COLUMBIA THREADNEEDLE
ALTERNATIVES

THREADNEEDLE PROPERTY UNIT TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 MARCH 2024

Foss Island Retail Park, York

Threadneedle Property Unit Trust

Managed by Threadneedle Investments
(Channel Islands) Limited

Threadneedle Investments (Channel Islands) Limited
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ANNUAL REPORT AND FINANCIAL STATEMENTS
THREADNEEDLE
PROPERTY UNIT TRUST

Contents:

PORTFOLIO HIGHLIGHTS

NAV £0.91 billion

98 properties

Average lot size £8.3 million

465 tenancies

Rent roll £53.8 million p.a.

Net Initial Yield 6.2% (5.4%)

WAULT[1] 4.8 years (6.6 years)

Equivalent Yield 8.1% (7.1%)

Vacancy rate 9.9% (10.3%*)

Total Return +0.5% (-0.7%)

Cash 10.7% (6.0%)

GRESB Rating 76/100

[1] Weighted Average Unexpired Lease Term.

Source: Columbia Threadneedle Investments, MSCI UK Monthly Property Index (figures in brackets) and *MSCI/AREF All Balanced Property Fund Index. Cash is net debt % NAV. Total return is 12-month net fund NAV to NAV return. All as of 31 March 2024. WAULT is an abbreviation of weighted average unexpired lease term. It is used by property companies as an indicator of the average remaining life of the leases within their portfolios. Note that cash reduces to circa 7.4% on settlement of end-March redemptions.

Key features

Threadneedle Property Unit Trust (the "Fund", "Trust" or "TPUT") is an open-ended unleveraged UK real estate fund, managed with a focus on income yield, active asset management and Responsible Investment.

The Fund is an unclassified open-ended unit trust, originally established in 1967, and domiciled in Jersey since 2002.

Unitholders have a right to the income of the Fund, which is generally allocated monthly and paid at the end of each quarter.

The objective of the Fund is to provide indirect investment exposure to a diversified portfolio of property assets in the United Kingdom. In seeking to achieve this objective, as Investment Advisor to the Fund, Columbia Threadneedle Investments[1] follows an investment approach which aims to deliver positive financial, environmental and social outcomes, which are reflected in the key performance indicators ("KPIs") monitored by the Manager.

To deliver against these KPIs, the Investment Advisor adopts the following investment strategy:

1. A preference for high yielding investments
Income returns dominate total returns over the long term. As such, assets with high sustainable income yields form the key component of the investment portfolio.

2. Flexible buyers
We typically avoid 'trophy assets', as these offer lower yields which are more demanding on consistent rental growth, and instead focus on smaller lot sizes where there is typically less pricing tension.

3. Stock selection is key
We believe selecting properties on individual merit is a key driver of long-term performance. This approach is supported by forensic asset-by-asset due diligence.

4. Pro-active asset management unlocks value
Intensive management of individual property assets protects and enhances value. We work to maximise returns from our properties, refurbishing and updating buildings regularly to increase capital value and improve rental growth potential.

5. Invest responsibly
We strive to be responsible stewards of our clients' assets, and the Fund is managed in accordance with our longstanding Environmental, Social and Governance ("ESG") principles. We believe investing responsibly is complementary to the Fund's financial objectives, and our active management bias provides the best potential to deliver positive environmental and social impact alongside financial performance.

The Fund is committed to achieving operational Net Zero carbon emissions from its property portfolio by 2040.

Our active management bias provides the best potential to deliver positive environmental and social outcomes, distributed throughout the United Kingdom, alongside financial performance.

Portfolio management investment approach

[1] Columbia Threadneedle Investments is the trading name for the Columbia and Threadneedle group of companies, including the Fund's Investment Advisor, Threadneedle Portfolio Services Limited.

CHAIRPERSON'S STATEMENT

Hockley Pod, Nottingham

Chairperson's Statement

The year to 31st March 2024 was in many ways the year that wasn't. In comparison to the macroeconomic, political and property market volatility witnessed in each of 2020-2022 reporting periods, the twelve months between 31 March 2023 and 2024 saw no change of UK political leader, no material change of macroeconomic policy, no significant worsening or improvement of investor sentiment, and relatively benign market returns.

However, the absence of new macro events should not detract from the fact that the past twelve months have seen a continuation of trends which have a material bearing on the property market and the open-ended funds marketplace.

Demographic trends in the UK, with an increasing population reaching or approaching retirement age, continue to shape the industry through the application of 'de-risking'. As corporate pension schemes approach fully funded positions, risk appetite decreases and capital switches from prioritising growth to matching liabilities or delivering stable cash flows. While we continue to believe UK real estate has a place in these portfolios, the accelerating trend in favour of de-risking has seen an exodus of traditional capital from the marketplace.

This is a continuation of the trend seen in the second six-months of the previous financial year, following the 'mini-budget' on 23 September, which was a period of exceptional market volatility, during which a large number of corporate UK Defined Benefit Pension Schemes required significant increases in liquidity, which caused a number of open-ended property funds to deferred or suspended redemptions.

Taken together, this 18-month period has been one of considerable challenge for institutional fund managers, who have had to balance traditional priorities of delivering financial performance with elevated liquidity requirements, while also needing to diversify an investor base and pivot to alternative sources of capital. The Fund remained open for unit dealing throughout the period under review, which is a credit to its investment approach and the collective efforts of the management team.

The Board has continued to liaise closely with the Investment Advisor to ensure the fund remains well positioned to meet these challenges and relevant to the ongoing needs of investors.

As part of that ongoing proactive management approach, following publication of updates to the Prospectus in September 2022, the Manager monitors the following Key Performance Indicators:

- **Financial** outcomes are measured with reference to total return and income distribution performance in relation to the Fund's financial benchmark (currently the MSCI/AREF UK All Balanced Open-Ended Property Fund Index).

Financial total returns returned to positive territory in Q1 2024, delivering an annualised total return of +0.5%, which is +1.2% over benchmark. The Fund's total returns continue to be supported by a high relative distribution yield of 5.7%, 35% above the benchmark level of 4.2%, as of 31 March 2024.

- **Environmental** outcomes are measured with reference to climate impact. The Fund aims to improve the environmental performance potential, and lower the energy use and carbon intensity, of its assets.

The Fund completed 19 works projects over the 12 months ending 31 March 2024, with 79.4% by value delivering EPC A/B. The Fund's refurbishment of Thomas Road High Wycombe, incorporating a high coverage of PV panels, delivered the first EPC A+ rating, meaning the asset is capable of operation at net zero carbon emissions. Energy use and carbon intensity fund performance is set out on pages 15-20 of this report.

- **Social** outcomes may be measured with reference to the qualitative impact that (i) major refurbishment projects may have, and (ii) any other relevant property management initiatives. The Fund aims to record the social value of these initiatives at asset level. The Fund may continue to seek other measures to assess improvements in social outcomes.

On four major projects (>£1m) completed over the 12 months ending 31 March 2024, the Fund delivered in excess of £1.5m social value, according to the TOMs methodology, through a combination of investments in local labour and supply chains.

In order to remain relevant to an increasingly discerning and global investor base, UK evergreen funds must continue to deliver financial performance, manage liquidity appropriately, and generate sustainable environmental and social outcomes. On behalf of the Board of the Manager, I am pleased to report that TPUT has delivered against each of these measures. The Fund remains highly diversified, strategically weighted, and continues to benefit from a high- and sustainable-income yield advantage. These positive attributes should ensure the Fund continues to deliver for its investors as we look forward to the next financial year and beyond.

Material Changes Disclosure

The Manager confirms that there have been no material changes to the Fund's Prospectus during the financial year ended 31st March 2024, including the following terms:

- Liquidity of underlying assets or the Trust's Liquidity Management Policy;
- Special arrangements in relation to the Investor redemptions protocol; and
- The Trust's Unit Valuation Policy.

The full Alternative Investment Fund Managers Directive ("AIFMD") remuneration disclosure is on pages 61 to 71.

Natalie Sullivan, Advocate, LLB (Hons), Dip LP, NP
Chairperson of the Board of the Manager

19 June 2024

INVESTMENT ADVISOR'S REPORT

Hadrian Park, North Tyneside

At a glance

Portfolio Highlights*	31 March 2024	31 March 2023
Net Asset Value £000's	910.9	1,082.6
Leverage	0.0%	0.0%
Capital Cash £m	96.7	58.5
Cash %	10.6%	5.4%
Net Initial Yield	6.2%	5.9%
Equivalent Yield	8.1%	7.5%
Yield on NAV Price (Distribution Yield)	5.7%	4.8%
Number of Properties	98	123
Average Lot Size £m	8.3	8.2
Rent Roll £m p.a	53.8	62.8
Number of Tenancies	465	550
Vacancy Rate	9.9%	8.7%
WAULT	4.8 years	4.7 years
GRESB Rating	76/100	75/100

Fund Performance* (12 month total return)	31 March 2024	31 March 2023
Threadneedle Property Unit Trust	+0.5%	-13.8%
MSCI/AREF UK All Balanced Property Fund Index	-0.7%	-14.5%
Total Return versus Benchmark	+1.2%	+0.7%

* Data contained in tables is unaudited.

Market context:
Reflecting the macroeconomic headwinds through the period, total returns as measured by the MSCI UK Monthly Index were 0.3% over the 12 months ended 31 March 2024. With investor confidence weakening, investment volumes decreased significantly, and multiple funds remained in deferred redemption status, although liquidity continued to be strongest for smaller lot sizes and core sectors.

Portfolio strategy:
We stock pick assets offering high, sustainable income yields and proactively manage those assets to deliver positive financial, environmental and social outcomes.

The Fund's property portfolio offers a high degree of asset and tenant diversification, which limits volatility, and our focus on smaller lot sizes offers a high level of liquidity, as we can trade with a diverse investor pool to capitalise on prevailing demand and supply sentiment. The portfolio is positively positioned towards high conviction sectors, with a positive bias to industrial and retail warehousing.

Key Performance Indicators:
As set out in the Chairperson's statement, the Fund now reports quarterly and annually against key performance indicators, summarised as follows:

- **Financial:** Fund performance returned to positive territory in Q1 2024, delivering an annualised total return of +0.5%, which is +1.2% over benchmark. The Fund's total returns continue to be supported by a high relative distribution yield of 5.7%, 35% above the benchmark level of 4.2%, as of 31 March 2024.
- **Environmental:** The Fund completed 19 works projects over the 12 months ending 31 March 2024, with 79.4% by value delivering EPC A/B. The Fund's refurbishment of Thomas Road High Wycombe, incorporating a high coverage of PV panels, delivered the first EPC A+ rating.
- **Social:** On four major projects (>£1m) completed over the 12 months ending 31 March 2024, the Fund delivered in excess of £1.5m social value, according to the TOMs methodology, through a combination of investments in local labour and supply chains.

Activity:
The Fund sold 26 assets during the year generating gross sales receipts of £166.1m. Sales were focused on offices, high street retail and non-core industrials, as part of continual efforts to maintain a balanced risk profile within the Fund. The Fund completed 98 lettings and lease renewals, securing rent of £8.7m p.a. and settled 40 rent reviews achieving an uplift of £0.75m p.a.

Outlook:
The key trends impacting the real estate industry at present are the inflation / interest rate environment, an increasingly persistent sector disparity reflecting societal change, digitalisation and decarbonisation. The Fund is well positioned to weather any further macro volatility through its highly diversified portfolio, and to capitalise on socio-economic and environmental trends through its stock selection and active management bias.

James Coke
Fund Manager, Threadneedle Property Unit Trust

GRESB 2023

CORPORATE GOVERNANCE 2023 AREF Code of Practice QUALITY MARK

Market context & outlook

UK macroeconomic viewpoint

In a year dominated by high inflation and interest rates reaching a 15-year high, the UK economy fell into a technical recession in the latter half of 2023 as the effects of tighter monetary policy and a squeeze on household incomes, weakened economic growth. UK GDP fell by -0.1% in Q3 23 and -0.7% in Q4 23, which confirms a mild technical recession, but the economy returned to positive growth in Q1 24, delivering 0.6%.

Geo-political tensions have continued to fuel investor uncertainty in global markets, most notably the threat of regional escalation in the Middle East which has caused disruption to international shipping channels and compounding inflationary fears. With CPI inflation moderating from a 40-year peak of over 11% in 2022, down to 3.2% (180 bps above the target 2%) in the 12 months to March 2024, the narrative around interest rate projections has evolved from "higher for longer" to a question of when and not if rates will be cut. The Bank of England (BoE), however, have held rates at 5.25% for six consecutive meetings primarily due to concerns over the pace of wage growth and core inflation, which have remained stubbornly high, above CPI.

Despite the macroeconomic headwinds, UK labour markets, have proven relatively resilient, with the rate of unemployment at historically low levels marginally moving out from 3.9% to 4.2% in the three months to February 2024, whilst annual wage growth (excluding bonuses) was recorded at 6.0% in the three months to February 2024, marginally down from 6.1% the previous quarter.

An improved outlook for the UK economy is anticipated, with consensus expectations suggesting a fall in CPI below the BoE target of 2% by mid-2024, which in turn may produce a cut in the base rate to stimulate economic productivity. Investors will also welcome the Office for Budget Responsibility's positive GDP growth forecast of 0.8% for 2024 and 1.9% for 2025; however, geo-political tensions alongside key elections in both the UK and US may prove to moderate investor expectations and confidence.

