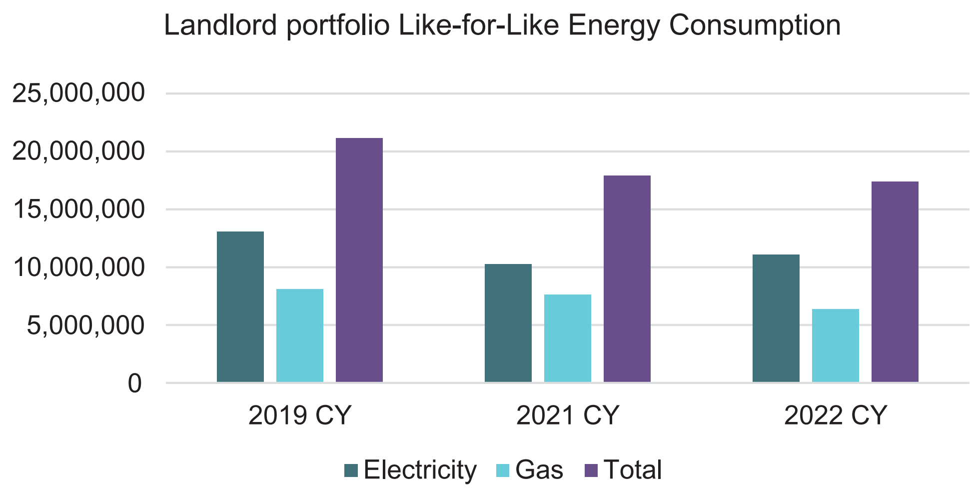
Portfolio coverage (whole portfolio, % ERV)	98.9%
Works projects completed (past 12 months)	34
Refurbishments delivering 'B' or better	91%



Property performance: Energy use
*Target 20% reduction by 2030**

Key performance metrics

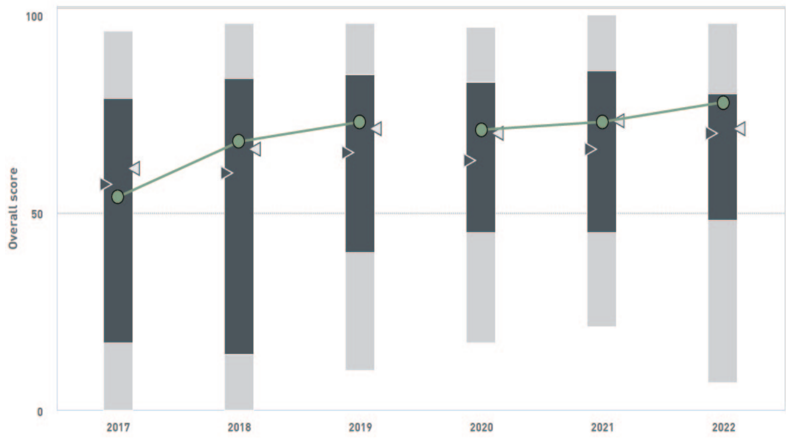
Portfolio coverage (LL managed portfolio, % floor area)	88.0%
Energy consumption change L-f-L, Y-on-Y	-2.6%
Energy consumption change vs baseline*	-17.7%



Source: Columbia Threadneedle Investments. EPC portfolio coverage as % ERV, as at 31 March 2023. Refurbishments delivering EPC B or better expressed as % contract value excluding works which have no impact on EPC (e.g. redecoration). Energy data as at 31 December 2022. Portfolio coverage as % floor area. *Energy target and consumption change vs baseline expressed against 12-months to 31 December 2019 baseline, based on assets where we have operational control (the 'landlord managed portfolio'). Baseline subject to change quarterly as assets are removed from the portfolio and can no longer be included in the baseline calculation. Targets are indicative and are in no way a guarantee of performance. Sustainability risks are integrated into the fund's investment decisions making process for financial Risk Management purposes only.