UK Commercial Property

With this context, the MSCI UK Monthly Index recorded a total return of 0.3% in the 12 months to 31 March 2024, which represents a recovery from the -14.7% in 2023 at the height of the market dislocation. An income return of 5.8% formed the core component of total returns, being offset by capital declines of -5.3%, which highlights the significance of Real Estate's attractive income characteristics.

The industrial sector was the standout performer, delivering a total return of 5.9% as yields stabilised to produce capital growth of 0.8% and the income return of 5% carrying performance. The office market continues to be challenged by structural occupational trends of hybrid working and heightened obsolescence costs, alongside a weakening capital markets arena. As such, total returns delivered -11.5% for the year.

Total investment volumes for the 2023 calendar year reached £37.4bn which reflects a c.22% reduction on the 5 yearly average of £48bn, a salient representation of the investor uncertainty that prevailed throughout the year.

The occupational markets, however, have proved resilient despite the challenging macroeconomic backdrop, with rental growth for the year across all sectors achieving 3.9% as at 31 March 2024. The industrial sector was the highlight performer, delivering annualised rental growth of 6.9%, as the critical lack of warehouse supply continues to impact positively on rents. In turn, the capital markets have responded with increased confidence as investors seek to capture the reversionary potentials, leading to the valuation recovery as highlighted above. Despite the negative capital growth and occupational headwinds, office rents continue to be positive, delivering rental growth of 2.8%. This is largely due to limited supply of best-in-class Grade A accommodation, particularly in the West End (which delivered annualised rental growth of 6.3%), where vacancy rates remain historically low.

Retail Warehouse resilience

A key theme over the year has been the continued resilience of the out-of-town retail warehouse sector (retail parks), which has increasingly become the destination of choice for many national retailers following the structural declines of high streets and shopping centres. Retail parks offer a highly convenient retail format for consumers, with ample free car parking typically located on the edge of conurbations in proximity to major road networks providing a complimentary experience to e-commerce, through the optimisation of "click and collect".

Retailer performance and covenant strength in the sub-sector remains reasonably strong and the majority of rental levels were re-based to affordable rents through the period 2016-2020, with modest rental growth now beginning to emerge at 1.1% in the year to March 2024. With an extremely low market vacancy rate of 3.6% (MSCI Monthly Index) against a backdrop of re-based rents, a sustained level of rental growth is therefore anticipated across the sector. In recognition of the underlying functional relevance of retail parks, a significant depth of capital, from US REITs to UK institutions, has been attracted to sector. Whilst capital values repriced by -5.0% in the 12 months to March 2024, the robust occupational fundamentals helped to deliver a high and sustainable income return of 6.9% to generate an overall total return of 1.6%.

Industrial recovery underway

Following the capital repricing of 2022/23, the industrial sector returned to positive total returns as highlighted above, driven by strong rental growth of 6.9% (370 bps above CPI) in the 12 months to March 2024, as the Landlord favourable supply and demand imbalances continue to sustain higher rents.

Occupational take up for “Big Box” logistics, saw a slowdown in activity across 2023 with new lettings reaching 24.8 million sq ft in the calendar year, representing a 35% decline on 2022, but a 2% increase on the long-term pre-covid average from 2007-2019. In addition, the “Big Box” vacancy rate increased to 7.2% as of March 2024, which is indicative of the reduction in occupier demand as the market returns to its pre-covid norms. While the growth of e-commerce will continue to underpin demand, the occupier focus has shifted from pure expansion to the optimisation of supply chains.

The Brexit effects and the legacy of the pandemic has led to an increase in occupier shifts towards nearshoring / onshoring of manufacturing and distribution hubs within the UK, which is a trend expected to continue in 2024.

New supply is anticipated to remain constrained, as the macroeconomic headwinds impacted the viability of new development. As such, new development starts dropped to a four-year low of 2.4m sq ft as at Q3 24.

Following the market re-pricing of 2022/23, which saw valuation falls of 24.3%, industrial investment volumes have begun to recover, with £1.6bn transacted in Q1 2024 representing a 26% increase on the same quarter last year as investors recognise the robust sector fundamentals and seek to take advantage of repriced opportunities. Whilst the sector will not be immune from the effects of macro socio-economic headwinds and geopolitical tensions, the fundamental principles of limited supply, strong rental growth prospects and significant pools of liquidity, should position the sector well for relative outperformance.

Returns

On an annualised basis, All Property returns delivered 0.3% at the end of Q1 2024, comprising capital growth of -5.3% and a consistent income return of 5.8%.

The sector performance is illustrated by the below chart:

	Retail	Office	Industrial	All property
Total return	1.1%	-11.5%	5.9%	0.3%
Income return	7.1%	5.7%	5.0%	5.8%
Capital growth	-5.6%	-16.3%	0.8%	-5.3%
Rental value growth	0.6%	2.8%	6.9%	3.9%
Yield impact	-5.5%	-17.3%	-4.8%	-8.0%

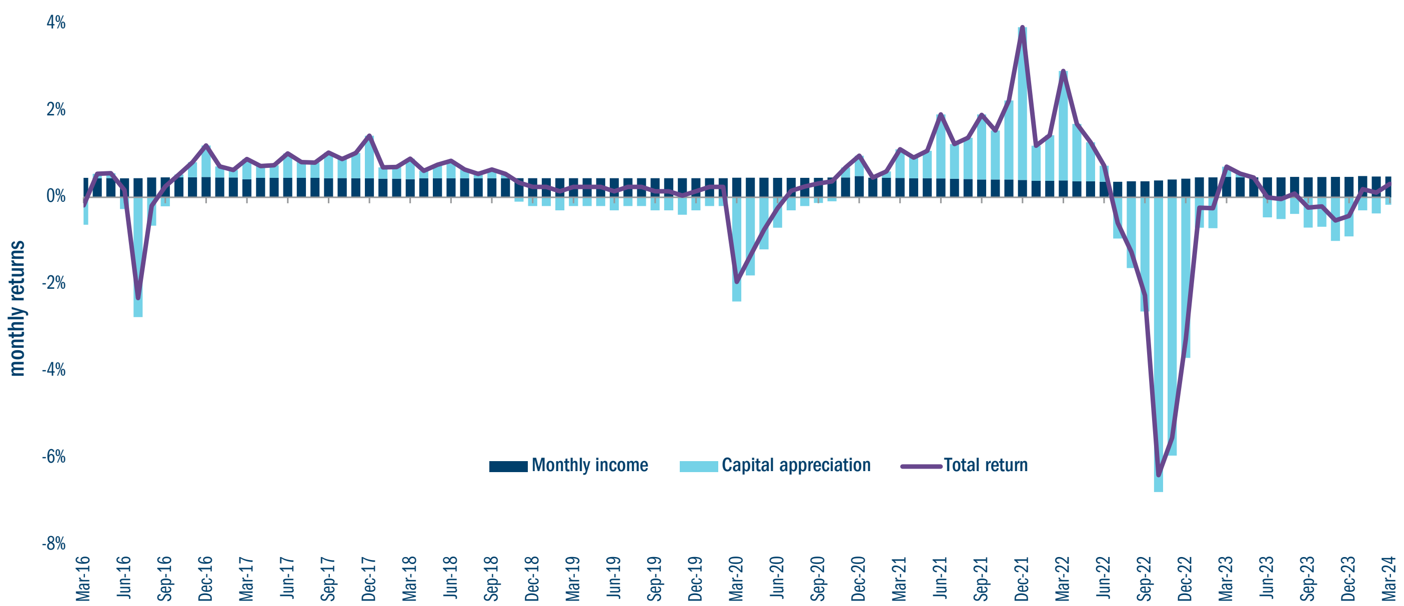
MSCI UK Monthly Index Annualised Sector Returns to 31 March 2024.

Outlook

Following a sustained period of downward pressure on capital values as the market adjusts to inflation and interest rate expectations, UK Real Estate is well placed for a cyclical capital recovery, taking advantage of an improved macro-economic outlook, whilst continuing to offer attractive income characteristics, including resilient rental growth. High conviction thematic sectors such as industrials, retail warehousing and residential will continue to benefit from structural societal trends.

We continue to believe the Fund is well placed to capture long-term sustainable growth through its focus on actively and responsibly managing property assets to generate a high and durable-income yield advantage from a diverse asset and tenant base. The Fund’s property assets currently offer a Net Initial Yield of 6.2% against 5.4% offered by the MSCI UK Monthly Index. The Fund’s strategic sector weighting is dynamically weighted towards Landlord-favourable occupational markets which should continue to provide a solid foundation for long-term out-performance.

MSCI UK Monthly Index All Property Returns to 31 March 2024



RESPONSIBLE INVESTMENT UPDATE

Thomas Road, High Wycombe

Key principles

Investing responsibly has been a core part of the Fund's investment approach for many years, consistent both with Columbia Threadneedle Investments' corporate responsibilities and the activities being undertaken within the investment portfolio.

As a responsible business, Columbia Threadneedle Investments aims to deliver positive outcomes that meet the needs of our stakeholders, and we commit to always act responsibly, transparently and in the best interests of those who trust us to manage their investments.

As a responsible investor in real estate, we strive to be responsible stewards of our client's assets, and we manage those assets in accordance with longstanding ESG principles, enshrined within our UK Real Estate ESG Policy Statement and Refurbishment Guide.

We believe ESG is everyone's responsibility, and ESG principles and performance metrics are embedded within our investment, asset management, refurbishment and property management processes.

Finally, and perhaps most importantly, we believe investing responsibly is complementary to our funds' financial objectives, and our active management bias provides the best potential to deliver positive environmental and social outcomes alongside financial performance.

Responsible Investment Approach

As communicated in the Fund's Annual Report to 31 March 2023, the Manager and the Investment Advisor have enshrined ESG Key Performance Indicators within the Prospectus, including a commitment to achieve net zero operational carbon emissions by 2040, alongside equivalence disclosures under Article 8 of the EU Sustainable Finance Disclosure Regulations ("SFDR"). Following completion of this process in Q3 2022, and the Fund formally commits to promote Environmental Characteristics as defined under the SFDR, which can be summarised as follows:

- In order to achieve net zero operational carbon emissions from its property portfolio by 2040 or sooner, the Fund aims to create sustainable property assets that are environmentally optimized by promoting environmental characteristics through asset selection and active asset management.
- In particular, the Fund has and will continue to (1) improve the environmental performance potential of its property assets, and (2) lower the energy use and carbon intensity of its property assets.

These changes reflect the property fund management activities already being undertaken by the Investment Advisor, and they do not constitute a material change to the Fund's stated objective. Instead, in seeking to achieve this objective, the Prospectus now clarifies that the Manager and the Investment Advisor adopt an investment approach which aims to deliver positive financial, environmental and social outcomes.

This is reflected in the key performance indicators which the Manager intends to monitor as part of its role:

- **Financial** - financial outcomes are measured with reference to total return and income distribution performance in relation to the Fund's financial benchmark (currently the MSCI/AREF UK All Balanced Open-Ended Property Fund Index).
- **Environmental** - environmental outcomes are measured with reference to climate impact. The Fund aims to improve the environmental performance potential and lower the energy use and carbon intensity of its assets.
- **Social** - social outcomes may be measured with reference to the qualitative impact that (i) major refurbishment projects may have on tenants and (ii) any other relevant property management initiatives. The Fund aims to record the social value of these initiatives at asset level. The Fund may continue to seek other measures to assess improvements in social outcomes.

This responsible investment approach was formalised within the Fund Prospectus effective 30 September 2022, and reporting against these metrics is included within the standard quarterly investor reports.

These changes are consistent with the core roles Columbia Threadneedle Investments plays as responsible partner, investor, employer and citizen, and ensure the Fund and is best placed to continue to deliver for investors over the long term.

Reporting

Our fund reporting has continued to evolve since 2020, when we first committed to align our UK real estate strategic approach with the UN Sustainable Development Goals (SDGs) where appropriate to do so, through our ESG Policy Statement.

In 2021 a Sustainability Dashboard was introduced to track the Fund's progress against core environmental metrics, supplemented since 30 September 2022 with equivalent disclosures under Article 8 of the SFDR.

Over the course of 2023, the Sustainability Dashboard evolved to differentiate between measures monitored quarterly and those which are tracked annually, with quarterly metrics included as standard within the Fund Quarterly Report

Effective this year for the first time, annual metrics are now reported in line with INREV guidelines, as at 31 March 2024 and as set out in the following pages of this report.

To avoid data duplication, reporting under SECR and SFDR has been included as an appendix to this report.

Energy Performance Potential

EPCs continue to provide a useful proxy of energy performance potential and are therefore monitored as a key performance indicator of environmental outcomes. As part of its commitment to build and maintain resilient infrastructure, the Fund tracks and monitors portfolio coverage, and the number and impact of its refurbishments on energy performance potential.

The fund completed 19 works projects in the year ending 31 March 2024, with 79.4% of projects by value delivering EPC 'A' or 'B' ratings. Capital expenditure investment increased to £17.0 million over the period, representing a 25% increase on the £13.6 million capital committed to works projects in the preceding twelve months.

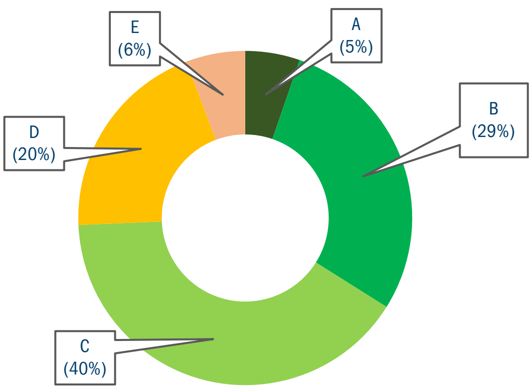
The following chart illustrates the EPC improvements delivered by the Fund since formalised recording began in 2019:

EPC Rating	31 December 2019	31 December 2020	31 December 2021	31 December 2022	31 December 2023	31 March 2024
Whole Portfolio Coverage	69.1%	88.6%	98.8%	99.3%	99.1%	99.1%
% Portfolio Rated A- B	10.1%	11.5%	17.5%	23.6%	31.7%	31.8%
% Portfolio Rated C	32.8%	34.7%	39.5%	38.6%	38.4%	38.4%
% Portfolio Rated D	37.2%	30.0%	29.9%	28.3%	23.1%	23.1%
% Portfolio Rated E	15.4%	10.0%	11.0%	7.6%	5.0%	5.0%
% Portfolio Rated F-G	4.5%	1.7%	0.9%	1.0%	0.8%	0.8%

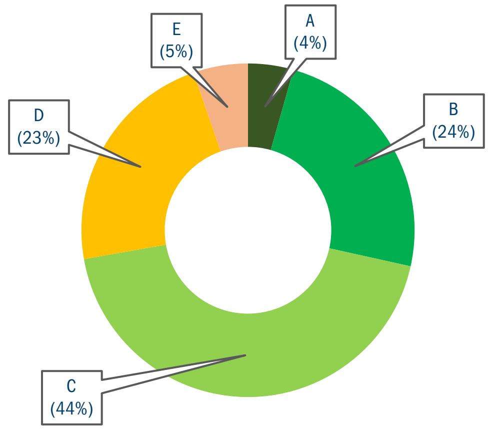
Source: Columbia Threadneedle Investments. EPC portfolio coverage as % by total number of units, as at 31 March 2024. Targets are indicative and are in no way a guarantee of performance. Sustainability risks are integrated into the fund's investment decisions making process for financial Risk Management purposes only.

The below charts show the current distribution of EPC ratings by Estimated Rental Value (ERV) and net lettable area, as at 31st March 2024. The below data only comprises assets located in England and Wales – notably, all assets with an EPC rating F or lower are located outside England and Wales and, therefore, not shown in the below charts.

EPC Rating / ERV - England & Wales 2023/24



EPC Rating / NLA - England & Wales 2023 /24



INREV Aligned Environmental Performance Disclosure

The Fund reports sustainability information in accordance with INREV Sustainability Reporting Guidelines for the 12 months, 1st April 2023 to 31st March 2024, presented with comparison against the previous 12 months. As permitted by the INREV Sustainability Reporting Guidelines, environmental data has been prepared and presented in line with the Global Real Estate Sustainability Benchmark (GRESB) guidelines.

The definition of 'Operational Control' has been used to define the reporting boundary of the Fund; i.e., directly managed properties comprise those for which the Fund is responsible for payment of utility invoices and / or arrangement of waste disposal contracts, and indirectly managed properties comprise those for which the tenant is responsible for payment of utility invoices and / or arrangement of waste disposal contracts. 'Operational Control' has been selected as the reporting boundary (as opposed to 'Financial Control' or 'Equity Share') as this reflects the portion of the portfolio where the Fund can influence operational procedures and, ultimately, sustainability performance.

The total performance data below comprises all assets held at any point in the reporting year 1st April 2023 to 31st March 2024; a total of 123 assets across 5 sectors.

The like-for-like performance data below comprises only those assets held in the Fund for the full 24-month period, 1st April 2022 to 31st March 2024; a total of 98 assets across 5 sectors.

Energy and water consumption data is reported according to automatic meter reads, manual meter reads or invoice estimates. Historic consumption data have been restated where more complete and or accurate records have become available. Where required, missing consumption data has been estimated by pro-rating data from other periods using recognised techniques.

Total Energy Consumption - Portfolio

The table below sets out the total landlord and tenant obtained energy consumption from the Fund's portfolio.

	Total Electricity			Total Fuels		
Performance Metric	**2022**	**2023**	**Var.**	**2022**	**2023**	**Var.**
Landlord Procured Energy (kWh)	24,478,534	18,909,537	-22.8%	24,974,175	22,061,799	-11.7%
Coverage (% of Total GIA)	100%	100%		100%	100%	
Tenant Procured Energy (kWh)	60,372,387	33,014,972	-45.3%	32,207,680	19,522,035	-39.4%
Coverage (% of Total GIA)	100%	100%		100%	100%	
Whole Portfolio Energy (kWh)	84,850,921	51,924,509	-39%	57,181,856	41,583,833	-27%
Coverage (% of Total GIA)	100%	100%		100%	100%	
Renewable Energy						
From Off-Site Renewable Source (%)	21.0%	24.3%	+3.3%	0.2%	4.9%	+4.7%
From On-Site Renewable Source (%)	0.0%	0.2%	+0.2%	-	-	-

	2022	2023	Var.
Whole Portfolio Landlord Energy (kWh)	49,452,710	40,971,336	-17.2%
Of which estimated (%)	74.6%	84.1%	+9.5%
Whole Portfolio Tenant Energy (kWh)	92,580,067	52,537,006	-43.3%
Of which estimated (%)	69.1%	67.4%	-1.7%

Total energy consumption is based on the total amount of reported energy for all landlord and tenanted assets, held at any point over the two reporting years.

As shown above, consumption of both tenant and landlord procured electricity and fuels has decreased in absolute terms. This is primarily driven by the disposal of 45 assets between April 2022 and March 2023. As nearly two thirds of the sold assets were also tenant-controlled, the greatest reduction in absolute energy consumption relates to tenant-procured supplies.

The percentage of data estimated for both landlord and tenant energy is relatively high. This is due to a 100% uplift applied to fill all actual data for time (completeness) and area (coverage) gaps over the entire reporting period, as permitted under INREV. This is also the reason why data coverage is reported as 100%.

Renewable energy generated from off-site sources relates to assets purchasing electricity or gas from a verified, supplier green tariff. The year-on-year proportion of energy consumed from backed supplier green tariffs, has increased marginally across both electricity and gas utilities, despite overall reductions in energy consumption. This is partly reflective of the Fund's green energy procurement strategy.

Renewable energy generated from on-site sources relates solely data reported by tenants, all of which relates to solar PV installations.

Like-for-Like Energy Consumption

The table below sets out the like-for-like landlord and tenant obtained energy consumption from the Fund's portfolio.

	Like-for-Like Electricity			Like-for-Like Fuels		
Performance Metric	**2022**	**2023**	**Var.**	**2022**	**2023**	**Var.**
Landlord Procured Energy (kWh)	2,794,371	2,506,794	-10.3%	1,500,519	1,564,200	4.2%
Tenant Procured Energy (kWh)	758,390	681,588	-10.1%	-	-	-
Renewable Energy						
From Off-Site Renewable Source (%)	98.5%	98.6%	+0.1%	5.1%	4.2%	-1.0%
From On-Site Renewable Source (%)	-	-	-	-	-	-

	2022	2023	Var.
Total Like-for-Like Landlord Energy (kWh)	4,294,890	4,070,994	-5.2%
Total Like-for-Like Tenant Energy (kWh)	758,390	681,588	-10.1%

For an asset's consumption to be included in the total like-for-like energy consumption, it must have been held and fully operational for the full 24-month period, 1st April 2022 to 31st March 2024.

Like-for-like consumption of landlord and tenant procured electricity has decreased 10%, while landlord-procured fuels shows a slight like-for-like increase of 4.2%. This is primarily driven by one asset in the low-rise office sector, Leeds, Thorpe Park, which reported a like-for-like increase in gas consumption of 65%. This was linked to a higher building occupancy in 2023/24 compared to the year prior.

No like-for-like consumption data is available for tenant-procured fuels since the reported data between April 2022 and March 2024 is insufficiently complete at the time of this report to qualify for like-for-like analysis. Again, this is primarily due to the timing of the tenant data collection cycle.

As shown above, there is also no like-for-like data relating to renewable energy generated on-site. This is because there is insufficiently complete data relating to on-site generation of renewable energy across all assets over the 24-month reporting period. However, the proportion of like-for-like renewable electricity consumption remains very high across both periods, at 98.5% and 98.6% respectively, the majority of which relates to landlord procured supplies.

Greenhouse Gas Emissions

The table below sets out the total and like-for-like carbon emissions from the Fund's portfolio, split by emission scope.

	Total Carbon Emissions			Like-for-Like Carbon Emissions		
Emissions Scope	**2022**	**2023**	**Change (%)**	**2022**	**2023**	**Change (%)**
Scope 1 Emissions (tCO_2e)	4,561	4,036	-11.5%	274	286	+4.4%
Scope 2 Emissions (tCO_2e)	4,474	3,568	-20.2%	551	519	-5.8%
Scope 3 Emissions (tCO_2e)	17,983	10,730	-40.3%	149	141	-5.5%
Whole Building Emissions	27,018	18,334	-32.1%	975	946	-2.9%

Total carbon emissions are calculated from the total amount of reported energy for all landlord (Scope 1 and 2) and tenanted consumption (Scope 3), for all assets held at any point over the two reporting years. All emissions are calculated using location-based emission factors for the corresponding year, and Scope 3 emissions relate only to those generated through the operation of the asset. Additional up- and downstream emission categories are not included here.

As with energy consumption, in absolute terms emissions have reduced across Scopes 1 to 3, between April 2022 and March 2024. This is primarily driven by the disposal of 45 assets during the first 12 months of the 24-month reporting period. As nearly two thirds of the sold assets were also tenant controlled, the greatest reduction in absolute emissions is reflected in the Scope 3 figures.

For an asset to be included in like-for-like carbon emissions, it must have been held and fully operational for the full 24-month period, 1st April 2022 to 31st March 2024.

While like-for-like emissions across scopes 1 to 3 show immaterial variance between 2022 and 2023, there has been a slight increase in Scope 1 emissions of 4%. As explained previously, this is primarily driven by the asset in the low-rise office sector, Leeds, Thorpe Park, which reported a like-for-like increase in gas consumption of 65%. This was linked to a higher building occupancy in 2023/24 compared to the year prior.

Water Consumption

The table below sets out total and like-for-like water consumption across the Fund's portfolio.

		Total Water Consumption (m^3)			Like-for-Like Water Consumption (m^3)		
		2022	**2023**	**Var.**	**2022**	**2023**	**Var.**
Consumption (m^3)	Landlord Procured	169,629	146,884	-13.4%	6,403	5,441	-15.0%
	Tenant Procured	136,976	74,317	-45.7%	-	-	-
	Reused/Recycled (%)	-	-	-	-	-	-
Estimated Data (%)	Landlord Procured	81%	92%	+11.3%			
	Tenant Procured	62%	75%	+12.7%			
Data Coverage (% of Total GIA)	Total Water	100.0%	100.0%	-	2.7%	3.3%	+0.6%

As with total energy consumption, total water consumption is based on the total amount of reported energy for all landlord and tenanted assets, held at any point over the two reporting years. Similarly, for an asset's consumption to be included in the total like-for-like water consumption, it must have been held and fully operational for the full 24-month period, 1st April 2022 to 31st March 2024.

All water was reported to have been procured from a municipal supply. No consumption of surface, ground, rainwater, or wastewater from another organisation was reported across the portfolio (reused / recycled), as denoted in the above breakdown.

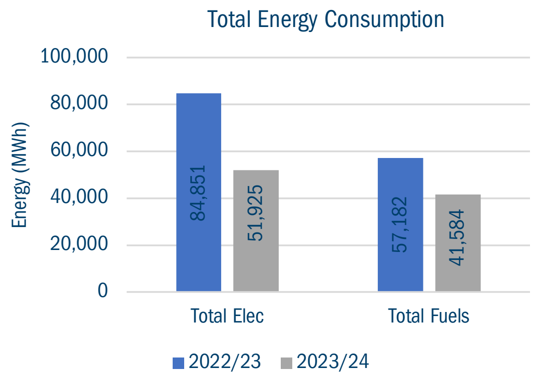
The percentage of data estimated for both landlord and tenant water consumption is relatively high. This is due to a 100% uplift applied to fill all actual data for time (completeness) and area (coverage) gaps over the entire reporting period, as permitted under INREV. This is also the reason for which coverage is reported as 100%.

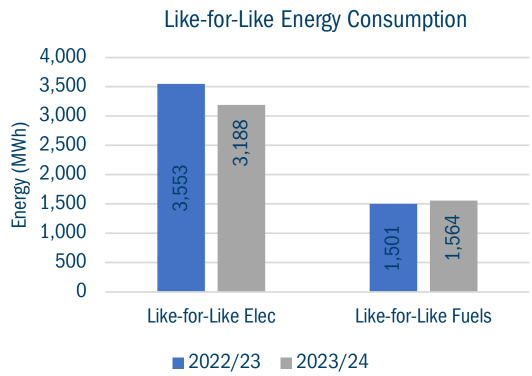
Like-for-like coverage denotes the proportion of the portfolio (percentage of total floor area) with sufficiently complete data for inclusion in the like-for-like consumption total.