Responsible Investment: GRESB 2022 results

Threadneedle Pensions Limited Pooled Property Fund



Global Real Estate Sustainability Benchmark

Key takeaways

- Seventh year of the Fund's submission to GRESB
- Scored 78 out of 100 (Peer Average = 73)
- Improved score by +5 from 73/100 in 2021 submission

Strengths

- Management scored 30/30 vs Benchmark 27/30
- Improvements recognised in data monitoring and coverage across energy, GHG, water and waste consistently score ahead of Benchmark
- ESG breakdown
  - Environmental 41/62 vs Benchmark 37/62
  - Social 18/18 vs Benchmark 17/18
  - Governance 20/20 vs Benchmark 19/20

Areas of improvement

- Building certification (note: inconsistent with Fund strategy) and technical building risk assessments for utilities

Source: Columbia Threadneedle Investments. All intellectual property rights in the brands and logos set out in this slide are reserved by respective owners. Sustainability risks are integrated into the fund's investment decisions making process for financial Risk Management purposes only. The decision to invest in the promoted fund should also take into account all the characteristics or objectives of the promoted fund as described in its prospectus.

Responsible Investment: Net Zero carbon

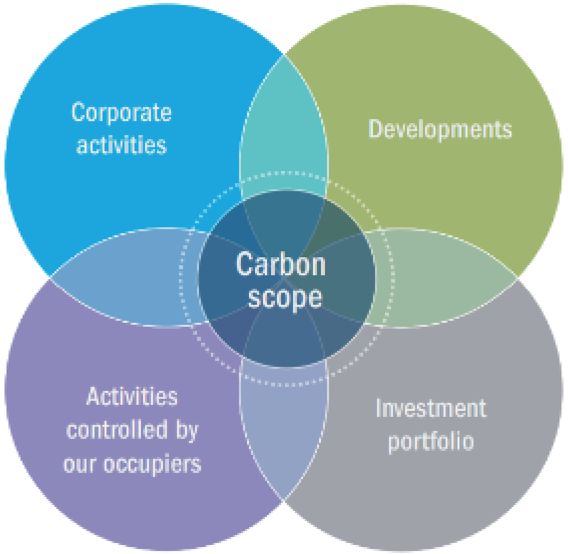
UK Real Estate commitment to decarbonise our portfolios

Our commitment is to achieve Net Zero carbon across all commercial real estate assets managed for our clients by 2050 or sooner.

- Each fund will set interim targets to measure and drive progression towards the ultimate 2050 target
- This commitment covers whole building emissions including our occupiers
- Driving change through the supply chain requires effective occupier and supplier engagement
- Initiatives underway include our Stewardship Code for contractors, and Green Lease clauses which we encourage our occupiers to adopt

All operational energy and water consumption, all waste produced and all travel associated with our business activities

All embodied carbon within developments, refurbishments and the fit-outs that we manage



All occupier-controlled energy, water and waste consumed and produced through our managed portfolio

All landlord-controlled emissions, water and waste consumed and produced through our managed portfolio