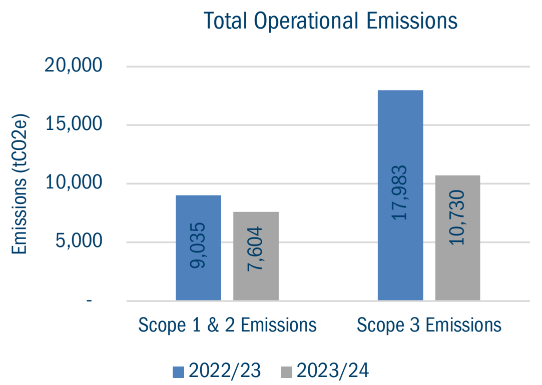
For reasons mentioned above, in absolute terms consumption of landlord and tenant-procured water consumption shows a significant decrease.

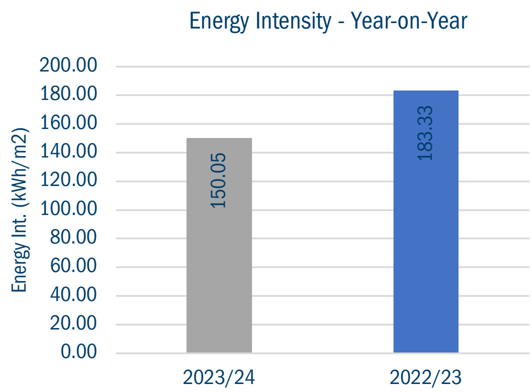
In like-for-like terms, only landlord-procured water data was sufficiently complete over the 24-month period to be included here, showing a 15% year-on-year decrease in consumption. This relates to three assets only, all of which report year-on-year decreases; the most significant of which relates to the warehouse, Thetford, London Road Industrial Estate at -13%.

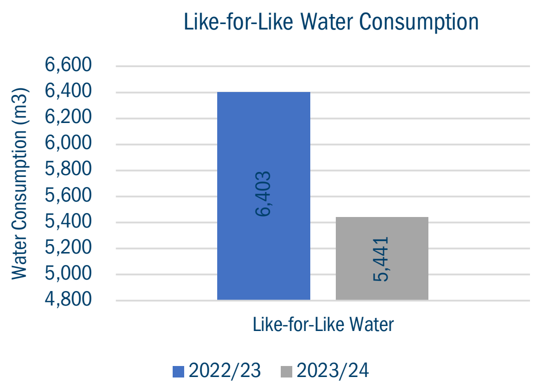
Year-On-Year Energy, Carbon & Water Performance Summary Charts

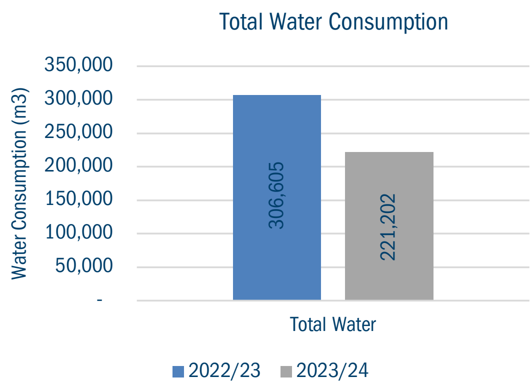


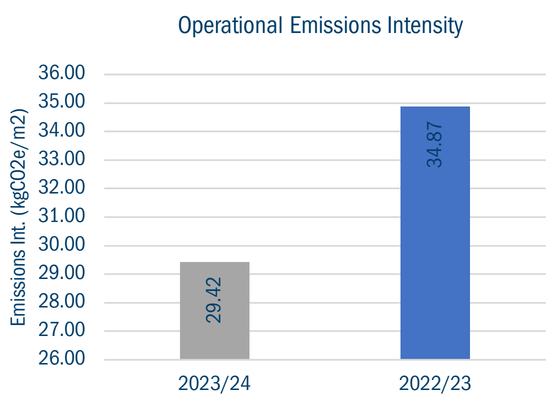


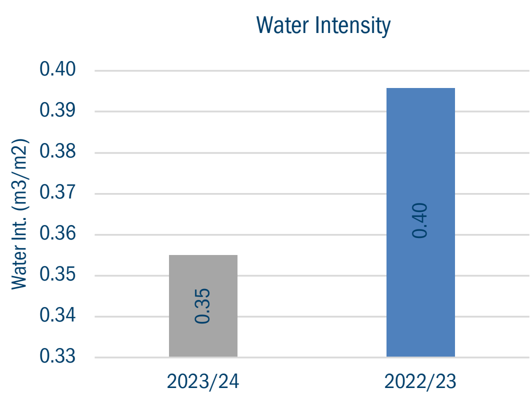












Total Energy and Carbon Sector Intensities

The table below sets out the total landlord and tenant obtained energy and carbon intensities by asset sectors held in the Fund.

	Energy Intensity (kWh/m²/year)			Carbon Intensity ($kgCO_2e/m^2$/year)		
Sector	**2022**	**2023**	**Var.**	**2022**	**2023**	**Var.**
Industrial: Non-Refrigerated Warehouse	194	164	-15.6%	36.87	32.10	-12.9%
Industrial: Refrigerated Warehouse	106	106	-	20.04	21.00	+4.8%
Lodging, Leisure & Recreation: Indoor Arena	365	316	-13.3%	68.52	60.52	-11.7%
Mixed use: Office/Retail	125	125	-	24.08	25.79	+7.1%
Mixed use: Other	71	55	-22.8%	13.76	11.08	-19.5%
Office: Corporate: High-Rise Office	205	206	+0.5%	39.417	41.02	+4.1%
Office: Corporate: Low-Rise Office	154	124	-19.4%	29.58	24.86	-16.0%
Office: Corporate: Mid-Rise Office	247	206	-16.4%	46.93	40.66	-13.4%
Retail: High Street	115	124	+8.2%	22.04	25.23	+14.5%
Retail: Retail Centers: Warehouse	190	142	-25.5%	36.44	28.09	-22.9%
Retail: Restaurants/Bars	194	164	-15.6%	36.87	32.10	-12.9%

Total energy and carbon intensity data is calculated by dividing the total amount of reported energy and carbon (reported and estimated) by the total portfolio GIA (m^2) for all landlord and tenanted assets, held at any point over the two reporting years.

Across all sectors, year-on-year variances show either marginal increases in energy and carbon intensities, or significant decreases. This is to be expected given the change in portfolio between April 2022 and March 2024.

The sector with the greatest increase in both energy and carbon intensities is the Retail: High Street, at 8.2% and 14.5% respectively. Limited meaningful comparison between the reporting periods for this sector can be made, however, since 9 of the 12 assets were sold between April 2022 and March 2023, with the remainder being sold well before the end of the second reporting period.

Waste Performance

The table below sets out total and like-for-like waste from the Fund's entire portfolio, categorised by disposal route.

	Absolute Tonnage				Like-for-Like Tonnage				
	2022		2023		2022		2023		Var.
Waste Disposal Route	**Tonnes**	**%**	**Tonnes**	**%**	**Tonnes**	**%**	**Tonnes**	**%**	
Incineration with energy recovery	917	29.9%	236	16.7%	139	6.8%	126	2.5%	-64%
Landfill	244	8.0%	149	10.5%	5	0.2%	0	1.0%	314%
Recycled	1,901	62.1%	1,032	72.8%	1,901	93.0%	893	96.5%	0%
Total Waste Tonnage	3,062		1,417		2,044		1,970		-4%
Total Data Coverage (% GIA)	39%		31%		7%		7%		

Although no waste is reported as being sent directly to landfill, a residual component of the 'recycled' and 'incineration with energy recovery' waste streams may end up in landfill.

Like-for-like data excludes assets that were purchased, sold, under refurbishment or subject to a significant change in scope of reported data during the two years reported.

Data coverage relates to the proportion of assets for which any waste data has been reported. Although the above waste comprises the entire portfolio, significantly less data is available for waste managed directly by tenants. For this reason, both absolute and like-for-like waste data coverage is relatively low across the portfolio.

As shown in the above table, the majority of absolute and like-for-like waste is recycled or incinerated across the portfolio, while only an insignificant proportion is sent to landfill.

Across the portfolio, like-for-like waste tonnage has decreased between April 2022 and March 2024 by 4%. This may be partly explained by the frequency of waste data provision for tenant-controlled assets, which is collected annually at the time of producing this report. Therefore, like-for-like waste tonnage is likely to become more equalised between reporting years, as more data is made available.

Climate resilience

The Fund monitors property flood risk on an annual basis as a proxy for exposure to the effects of global warming. The below analysis shows the evolution of the flood risk associated with the Fund's directly held property assets:

Portfolio risk exposure by value	31 December 2019	31 December 2020	31 December 2021	31 December 2022	31 December 2023	31 March 2024
Property assets	206	199	168	145	104	97
Low	164 (74.9%)	158 (75.1%)	135 (74.5%)	115 (74.2%)	82 (77.6%)	75 (75.6%)
Medium	33 (21.6%)	32 (21.3%)	27 (22.3%)	24 (22.1%)	18 (19.3%)	20 (22.3%)
High	5 (2.2%)	5 (2.1%)	3 (1.7%)	5 (3.1%)	3 (2.7%)	2 (2.0%)
Extreme	4 (1.4%)	4 (1.5%)	3 (1.5%)	1 (0.6%)	1 (0.5%)	0 (0.0%)

Source: Columbia Threadneedle Investments, as at 31 December 2022. All data as at 31 December.

The findings of the Moody's Physical Climate Risk Screening Analysis undertaken in November 2021 were disclosed in the Report and Financial statements to 31 March 2022 and are available to review on request.

Social outcomes

The Investment Advisor implemented multiple initiatives over the period. The National TOMs (Themes, Outcomes Measures) Framework was introduced to assess the social impact of major development and refurbishment projects and significant (>£500,000) service charge properties.

We are pleased to report that since 2022 seven major works projects have been concluded, which have collectively delivered in excess of £2.5 million of social value in accordance with the TOMs methodology.

Community Spaces were introduced as a strategic partner on applicable vacant properties. Community Spaces are the UK's leading provider of commercial premises specifically for community organisations, start-ups and environmentally and socially aware businesses, placing local businesses and charities within vacant properties. Accommodation is offered free of charge; however, the landlord benefits from reduced holding costs during the period of occupation.

Finally, and specifically with reference to TPUT, a Social Value pilot on 30 properties was undertaken in Q4 2022, seeking to determine the social benefits of the fund's portfolio (for example, via alignment with identified local needs, or through the estimation of jobs created). This was a new and innovative concept pioneered jointly with Turley's to determine the social value potential of the Fund's standing assets.

GRESB

2023 marked the twelfth year of the Fund's submission to GRESB, and we are pleased to report a score of 76/100, an increase of 1 point from 2022, and ranking the fund 48th within its peer group of 113 funds, placing it significantly ahead of the peer average score of 73.

This performance is especially impressive considering the scoring weighting attributed to building certification, which is inconsistent with the Fund's high number of assets and its preference to invest capital into initiatives which will deliver building improvements.

Net Zero Carbon

Decarbonisation remains one of the most significant challenges affecting the global economy, and society more broadly. Lowering carbon intensity is of paramount importance to deliver against legislative, social and, by implication and in practice, financial performance aspirations.

The Fund's approach to decarbonizing its portfolio was set out in detail in the March 2022 Annual Report, based on analysis undertaken in October 2021 and February 2022. Long-term energy and carbon reduction trajectories were reviewed based on 2020 and 2019 energy consumption, which showed that as the target year for decarbonisation was postponed, the offsetting costs to align with the science-based target trajectory rose. In like-for-like monetary terms, EVORA estimated the financial cost of achieving net zero carbon emissions to be £106.7M under the 2035 pathway, rising to £107.4M under the 2040 pathway and £120.0M under the 2050 pathway. The results of the analysis reveal a clear alignment between financial and environmental best practice.