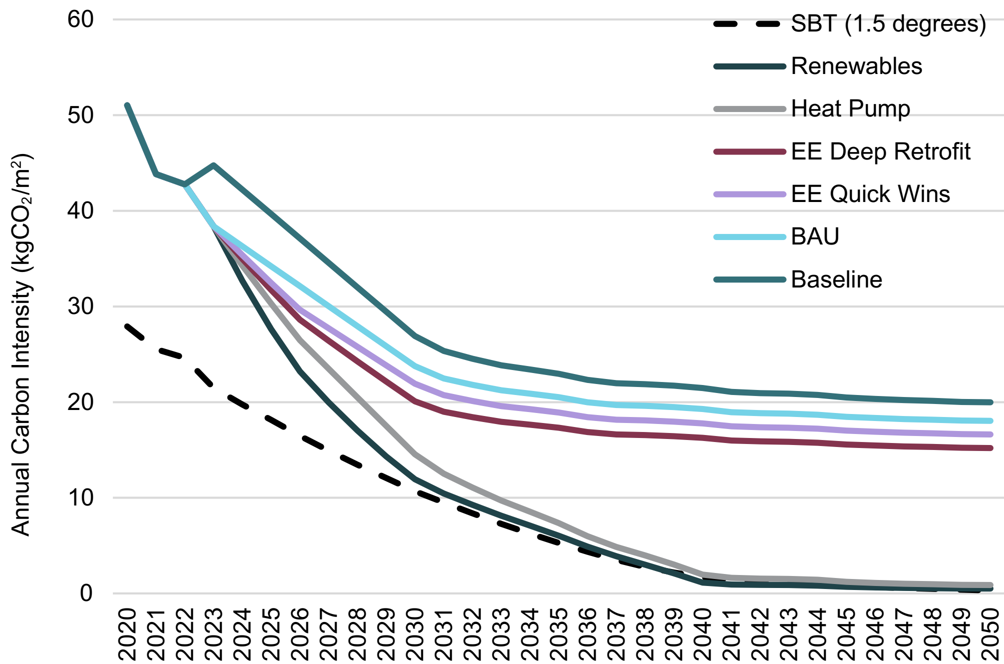
Source: Columbia Threadneedle Investments UK Real Estate Net Zero Strategy & Pathway, as at August 2021. Sustainability risks are integrated into the fund's investment decisions making process for financial Risk Management purposes only. The decision to invest in the promoted fund should also take into account all the characteristics or objectives of the promoted fund as described in its prospectus.

Responsible Investment: Net Zero fund pathway
Formally committed to operational Net Zero by 2040

Impact of interventions on energy use

Interventions	EVORA Modelled timeframe	EVORA Modelled cost	EVORA Modelled energy use change
Business as usual	2022-40	–	15%
Quick wins	2023-26	£6.7m	6%
Major asset refurbishment	2023-30	£21.5m	6%
Renewables (PV)	2023-30	£54.6m	22%
Electrification of heat	2023-45	£73.4m	21%
Cumulative cost & saving impact		**£156.1m / £8.7m pa**	**70%**
Offsetting	2040	£0.6m pa	Residual

Portfolio annual carbon intensity



- Net Zero pathway completed in October 2021 and updated February 2022 and February 2023
- Between 2017-2022 the Fund completed **221** capital projects investing an average **£19.6 million** per annum in building improvements
- Capital expenditure incurred in 12 months to 31 December 2022 is approximately **£18.7 million**

Source: EVORA Net Zero Target & Sensitivity Analysis, TPEN as at May 2022. Sustainability risks are integrated into the fund's investment decisions making process for financial Risk Management purposes only. The decision to invest in the promoted fund should also take into account all the characteristics or objectives of the promoted fund as described in its prospectus. Capital expenditure incurred and budgeted for remained of 2022 as at 25 October 2022. Sustainability risks are integrated into the fund's investment decision making process for financial Risk Management purposes only

Asset management activity

Refurbishment: Clarence House, Manchester

- **17,500 sq ft core city centre office**
- 'Best in Class' office building with superior fit out
- New specification includes:
  - Specialist interior design to maximise leasing appeal
  - Smart building technology to minimise energy use
  - Energy efficient LED lighting
  - Improved water efficiency measures
  - Electric vehicle charging
  - Upgraded wi-fi connection
  - Installed shower facilities and cycle spaces

Outcomes:		
	Financial	Rental uplift **+90%** on pre-refurbishment office ERV (£25 per sq ft to £45 per sq ft) agreed on fully fitted office suites
	Environmental	EPC improved to a 'B' rating (previous rating 'C'), new LED lighting with sensor control, new VRF heating/cooling systems with heat recovery
	Social	Enhanced shower/bicycle facilities on-site for staff

Source: Columbia Threadneedle Investments. *Rent achieved is headline rent on expiry of tenant incentive periods

Threadneedle Pensions Limited Pooled Property Fund
Portfolio EPC data

Target: MEES Regulations require minimum EPC ‘C’ by 2027 and ‘B’ by 2030

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Property assets	224	224	234	181	174
Rateable units	1,099	1,100	1,170	1,058	1,009
EPC coverage (% rateable units)	92.7%	94.3%	98.5%	98.4%	98.9%
EPC rated A (% rateable units)	0.6%	0.6%	0.6%	0.9%	1.5%
EPC rated B (% rateable units)	12.2%	13.7%	16.7%	18.4%	20.1%
EPC rated C (% rateable units)	34.2%	35.5%	35.1%	35.3%	36.3%
EPC rated D (% rateable units)	33.6%	32.6%	34.4%	31.7%	29.3%
EPC rated E (% rateable units)	10.5%	10.5%	11.0%	10.6%	9.9%
EPC rated F (% rateable units)	0.6%	0.3%	0.5%	0.7*	0.4*
EPC rated G (% rateable units)	0.3%	0.3%	0.1%	0.2%**	0.4%**

Source: Columbia Threadneedle Investments, based on % rateable units, as at 31 March 2023. * six units rated EPC ‘F’ and ** four units rated EPC ‘G’ are all located in Scotland which is subject to differing rating systems and regulations. Targets are indicative and are in no way a guarantee of performance

Threadneedle Pensions Limited Pooled Property Fund

Portfolio energy consumption data

Target: 20% reduction in energy consumption by 2030, where the landlord has operational control

	2018	2019	2020	2021	2022
Property assets	287	282	274	259	tbc
Landlord managed assets (S/C)	117	117	114	112	tbc
Data coverage: landlord-managed assets (gross floor area)	86%	85.5%	89.3%	86.0%	tbc
Total Landlord-Managed portfolio energy consumption – absolute	*Not measured explicitly prior to 2021*			23,884,957 kWh	tbc
Tenant managed assets (FRI)	170	165	160	147	tbc
Data coverage: tenant-managed assets (gross floor area)	13%	18.5%	19.9%	61.5%	tbc
Total Tenant-Managed portfolio energy consumption – absolute	*Not measured explicitly prior to 2021*			31,223,040 kWh	tbc
Data coverage: whole portfolio (gross floor area)	52%	54.5%	58.2%	78.3%	tbc
Total portfolio energy consumption – absolute	46,035,566 kWh (-1.43%)	52,388,890 kWh (14.24%)	32,900,067 kWh (-28.61%)	55,107,997 kWh (67.50%)	tbc
Total portfolio electricity consumption – absolute	33,461,837 kWh (-7.50%)	36,182,812 kWh (8.13%)	20,102,857 kWh (-44.44%)	37,083,099 kWh (84.46%)	tbc
Total portfolio gas consumption – absolute	12,573,729 kWh (0.34%)	16,206,078 kWh (28.39%)	12,797,210 kWh (-21.03%)	18,024,898 kWh (40.85%)	tbc

EVORA Notes:

- Increased total energy consumption is partly attributable to increased tenant data coverage across the portfolio
- Property Assets can transition between Landlord-Managed and Tenant-Managed between reporting years, contributing to changes in consumption between these asset classes in the portfolio

Source: Columbia Threadneedle Investments. All data as at 31 December unless otherwise stated. Please note whole portfolio coverage data mobilised annually and will show as static in intervening periods. All targets relate to assets where we have operational control (the 'landlord managed portfolio'). Targets are indicative and are in no way a guarantee of performance.