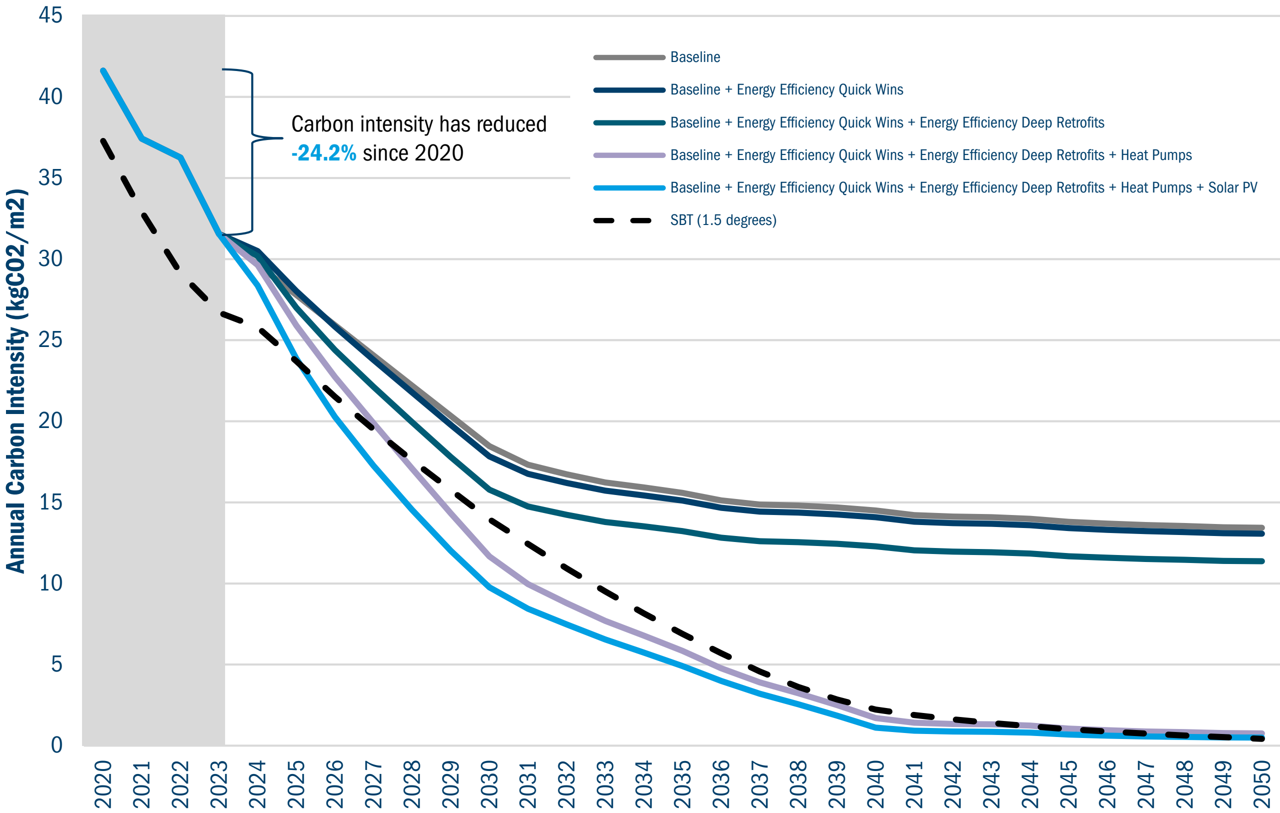
Commitment to 2040

Reflective of that financial and environmental analysis undertaken, the Investment Advisor and the Manager committed the Fund to achieve operational net zero carbon emissions from its investment portfolio by 2040 or sooner.

To achieve this ambition, a combination of interventions are required, ranging from 'quick wins' to more substantial asset refurbishment, replacement of gas boilers with electric heating and cooling, and the introduction of solar 'PV' panels at scale. By implementing these initiatives, combined with the decarbonisation of the National Grid, the below pathway illustrates how operational Net Zero Carbon emissions can be achieved.

Pathway update

Now in our third year of analysis, we are pleased to report that under the EVORA modelled framework (based on CRREM methodology), carbon intensity has reduced by 24.2% since 2020 from 41.6 to 31.6 kgCO2/m2 based on 2023 modelled data against 2020 baseline. Carbon emissions modelled on the same basis are anticipated to reduce from 15,482 tCO2 in 2023 to 221.5 in 2040 (**-98.6%**) with this residual to be offset.



Source: EVORA – TPUT Fund Decarbonisation Pathway, updated April 2024. Figures are based on modelled data subject to multiple assumptions which are subject to review and change. 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.

Fund Spotlight – Providing Community Support in Coventry

Skydome, located in Coventry, West Midlands, was purchased October 2015. As the Fund's largest leisure complex, covering a total floor area of 180,000 square foot, the asset is located at the heart of the local economy and community.

As part of Skydome's ongoing social commitments, 2023 saw the launch of several initiatives, specifically aimed at supporting vital community organisations in the area.

- **Local Sports:** An initiative was launched to support the local under 10's football team, Mount Nod JFC, by committing to provide vital financial sponsorship to the group for the 2023 and 2024 seasons.
- **Community Services:** Over the 2023 Easter period, Skydome donated easter eggs to the local charity, Hope Community, to support their annual Easter Egg Hunt. The charity provides essential financial wellbeing, and educational support to disadvantaged families in the area.
- **Charity Support:** To help the local charity, Zoe's Place Hospice, Skydome provided space in the carpark for one of the charity's textile recycling banks. This not only provides support to Zoe's Place by facilitating revenue through textile recycling, but also promotes environmental stewardship.

Fund Spotlight – Supporting Health, Wellbeing and Nature in Crewe

Located in the heart of Crewe, East Cheshire, the Fund's Vernon Way Retail Park forms a central part of the town's physical and social environment. To help promote cycling and walking, Cheshire East Council is developing a Southern Gateway Pedestrian and Cycleway Connectivity Scheme. The scheme will deliver safer, more attractive, and more convenient walking and cycling routes to make it easier for people to get around the town, reducing congestion and journey times. By prioritising walking and cycling, these projects will also contribute towards Cheshire East Council's ambition to be a carbon neutral borough by 2045.

Contributing directly to this social and environmental initiative, part of the Vernon Retail Park land will be donated to this off-road facility in the heart of the town, helping to deliver social and environmental benefits to the surrounding area.

- Increased pedestrian and cyclist trips within the Town, and reduced reliance on private vehicles, with an estimated 1,550 pedestrians and 670 cyclist visitors per day upon completion
- Net improvement to the surrounding ecology and biodiversity
- Enhancement of the local environment and wellbeing of residents, through the provision of new multifunctional and characterful public open spaces

PORTFOLIO ACTIVITY

**98 lettings / renewals:
£8.75 million p.a. secured**

**40 rent reviews:
£0.76 millionp.a. uplift**

**1 purchase:
£2.7 million**

**19 works projects:
£17 million capital committed**

**26 sales:
£166.2 million**

**95.0% tenant retention
(3 out of 60 tenant break options exercised)**

Source: Columbia Threadneedle Investments, based on 12 months to 31st March 2024.
Comparative figures for the above Portfolio Activity can be found on page 23.

Portfolio Activity

	31 March 2024	31 March 2023
Number of Purchase	1	2
Purchase £m	2.7	9.2
Number of Sales	26	45
Sales £m	166.2	197.7
Net Investor Flows £m	(115.7)	(248.4)
Lettings/ Renewals	98	108
Lettings/ Renewals £m p.a	8.75	10.1
Rent Reviews	40	52
Rent Reviews £m p.a	0.8	0.8
Break Options Exercised	03/60	07/72
Average Rent Collected within 28 days of each Quarter Day	98.2%	97.7%

Investor flows
The Fund settled £138.7M of redemptions over the course of the year, against which new units to the value of £23M were issued, resulting in net flows of -£115.7M.

Investment transactions
Reflective of this pattern of net flows, the Fund recorded one purchase totalling £2.7M (of an adjoining ownership) and completed 26 sales totalling £166.2M over the course of the year. Highlights included:

Sales

Carriage & Barrett House, Guildford

The property comprises two office buildings totalling 15,358 sq ft located within a mixed use commercial and residential area in Guildford town centre. To unlock a value-accretive residential conversion, the Fund secured lease surrenders with the incumbent tenants and negotiated a sale of the whole to a student housing developer, conditional on planning consent. Following a 3-year planning process, the property was sold at a sale price of £11.85 million which represented a 97% premium to the prevailing independent valuation.

40 Furnival Street, London
The property comprises a vacant office building extending to 9,646 sq ft, located in the City of London. The property was comprehensively refurbished by the Fund in 2016 at a cost of £2.8m to provide Grade A office and ancillary accommodation arranged over lower ground, ground and five upper floors. The previous occupier (a flex operator) who were an assignee of Idox Plc, went into administration, and the Fund received a lease termination settlement of c£533,000. The Fund agreed to sell the property for £5.75m reflecting a capital value of £596 per sq ft. A sale at this level represented a 5.5% premium to the latest independent valuation.

Heron Industrial Estate, Reading
The property comprises 6 industrial units totalling 46,839 sq ft on a site of approximately 2.08 acres. It sits approximately 5 miles south of Reading town centre. The property is multi-let to 5 tenants with one vacant unit. In addition, the tenant of Unit 6 had entered into administration. On that basis the current contracted rent is £305,579 p.a. reflecting £6.52psf which is c.31% under rented against the prevailing ERV of £11psf on a refurbished basis. However, significant capex is required to realise the reversionary potential which is likely to dilute net returns. Based on the remaining units being refurbished the total cost would equate to c.£1.76m. The capex was not considered economically favourable, given persistent void following a substantial refurbishment programme.

The Fund agreed terms to sell the property at a net sale price of £6,000,000 reflecting a NIY 4.7% and a reversionary yield of 7.9%.

Global House, Chertsey
The property comprises 17,047 sq ft of office accommodation arranged over ground, first and second floors. The property is let to Kone with a term certain of approximately 2.7 years to lease expiry. The passing rent is £442,500 pa (£25.96 psf), following an open market review uplift from £400,000 pa in November 2020. The leasing risk has increased due to the tenant actively seeking alternative accommodation. The Fund secured Permitted Development Rights for the conversion to 17 residential dwellings, in order to underpin the existing use value. Following a wide marketing campaign, the Fund agreed to sell the property to a local residential developer for £4.2m, which reflects a net initial yield 9.8% and a capital value of £246 psf.

Portfolio Sale: Croydon, Hayes, Stevenage
The portfolio is multi-let to 13 industrial and trade occupiers (including a signed agreement for lease) providing a headline rent of £1,233,459 per annum and extending to a total floor area of 96,467 sq. ft. The age and condition of the real estate will require capex at lease expiries, as evidenced by multiple schedules of condition, in order to realise the reversionary potential of the assets.

Following a comprehensive marketing campaign and the receipt of 18 offers, the Fund agreed terms to sell the portfolio to an Institutional Manager at a headline price of £25,250,000. The price reflects a blended net initial yield of 4.6% and a capital value of £262 per sq ft. Disposing the portfolio as a larger package has been a key driver of pricing, with the buyer paying a premium for quantum versus the pricing received on an individual basis. The headline price represented a 1.7% premium to the latest independent valuation.

Belmont Place, Maidenhead
The property comprises a vacant office building located in Maidenhead. The property occupies a 0.54 acre site area and provides c.12,900 sq. ft. of office accommodation arranged over ground and first floors with the benefit of a 48 space surface car park. The out-of-town office market in Maidenhead has been challenging in recent years and re-letting the property as an office is deemed uneconomic when consideration of accounting for the capex required to upgrade the property.

In anticipation of the property becoming vacant, the Fund was advised of residential land values commanding a significant premium to office values, and submitted a permitted development (PD) application for a change of use to residential, which would comprise 18 apartments. This application was refused; however, a full planning application was submitted for the creation of an additional floor to provide 8 apartments in conjunction with appealing the PD refusal. The Fund secured an unconditional sale at sale price of £2,600,000, which reflects a capital value per sq ft of £201. A sale at this level represents a 6.1% premium to the latest independent valuation.

79/80 North Street, Chichester
The property comprises two Grade II listed Freehold retail units located on the edge of the prime retail pitch on North Street in Chichester city centre. 79 North Street totals 1,605 sq ft over ground and first floor and 80 North Street totals 6,367 sq ft over ground floor sales and first and second ancillary. The property is fully let to Robert Dyas and Between the lines with a WAULT to break of 3.1 years and 5.2 years to expiry. The passing rent of £193,000 p.a. is c.6% over-rented against the prevailing ERV of £180,900p.a. Consistent with the Fund's strategy to reduce all exposure to the structurally challenged High Street retail sector, the Fund has agreed a sale at £1,875,000 which reflects a net initial yield of 9.6%.

Portfolio Sale: Maidstone, Birmingham, Motherwell
The portfolio comprises three industrial/logistics assets totalling 182,470 sq. ft. The properties are fully let, providing a total passing rent of £1,533,894 per annum reflecting £8.41 per sq. ft. with a WAULT of 4.6 years to expiry and 2.6 years to breaks. The rental profile is considered reversionary to circa £1,781,340 p.a. / £9.76 per sq. ft on the assumption that all the units are fully refurbished.

The Fund engineered a competitive bidding process which has resulted in terms being agreed to sell the property at a proposed sale price of £24.1 million reflects a net initial yield of 5.9% and a capital value of £132 per sq. ft. A sale at this level represents an average 2% premium to the latest independent valuation.

Co-Op, MacLeay Lane, Wick
The property comprises a 15,750 sq. ft. purpose-built supermarket with dedicated servicing and parking, located in the northern Scotland town of Wick and let in its entirety to Co-operative Group Ltd until 2035 with no breaks. The passing rent of £166,979p.a. reflects £10.60psf, with the lease benefiting from annual RPI index linked reviews collared and capped at 2-4%. The property has been sub-let to Poundstretcher. The Fund agreed a sale price of £1,750,000 with the tenant, Co-operative Group Ltd. A sale at this level reflects a 2.9% premium to the latest independent valuation.

15/16 Church Street, Twickenham
The property comprises a freehold office and retail block, arranged over ground and two upper floors totalling 12,606 sq ft of NIA accommodation. The building is let to two tenants, at an average £28.55 per sq ft which is considered rack rented. 93% of the income is weighted to the office tenant, LGC Ltd, who have a lease expiry of March 2027. The Fund was advised of significant capital expenditure being required should the tenant vacate at expiry, with limited prospects of achieving a single occupier letting. Given the property is currently rack-rented, it would be considered financially unviable to refurbish the accommodation. Following an extensive marketing campaign, the Fund unconditionally exchanged on a sale at £4,500,000, however unfortunately the buyer failed to complete. As such the Fund retained the deposit of £450,000 and re-agreed a new sale at £4,050,000 (taking account of worsening market conditions in the interim) thus totalling a net receipt of £4,500,000. The sale price of £4,050,000 reflects a net initial yield of 8.3% and a capital value of £321psf. Total proceeds were in line with the latest independent valuation.