Threadneedle Pensions Limited Pooled Property Fund

Portfolio greenhouse gas (GHG) emission data

Target: 30% reduction in GHG emissions by 2030, where the landlord has operational control

	2018	2019	2020	2021	2022
Property assets	287	282	274	259	tbc
Landlord managed assets (S/C)	117	117	114	112	tbc
Data coverage: landlord-managed assets (gross floor area)	86%	85.5%	89.3%	86.0%	tbc
Tenant managed assets (FRI)	170	165	160	147	tbc
Data coverage: tenant-managed assets (gross floor area)	13%	18.5%	19.9%	61.5%	tbc
Data coverage: whole portfolio (gross floor area)	52%	54.5%	58.2%	78.3%	tbc
GHG emissions – absolute (year on year % difference)	11,783 tonnes (-21.70%)	12,245 tonnes (3.92%)	7,041 tonnes (-42.50%)	11,171 tonnes (58.66%)	tbc

Source: Columbia Threadneedle Investments. All data as at 31 December unless otherwise stated. Please note whole portfolio coverage data mobilised annually and will show as static in intervening periods. All targets relate to assets where we have operational control (the 'landlord managed portfolio'). Targets are indicative and are in no way a guarantee of performance

Threadneedle Pensions Limited Pooled Property Fund

Portfolio water and waste consumption data

Target: 100% data coverage, 100% diversion of waste to landfill and 75% recycling rate, where landlord has ops. control

		2018	2019	2020	2021	2022
Property assets		287	282	274	259	tbc
Landlord managed assets (S/C)		117	117	114	112	tbc
Data coverage: landlord-managed assets (gross floor area)	Water	39.4%	32%	34.6%	32.1	tbc
	Waste	86.1%	33%	40.8%	26.9	tbc
Tenant managed assets (FRI)		170	165	160	147	tbc
Data coverage: tenant-managed assets (gross floor area)	Water	0	4%	14.3%	26.5	tbc
	Waste	0	4%	11.4%	15.6	tbc
Data coverage: whole portfolio (gross floor area)	Water	21.6%	22.0%	25.1%	36.5	tbc
	Waste	13.5%	26.8%	27.1%	21.8	tbc
Total water consumption – absolute		88,180 m^3	232,058 m^3	192,443 m^3	71,530 m^3	tbc
Total waste consumption – absolute		1,634 tonnes	3,247 tonnes	3,321 tonnes	1,740 tonnes	tbc

Source: Columbia Threadneedle Investments. All data as at 31 December unless otherwise stated. Please note whole portfolio coverage data mobilised annually and will show as static in intervening periods. All targets relate to assets where we have operational control (the 'landlord managed portfolio'). Targets are indicative and are in no way a guarantee of performance

Threadneedle Pensions Limited Pooled Property Fund

Portfolio flood risk data (proxy climate change risk)

Target: to monitor and report flood risk for every asset on an annual basis

Portfolio risk exposure by value	2020	2021	2022	Q1 2023
Property assets	268	262	178	173
Low	205 (79.9%)	200 (79.1%)	129 (77.1%)	125 (76.0%)
Medium	53 (17.0%)	52 (17.7%)	45 (21.1%)	45 (21.6%)
High	6 (2.2%)	6 (2.0%)	3 (0.8%)	2 (1.5%)
Extreme	4 (0.9%)	4 (1.3%)	1 (0.9%)	1 (0.9%)

Extreme risk assets	High risk assets
World of Golf, New Malden (small element of site)	7 Farrell Street, Warrington
	261-309 High Road, Loughton

Source: Columbia Threadneedle Investments. All data as at 31 December unless otherwise stated. Notes: Flood Risk Assessments have been commissioned on residual two High / one Extreme risk assets – assessments have been reviewed by Fund's insurer. Physical Risk Screening Analysis undertaken November 2021 to compliment the above flood risk statistics and is available on request.

Glossary of Terms

- **NAV:** The net asset value of the Fund will be calculated as at the last Business Day of each month (a "Pricing Day"). More details are available in the Key Features Document.
- **Bid/Offer Spread:** The bid/offer spread on units reflects the costs of buying and selling investments.
- **Semi-swinging single price:** Prices of units in the Funds are calculated on a semi-swinging single pricing basis and valued daily at midday. The price of a unit will be based on the value of the underlying investments of the relevant Fund subject to the charges applicable to the relevant Class and, normally, it will be at this price that units are allocated (purchased) or realised (surrendered). In certain circumstances, however, the price may be subject to further adjustment, as explained below. The actual cost of purchasing and selling a Fund's underlying investments may be higher or lower than the mid-market price used in calculating the semi-swinging single unit price. In such circumstance (e.g. as a result of large volumes of transactions), this may have a materially adverse effect on existing investors in the Fund. In order to prevent this effect (called 'dilution'), TPL may need to make a 'dilution adjustment' that will be incorporated in the price. Such an adjustment is paid into or maintained within the Fund for the protection of investors and is only applied when the interest of investors requires it. For the Property Fund a dilution adjustment will usually be applied and included in the unit price.
- **Pricing basis:** Dependent on the general trend of flows in or out of the fund, the pricing basis of the Property Fund will either be at Offer (Inflow) or Bid (Outflow). This means that units in the fund are either priced on a Net Asset Value (NAV) less circa 1.2% or a NAV plus circa 5.8%.
- **Initial yield:** The rent passing net of ground rent, NR, as a percentage of the gross capital value, GCV, at the same date.

  GCV / NR

- **Reversionary yield:** The open market rental value net of ground rent, NOMRV, as a percentage of the gross capital value, GCV, at the same date.

  GCV / NOMRV

- **Equivalent yield:** The estimate of the discount rate which equates the future income flows relative to gross capital value. The equivalent yield discounts the current rental value in perpetuity beyond the last review date recorded for the tenancies in the subset. MSCI projected cash flows are estimated from records of current tenant rents, ground rents, open market rental values, rent review and lease expiry dates, and tenant options to break, assuming upward only rent reviews to expiry of the lease and that tenant options to break are exercised when the tenant rent exceeds the market rent.
- **Distribution yield:** Except where indicated, a fund's distribution yield is the sum of its distributions per unit over 12 months as a percentage of its net asset value per unit at the end of that period. The distributions used in the calculation are those earned/accrued, rather than paid, during the twelve months, and are gross of tax, net of fees.

- **MSCI UK Monthly Property Index:** The MSCI UK Monthly Property Index measures returns to direct investment in commercial property. It is compiled from valuation and management records for individual buildings in complete portfolios, collected direct from investors by MSCI. All valuations used in the Monthly Index are conducted by qualified valuers, independent of the property owners or managers, working to RICS guidelines. The Monthly Index shows total return on capital employed in market standing investments. Standing investments are properties held from one monthly valuation to the next. The market results exclude any properties bought, sold, under development, or subject to major refurbishment in the course of the month. The monthly results are chain-linked into a continuous, time-weighted, index series.

- **MSCI/AREF UK All Balanced Property Funds Weighted Average:** This Index measures Net Asset Value total returns on a quarterly basis. NAV in Index is the NAV of the index after the elimination of cross-holdings and deduction of management fees. Returns to the MSCI UK Monthly Property Index and to the MSCI/AREF UK All Balanced Property Funds Weighted Average Index are not directly comparable. This is largely because the UK Monthly Index measures the performance only of direct property market investments and because it excludes the impact on returns of developments and transactions. In contrast, returns to the MSCI/AREF UK All Balanced Property Funds Weighted Average Index include the impact of both developments and transactions as well as the returns from other assets (such as cash and indirect property investments), and the impact of leverage, fund-level management fees and other non-property outgoings.

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The funds invest in assets that are not always readily saleable without suffering a discount to fair value. The portfolio may have to lower the selling price, sell other investments or forego another, more appealing investment opportunity. Where investments are made in assets that are denominated in foreign currency, changes in exchange rates may affect the value of the investments.

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