5-7 The Parade & 10-11 Mercery Lane, Canterbury

The property comprises six high street retail units and eight residential units which have been sold off on long leases above the retail. The retail is fully let to Pret A Manger, Cornish Bakery, Fat Face and two local tenants. The retails accommodation totals 9,233 sq ft and the property has a WAULT to break of 5.1 years and 7.3 years to expiry. The Cornish Bakery letting completed on 17 May 2023 after agreeing an AFL at £85,000 p.a. following a break option on Crew Clothing, who were paying £45,000 p.a., thus improving the rental income and extending the WAULT. Following a comprehensive marketing process, terms were agreed at £3.5m which reflects a net initial yield of 9.3%, representing a c.1% premium to the latest independent valuation.

Unit 3 Chase Retail Park, Cannock

The Fund sold the property at the Allsop Auction on the 6th July 2023. The property comprises a self-contained restaurant unit totalling 1,191 sq ft which forms part of the Fund's wider holding of Chase Retail Park and is to be sold on a 999 year leasehold at a fixed ground rent of a peppercorn. The Fund had recently agreed a lease renewal with the tenant at a rent of £20,000p.a. for a term of 10 years from 16.05.23. The sale price of £205,000 represented a 20% premium to the latest independent valuation.

B+M Steel, Millen Road, Sittingbourne

The property comprises two adjoining industrial warehouse units extending to 60,742 sq ft on a secure and self-contained site, fully let to Barclay and Mathieson Ltd for a further 9.7 years expiring in September 2032. The current passing rent is £450,745 per annum, reflecting £7.42 per sq ft. The rental profile is considered reversionary against the ERV at £561,864 per annum/ £9.25 per sq ft on the assumption that the property is fully refurbished and are re-let in the Open Market. However, this reversion can only be captured at the end of the lease in 2032 as the review mechanism in the current lease is to RPI, with a collar and cap of 1.0% and 3.0% pa (compounded annually). The property has a relatively dated specification which requires significant capex to refurbish to a re-lettable standard. The property is currently EPC 'D' rated which presents risk given MEES regulations in 2027 and the lease expiry of 2032. The Fund has engineered a marketing process which has resulted in terms being agreed to sell the property at a sale price of £6.5 million. The sale price reflects a net initial yield of 6.5% and a capital value of £107 per sq. ft, which was in line with the latest independent valuation.

49 George Street, Edinburgh

The property comprises a Category B listed building located on the north side of George Street, Edinburgh, providing self-contained high street retail premises arranged over ground, first and basement floors. The demise also includes rear mews residential accommodation arranged over first and second floors, currently in un-refurbished condition. The Fund agreed a new letting, effective from 12th June 2023, of the ground, first (front retail) and basement floors to White Stuff Limited on a 10 year lease (break in year 5). The agreed rent is £220,000 per annum, in line with ERV, with nine months' rent free granted from the date of entry. Consistent with the Fund's strategy of eliminating exposure to the structurally challenged high street retail sector, the Fund has agreed terms to crystalise the new letting at a gross sale price of £3,325,000 which reflects a net initial yield of 6.5% with an allocation £160 per sq ft capital value on the rear mews accommodation. A sale at this level reflects a 0.5% premium on the estimated net sale price to the latest independent valuation.

Unit 9 Bruntcliffe Avenue, Leeds

The property comprises a detached warehouse constructed in the early 1990's totalling 80,654 sq. ft. Located on Bruntcliffe Avenue, approximately 1 mile from Junction 27 M62 and 6 miles south of Leeds City Centre.. The property is let to Likewise Floors Ltd with a guarantee from Likewise Group plc on a term expiring 30th September 2030, providing 6.7 years unexpired, producing a contracted rent of £423,000 per annum reflecting £5.25psf. The rent is subject to an open market upwards only rent review due on 1st October 2025 with an ERV of £564,573 per annum, equating to £7.00 psf. The repair liability is restricted by way of a Schedule of Condition. The Fund undertook a comprehensive refurbishment in 2020 which resulted in the letting to the incumbent tenant. The Fund has agreed terms to sell the property at £7.3 million reflecting a net initial yield of 5.4% and a capital value of £90.51 psf. Whilst the sale price represented a 2% discount to the latest independent fund valuation; the sale should be considered within the context of the Fund seeking to increase its cash liquidity position.

Premus Business Park, Coldharbour Way, Aylesbury

The property comprises seven warehouse/ industrial units built in 2008. The Fund's ownership extends to 86,792 sq ft, being fully let to five tenants with a WAULT of 4.6 years to expiry and 1.4 years to breaks, producing an annual rent of £734,625 p.a., reflecting an average rent of £8.46 per sq ft. Local agents advised there is scope for reversion to an average ERV rate of £10.00 - £10.50 psf / £867,920 - £911,316 pa on a net effective basis (18-24% uplift from passing). Three of the occupiers on site have indicated they will be vacating at the next lease event, with two of such events falling vacant in the next 18 months, and Landlord capex being required to improve the current EPC C & D status. Due to the age, specification and poor ESG credentials of the property, the property was considered for sale following an 'off-market' approach, which resulted in premium pricing being achieved. The sale price of £12,500,000 reflects a net initial yield of 5.5%, a reversionary yield of 6.6% and a capital value of £144 per sq. ft. A sale at this level reflected a premium of 1.6% to the latest independent valuation.

Magna House, Staines

The property comprises 26,810 sq ft of office accommodation, multi-let to two tenants providing a total passing rent of £429,490 per annum, reflecting £30.33 per sq ft. There are currently two vacant suites, totalling 10,895 sq ft, representing a vacancy rate of 40%, with a gym located on the third floor. The vacant suites have been unoccupied since refurbishment over 5 years ago, despite significant capex invested by the Fund. The Staines office market has been challenged by an over-supply of accommodation and limited occupier demand, due to the structural challenges of the office market post-Covid-19. To underpin the investment value, the Fund secured Permitted Development for conversion to 26 residential units, granted in 2021 (expiring in Sept 2024). This will expire before the expiry of any of the occupational leases, thus preventing any immediate viability. Following a comprehensive marketing campaign, the Fund agreed terms to sell the property to a residential developer for c£4.0m, which reflects a headline net initial yield 10.0% and a capital value of £149 psf. Whilst the sale price represents a 12.5% discount to the latest independent valuation, the sale reduces exposure to a structurally challenged part of the South East office sector.

8-9 Lovat Lane, London, EC3

The property comprises 8,068 sq ft of office accommodation which was subject to a refurbishment in 2019. The property is multi let to five tenants with one vacant floor, providing a net passing rent of £285,315 per annum, which reflects a low overall rent of £44.47 per sq. ft. The first floor is vacant. The vacant unit has struggled to let since the previous tenant vacated in July 2022, which is representative of the challenging leasing market post-pandemic. Following a wide marketing campaign, the property was sold in the Allsop auction at a sale price of £4.26m, which reflected a -10.8% discount to the latest valuation, however the sale is consistent with the Fund's wider strategy of reducing exposure to non-core offices which present challenging leasing prospects and heightened obsolescence risk.

Portfolio Sale: Redhill, Guildford, Wokingham

The portfolio comprises three multi-let industrial assets, totalling a combined 189,563 sq ft with 18 units. There are 15 tenants, with 2 vacant units in Redhill, providing an overall vacancy rate of 10.1%. The passing rent across the portfolio reflects an average rate of c£12.54 psf overall, which is c.13% under-rented on a like-for-like basis against a headline ERV of c£14.15 psf overall. The portfolio has a combined WAULT of 5.4 years to expiry and 2.2 years to break. On balance, an exit from these assets was considered to mitigate risk while delivering liquidity. The Fund negotiated terms to sell the assets for a combined price of £34,000,000 which reflects a NIY of 5.2% and a reversionary yield on ERV of 7.3%. Significant due diligence was conducted on the investment market prior to agreeing terms, with the buyer understood to be underwriting off <10% IRRs reflecting a lower cost of capital than much of the market. In addition, the analysis provided by Knight Frank and the Fund's own recent experience regarding voids suggests this return profile will be challenging to achieve. Whilst a sale at this level reflected a 6% discount to the latest independent valuation, it was considered favourable within the context of the Fund seeking to increase its cash liquidity position.

Asset Management Highlights

Units A & B Reevesland Ind Est, Newport

In Q3 2023 the Fund secured a new letting of approximately 170,000 sq ft of industrial accommodation to Owens Group, on a lease of 10 years. The new lease at Reevesland Industrial Estate Newport sees Owens Group expand into the former JoJo Maman Bébé unit of 83,317 sq ft to consolidate their operation as single occupier across the whole site and thereby taking on the full repairing liability for the asset. The Fund engineered an early surrender of Jojo Maman Bebe's lease in order to facilitate the regear to Owens Group. The new letting has delivered an increase to the annual rental income by circa £314,310 p.a. which represents a 55% increase to the previous passing rent, moving the rent on by £1.85psf p.a which at the time heads of terms were agreed was also significantly above the ERV.

Unit 1 Thomas Road, Wooburn Green

Following the expiry of a prior lease where passing rent was £270,000 p.a., the Fund agreed a dilapidations settlement at £575,000. The Fund then undertook a full refurbishment of the unit, including the installation of PV panels, at a total cost of c£2.1m. Prior to completion of the works, the fund agreed terms with a new occupier for a 10-year term. The fund is expected to receive a new headline rent of £489,431 per annum / £15.75 psf + an additional rent from the PV PPA of £22,000 - £24,000 per annum, which is significantly in excess of ERV and represents approximately 89% uplift in rental value when compared with the previous passing rent. It is also important to highlight this refurbishment achieved the highest EPC rating for the Fund of A+ (-62).

The Pod, Nottingham

The Fund completed a comprehensive refurbishment following the departure of the main office tenant at the building, which included the creation of a new office entrance / reception from Fletcher Gate (a prominent and well known street in the City Centre) significantly enhancing accessibility and appeal of the premises. This work was combined within a £2 million refurbishment programme. Improving the building's Energy Performance Certificate (EPC) rating was a priority for the project, which delivered an EPC A rating. This has repositioned the property favourably in what has become a challenging office market. In addition, the Fund's proactive approach led to securing a new tenant for the recently vacated gym, and separate office premises for the lower ground floor / basement level. Negotiations culminated in a landmark agreement with a national leisure brand, Roxy, for their renowned 'Roxy Lanes' concept. This letting secured a new tenant significantly above the previous passing rent and ERV, and also involved expanding the space to incorporate the lower ground floor offices, resulting in a combined unit of circa 15,000 sq ft.

Bristol student portfolio

The Fund completed the refurbishment and letting of 10 separate student accommodation buildings in Bristol. The project increased the number of lettable bedrooms from 172 beds to 186 beds across the portfolio. Due to build cost inflation pressures ,the initial refurbishment budget of circa £2.4 million has increased to circa £3.2 million; however, with the additional expenditure the Fund was able to improve the specification of the final product as well as the number of units. These improvements have enabled the Fund to increase the rents significantly with the additional income outweighing any additional cost to the Fund. The forecasted / achieved rents have increased from an initial pre-refurbishment estimated net rent of £569,307 p.a. to a net rent of £1,279,724 p.a. post refurbishment. (Please note the smallest asset in the portfolio which only comprises 6 beds has subsequently been sold off by the Fund. Therefore, the post refurbishment rent does not include the income from these units whereas the pre-refurbishment income does).

Parchment House, 13 Northborough Street, London

The Fund delivered a CAT A + Fully Fitted refurbished office specification on the 4th floor vacant suite at a cost of c.£300,000. The space has been marketed for c.9 months in a competitive and challenging local market. Upon letting, the suite is anticipated to achieve a headline rent of c.£160,000 per annum / £70.00 psf. At present, the Fund is negotiating with a potential occupier following receipt of an offer which reflects a headline c.£65.00 psf.

4-5 Bedford Square, London

The fund has engaged with the representatives for the British Museum, who are the freeholders for the site, making an offer of £157,000 representing a 50% split in the marriage value for the lease extension. To date we have not received a counter proposal from their representatives so have been left with no option but to further increase our offer to £207,000, again this represents a 50% split in marriage value but with some yield adjustments. Should the lack on engagement continue it is proposed to go direct to the British Museum in order to reach an agreement for the LLH extension.

Three Lakes Retail Park, Selby

An Agreement for Lease has been signed with M&S at Three Lakes Retail Park, Selby which will serve as their flagship food store in the town. Following the landlord works, M&S will take a 10-year lease with an annual rent roll of £373,168 per annum. M&S are considered a significant draw for other occupiers, and in anticipation of M&S committing to the park, the Fund has secured proposed terms with both Pure Gym and Iceland (Food Warehouse). Completion of the three transactions together will generate an anticipated profit on capital invested of c.32.7%.

Warwick House, London

Warwick House, located in Victoria has undergone a comprehensive refurbishment on two floors within the building. One floor has been fully-fitted out and the other floor was refurbished to a traditional CAT A condition. Following the refurbishment, the Fund is anticipating a rental uplift of c.20%. The office building received an EPC B and has an Active Score and Wired Score certificate. The building is currently being marketed with good traction from a range of occupiers.

Unit A Hadrian, Newcastle

The Fund agreed a 10-year lease renewal with Freudenberg Sealing Technologies at a passing rent of c.£425,000 which reflects a 61% uplift on the previous passing rent.

Financial Performance

As Investment Advisor to the Fund, Columbia Threadneedle Investments follows a longstanding consistent investment approach to deliver long term financial outperformance against the Fund's Benchmark (MSCI/AREF UK All Balanced Property Fund Index) centred around stock picking assets offering a high sustainable income yield which can be proactively asset managed to increase capital value and improve rental growth potential. This approach is reflected in the income yield advantage the Fund offers over its Benchmark.

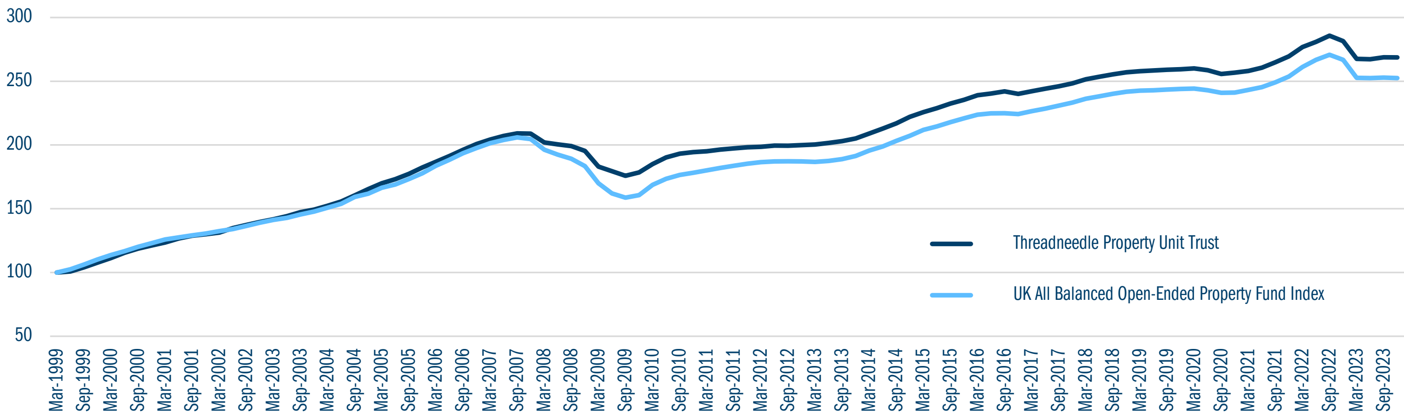
The financial performance for the year ending 31 March 2024 reflects the challenging macro-economic environment, with absolute total returns broadly neutral at +0.5% with negative capital value declines offset by income. The Fund outperformed its benchmark by +1.2% in the year to 31 March 2024, and continues to outperform on a 5, 10, and 15 year basis (see charts overleaf).

Relative income yields

	Fund %	Benchmark %	Relative %
Net Initial Yield	6.2	5.4	+0.8
Equivalent Yield	8.1	7.1	+1.0
Distribution Yield	5.7	4.2	+1.5

The Fund's total returns continue to be supported by a high relative distribution yield of 5.7%, c.35% above the benchmark level of 4.2% as of 31 March 2024.

Past performance is not a reliable guide of future results.



Total return (Net of fees)	1 Year %	3 Years %	5 Years %	10 Years %	15 Years %
Threadneedle Property Unit Trust	+0.5	+1.8	+1.5	+5.4	+5.8
MSCI / AREF UK QPFI	-0.7	+1.5	+1.4	+5.2	+5.9
Relative Performance	+1.2	+0.3	+0.1	+0.2	-0.1

Past performance is not a reliable guide of future results.

Sector Performance

The Fund's Benchmark does not report returns at sector level, therefore the following sector analysis is illustrative against the MSCI UK All Property Monthly Index as at 31 March 2024.

12 months to	Total Return %			Income Return %			Capital Return %		
31 March 2024	Portfolio	Index	Rel	Portfolio	Index	Rel	Portfolio	Index	Rel
Retail	+1.5	+0.7	+0.8	+7.5	+7.1	+0.4	-5.6	-6.0	+0.4
Office	-7.3	-11.8	+5.1	+9.2	+5.2	+3.8	-15.3	-16.2	+1.1
Industrial	+3.6	+5.4	-1.7	+5.5	+4.8	+0.6	-1.8	-0.5	-2.2
Other	+12.1	+2.2	+9.7	+9.8	+6.1	+3.4	-2.1	-3.7	+6.1
Total	**+1.5**	**-0.3**	**+1.8**	**+7.1**	**+5.6**	**+1.5**	**-5.2**	**-5.6**	**+0.4**

During the 12 months ending 31 March 2024, the Fund's directly held property assets generated relative total returns +1.8% against the broader property market (as represented by the MSCI UK Monthly index). This was achieved through a positive relative income return of +1.5% and positive capital value growth of +0.4%. The fund's retail assets continued to outperform the wider market by +0.8%. Outperformance was also delivered in the office and alternative ("other") sectors relative to market, producing relative total returns of +5.1% and +9.8% respectively. The Fund's industrial portfolio underperformed against the broader market, producing a relative total return of -1.7%, as a result of disproportionate capital appreciation for London and Southeast industrials versus the regional markets where the Fund maintains an over-weight position to (due to the higher income yield advantage). (Source: MSCI, TPUT directly held assets compared to the MSCI UK Monthly Property index).

PORTFOLIO CHARACTERISTICS

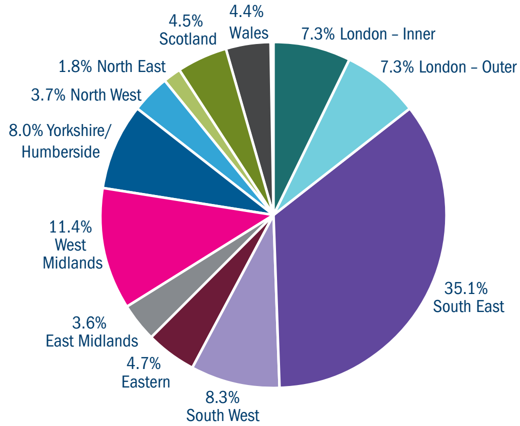
Network House, Leeds

Portfolio Structure

The Fund's property portfolio has been structured to provide highly diversified asset and tenant exposure, with a focus on high relative income yield and pro-active asset management. Columbia Threadneedle Investments apply rigorous stock picking analysis to property investment decision making, such that all potential acquisitions are analysed on a case-by-case basis. This 'bottom up' investment approach does not easily lend itself to strategic sector or geographic positioning, as we believe that in an imperfect property market, benign index tracking and a narrow sector focus can result in failure to capitalise on opportunistic acquisitions of mispriced investment opportunities.

Notwithstanding adherence to this investment philosophy, the portfolio is dynamically weighted to reflect the Investment Advisor's views on prevailing market conditions at sector and geographical levels.

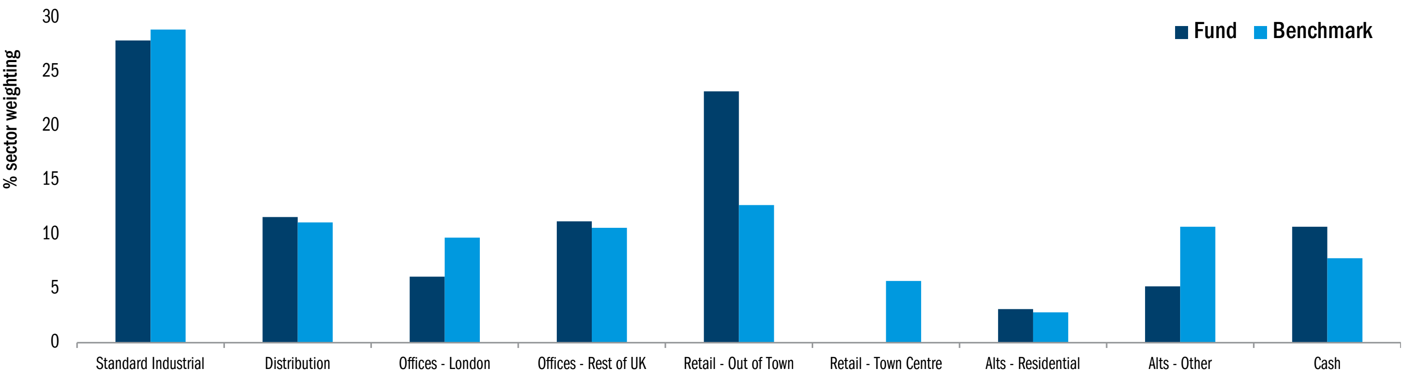
Property Portfolio Geographic Weightings



A significant volume of asset sales over the past twelve months has enabled the Fund to take a higher conviction sector positioning, while still maintaining high relative levels of diversification, reflected as follows:

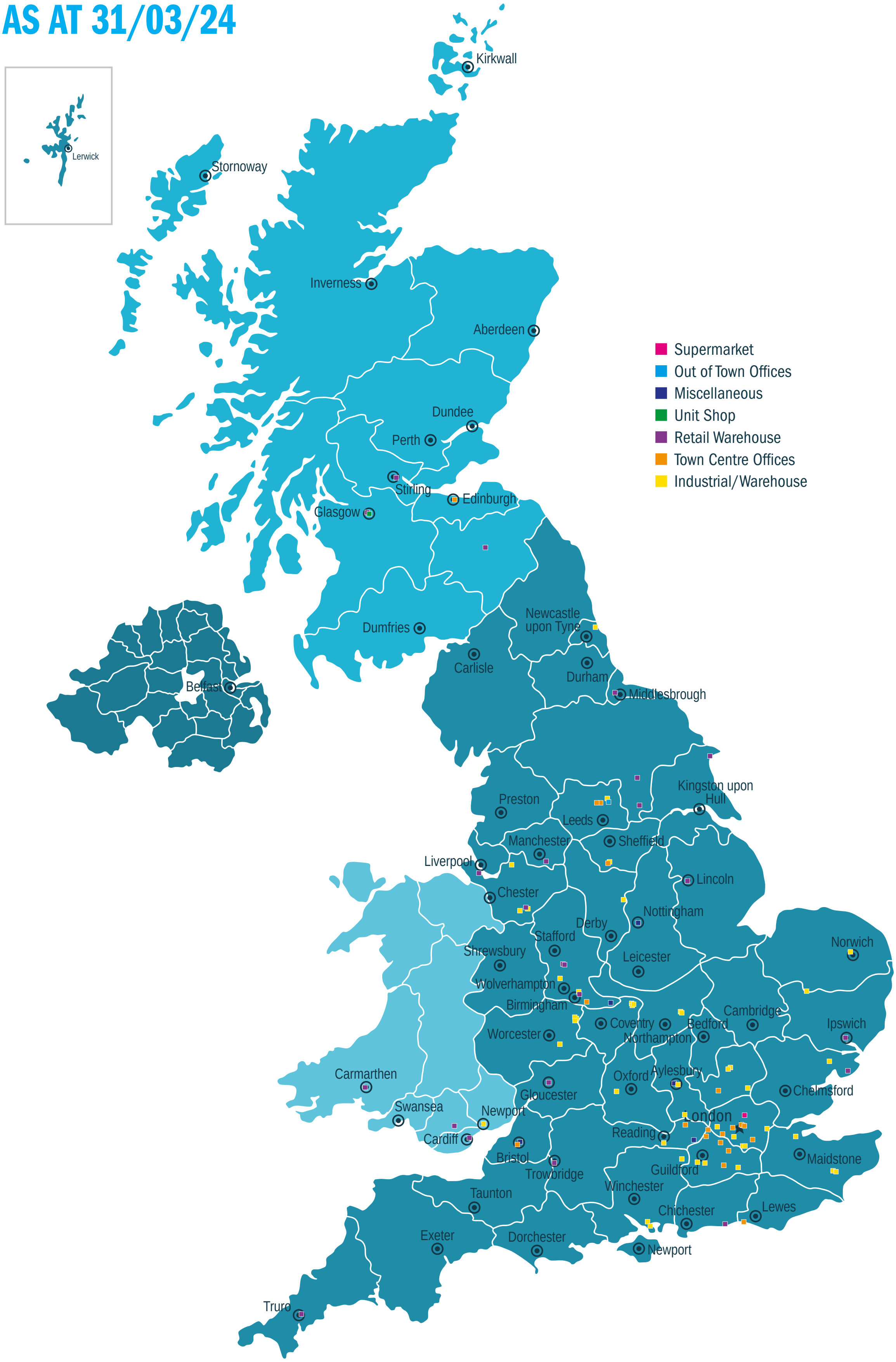
- Overweight Industrial (favour 'mid box' and estates) – the Fund retains a positive absolute and relative weighting to the industrial sector, specifically favouring mid box logistics and multi-let industrial estates and parks, which offer a greater degree of diversification than 'big box' warehouses. The sector continues to benefit from well documented favourable supply and demand dynamics within the occupational market and the portfolio's overweight is anticipated to be accretive to total returns moving forward
- Overweight Retail Warehousing (favour 'discount') – the Fund maintains a longstanding overweight position to retail warehouse parks. The Fund's assets in this sector are typically convenience / discount- led schemes let at low rents to tenants known to trade well. The Fund continues to believe in the long-term occupational viability of these schemes, which offer an attractive income yield because of capital value declines experienced over the past year. This format continues to appeal to occupiers as part of hybrid online/ in-store 'click and collect' strategies, which have the effect of incorporating these warehouse buildings as part of the operator's distribution channel
- Underweight 'in town' Retail (dislike) – the Fund has eliminated its exposure to the structurally challenged high street retail sector and has zero allocation to Shopping Centres.
- Underweight Offices (favour 'urban') – while we continue to believe in the long-term viability of the office sector, we recognise the fact that changing dynamics will create winners and losers, as occupiers prioritise "best in class" accommodation as well as ESG and wellness factors. Over the past 12-months we have prioritised sales of assets which we do not consider well positioned to deliver performance in this environment, and as a consequence of this stock selection, the portfolio has concentrated around a lower number of high quality 'urban offices' which we believe will continue to serve the needs of occupiers over the medium term
- Underweight 'Other' (favour 'living') – the Fund maintains its relative underweight position to the leisure, hotel, student housing and other Miscellaneous sectors. The Fund recognises the diversification and potential performance of the 'Living' sectors, especially student accommodation, and will review purchasing opportunities dependent on available capital for investment, as well as looking to undertake viable conversions on existing assets.

Fund Sector Weightings



(Benchmark is MSCI / AREF QPFI All Balanced Property Fund Index)

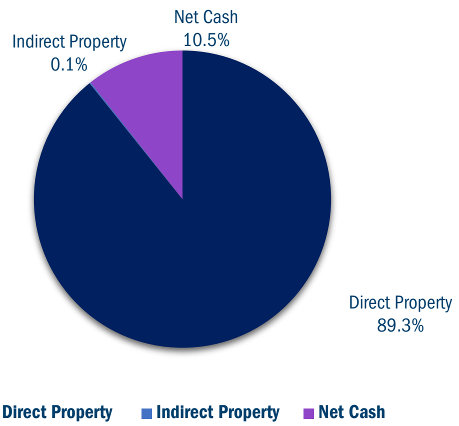
GEOGRAPHICAL DISTRIBUTION OF ASSETS
AS AT 31/03/24



Fund composition

Portfolio makeup

Direct Property Exposure	£813.0m
Indirect Property Exposure	£1.3m (cash)
Capital Cash	£96.7m
Number of properties	98
Average lot size	£8.3m
Total number of tenancies	465



The Fund's principal holdings continue to be directly held property assets, which account for 89.3% of its assets.

The Fund continues to hold a small indirect exposure to the Threadneedle Carbon Neutral RE Trust ("TCNRET") (accounting for 0.1% of the Fund's assets) which has now sold all of the property assets and is in the process of distributing capital back to investors.

The Fund maintains a robust liquidity position with capital cash of £96.7m equivalent to 10.7% of NAV (AREF methodology). We continue to monitor liquidity closely to protect the Fund against any residual market volatility, and to exploit buying opportunities as they arise.

The Fund continues to benefit from a high degree of asset and tenant diversification, with the top ten holdings and tenants accounting for 26.0% and 23.4% of capital value and passing rent respectively (31 March 2023 = 21.4% and 20.9% respectively).

Top 10 largest direct property holdings

Property	Sector	Valuation Range (£m)	% of value*
Croydon, 19 Commerce Way	Industrial / Warehouse	25-50	5.0
Spitfire Retail Park	Retail Warehouse	25-50	3.3
London W1, 46 Foley Street	Town Centre Offices	10-25	2.8
Hampton, Kempton Gate	Industrial / Warehouse	10-25	2.3
York, Foss Islands Retail Park	Retail Warehouse	10-25	2.2
High Wycombe, Stirling Road	Industrial / Warehouse	10-25	2.1
Cardiff, Newport Road	Retail Warehouse	10-25	2.1
Coventry, Skydome	Miscellaneous	10-25	2.0
Selby, Three Lakes Retail Park	Retail Warehouse	10-25	2.0
Rugby, Swift Point	Industrial / Warehouse	10-25	2.0

* Property Valuation as % of Fund's directly held property assets

Top 10 largest tenants

Tenant	% of rent passing
B&M European Value Retail S.A.	4.3
TESCO PLC	2.8
CURRYS PLC	2.7
WICKES GROUP PLC	2.5
NORTON GROUP HOLDINGS LIMITED	2.1
TEMPUR SEALY INTERNATIONAL INC.	2.1
AMC ENTERTAINMENT HOLDINGS INC	1.9
PETS AT HOME HOLDINGS LIMITED	1.8
ENVY POST PRODUCTION LIMITED	1.6
MATALAN, RETAIL LIMITED	1.6

TPUT Property Portfolio Summary

Retail Warehouse

Between £20 million and £30 million		
Town	**Address**	**Region**
TROWBRIDGE	Spitfire & Trowbridge Retail Park	South West

Between £15 million and £20 million		
Town	**Address**	**Region**
YORK	Foss Islands Retail Park	Yorkshire & Humberside
CARDIFF	Newport Road & Seager Retail Park	Wales
SELBY	Three Lakes Retail Park	North East

Less than £10 million		
Town	**Address**	**Region**
BRIDLINGTON	Bessingby Road	North East
CANNOCK	Wickes	Midlands
LINCOLN	Lincoln West Retail Park	East Midlands
STOCKTON	Wickes Retail Warehouse	North West
STOCKPORT	Didsbury Road	North West
CARMARTHEN	Towy Retail Park	Wales
GLASGOW	Anniesland Retail Park	Scotland
WORTHING	Pages Corner Retail Park	Rest of South East
BOSTON	West Street Retail Park	East Midlands
GLOUCESTER	Eastern Avenue Retail Park	South West
BIRMINGHAM	Heybarnes Retail Park	West Midlands
CANNOCK	Chase Retail Park	Midlands
CREWE	Vernon Way Retail Park	North West
IPSWICH	Orwell Retail Park	East Anglia
TRURO	Newquay Road Retail Park	South West
LEYTON	Aldi	London Outer
BRISTOL	Channons Hill Retail Park	South West
STIRLING	Wickes Unit	Scotland
GALASHIELS	Gala Water Retail Park	Scotland
CLACTON-ON-SEA	The Range	South East
BROMBOROUGH	Tebay Retail Park	North West
PONTYPRIDD	Midway Retail Park, Pontypridd	Wales

Offices

Between £20 million and £30 million

Town	Address	Region
LONDON	46 - 48 Foley Street	London WE

Between £15 million and £20 million

Town	Address	Region
LONDON	Warwick House	London WE

Between £10 million and £15 million

Town	Address	Region
LONDON	Parchment House	London City
LONDON	Avon House, Avonmore Road	West End
EDINBURGH	1-6 Atholl Crescent	Scotland
ST ALBANS	Abbey View, Griffiths Way	South East

Less than £10 million

Town	Address	Region
LEEDS	2150 Thorpe Park	North East
WEYBRIDGE	Churchfield House	South East
REDHILL	Redcentral	South East
WIMBLEDON	KFH House	London Outer
BROMLEY	Royal Court	South
LEEDS	Elizabeth House	North East
LONDON	Bedford Chambers	I - Mid-Town
SOLIHULL	Dominion Court	West Midlands
BRISTOL	Freshford House & WCA House	South West
SHEFFIELD	Office 1, The Square	Yorkshire & Humberside
BRIGHTON	Queensbury House	South
WATFORD	ACI House 55/57 Clarendon Road	South East

Industrial

More than £25 million

Town	Address	Region
CROYDON	Commerce Park	South East

Between £15 million and £20 million

Town	Address	Region
HIGH WYCOMBE	Cressex Industrial Estate	South East
RUGBY	Swift Point	East Midlands
HAMPTON	Kempton Gate	South East

Between £10 million and £15 million

Town	Address	Region
CRAYFORD	Bourne Industrial Park	South East
REDDITCH	Washford Industrial Estate	West Midlands
NORTH TYNESIDE	Units A,B&C, Hadrian Ind Park	North West
THETFORD	Burrell Way Trading Estate	East Anglia
SOUTH NORMANTON	Units 1&2 Fulwood 28	East Midlands
ROCHESTER	Booker Cash & Carry	South East
WEDNESBURY	Dreams Unit, Brittania Park	West Midlands
NEWPORT	Units A & B Reevesland Ind Est	Wales
ASHFORD	Axiom	South East
LETCHWORTH	Fourth Dimension	South East
RUGBY	IO Centre	East Midlands

Less than £10 million

Town	Address	Region
WANDSWORTH	Unit 2	Greater London
WOOBURN GREEN	Avery Dennison Unit	South East
SHEFFIELD	President Way	Yorks & Humberside
HODDESDON	Bespoke UK Logistics Ltd	South East
FAREHAM	Unit 5E	South
WIDNES	Units 1/4 Speke Approach	North West
WELLINGBOROUGH	Baird Court	East Midlands
FAREHAM	Units 1-7 Solent Gate	South
STEVENAGE	Aspect One	South East
LEEDS	Network House	North East
WOLVERHAMPTON	Parkside Industrial Estate	Midlands
LEEDS	Ravens Park	North East
WOLVERHAMPTON	Air Space	Midlands
ASHFORD	Orbital One	South East
GUILDFORD	Bridge Park	South East
NORWICH	Frenbury Industrial Estate	East Anglia
WITNEY	Witney Industrial Estate	South East
COLCHESTER	Gilberd Court	South
WORCESTER	Crucible Business Park	West Midlands
WELLINGBOROUGH	Faraday Court	East Midlands
CREWE	Units 4-10 & 13 Orion Park Crewe	North West

Miscellaneous

Between £15 million and £20 million		
Town	**Address**	**Region**
COVENTRY	Skydome, Croft Road	East Midlands

Between £10 million and £15 million		
Town	**Address**	**Region**
ASCOT	39-51 High Street	South East
NOTTINGHAM	The Pod, Fletcher Gate	East Midlands

Less than £10 million		
Town	**Address**	**Region**
AYLESBURY	The Exchange, Exchange Street	South East
BRISTOL	39 Park Street	South West
BRISTOL	18 Portland Street	South West
BRISTOL	73 & 75 Queens Road	South West
BRISTOL	76-82 Whiteladies Road	South West
BRISTOL	61-63 Queens Road	South West
BRISTOL	56-60 Whiteladies Road	South West
BRISTOL	37-39 Baldwin Street	South West
BRISTOL	6-12 St Nicholas Street	South West
BRISTOL	11-13 Gloucester Road	South West
LEEDS	2 St Peters Square	North East
GLASGOW	Sauchiehall Street	Scotland

FINANCIAL STATEMENTS

Spitfire Retail Park, Trowbridge

Statement of the Manager's Responsibilities in Respect of the Annual Report and Financial Statements of the Trust

Under the terms of the Trust Deed, Threadneedle Investments (Channel Islands) Limited (the "Manager") is required to prepare financial statements for each annual accounting period, which give a true and fair view of the financial position of the Trust and income and expenditure due to Unitholders for the year. In preparing those financial statements, the Manager is required to select suitable accounting policies and apply them consistently, follow United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law) and keep proper accounting records which enable them to demonstrate that the financial statements as prepared comply with the aforementioned requirements.

The Manager is also required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue its business.

The Directors of the Manager confirm that they have complied with the above requirements throughout the year and when preparing the financial statements.

The Manager is responsible for the management and administration of the underlying property of the Trust in accordance with the Trust Deed. As far as the Manager is aware, there is no relevant audit information of which the Trust's auditors are unaware. The Manager has taken appropriate steps to ensure it is aware of such relevant information and the Trust's auditors are aware of such information.

The Trust continues to value its investment property based on unadjusted fair values provided by professional, third party, independent Chartered Surveyors (see note 12).

Kevin Mundy, ACIS
Director
Threadneedle Investments (Channel Islands) Limited
19 June 2024

Statement of the Trustees' Responsibilities in Respect of the Trust

BNP Paribas Depositary Services Limited and BNP Paribas Depositary Services (Jersey) Limited (the "Trustees") have a duty to take in to custody and hold the underlying assets of the Trust for the Unitholders and to ensure that in all material respects the Manager has managed the Trust in accordance with the provisions of the Trust Deed, including the preparation of the financial statements. The Trustees may enquire into the conduct of the Manager in the management of the Trust.

Report of the Trustees to the Unitholders of the Trust

The Trustees have enquired in to the conduct of the Directors of the Manager of the Trust during the year to 31 March 2024.

In the Trustees' opinion, the Directors of the Manager have managed the Trust in accordance with the limitations imposed on the investment and borrowing powers of the Trust by the Trust Deed, the current Prospectus of the Trust and all Orders for the time being in force under Article 10 of the Collective Investment Funds (Jersey) Law, 1988.

BNP Paribas Depositary Services Limited & BNP Paribas Depositary Services (Jersey) Limited
19 June 2024

Manager's Report

The Manager presents the Financial Statements of the Trust for the year ended 31 March 2024.

During the year, 83,712.676 units were issued and 541,037.503 units were redeemed. There were 3,471,082.557 units in issue at 31 March 2024. The net effect of the above transactions was a decrease in the year by 457,324.827 units. The net asset value of the Trust as at 31 March 2023 was £880,831,348.66 (2023: £1,045,655,767). The gross income distributable, after expenses, amounted to £53,180,699 (2023: £60,203,576) equivalent to an average of £14.27 (2023: £12.94) per unit.

Differing levels of management charges are applicable dependent upon the type of Unitholder. The Trust utilises different unit classes to denominate the appropriate management charge and therefore the distribution rates applicable (see note 9). These unit classes do not affect the rights of the Unitholder or the capital value of the underlying investment.

A summary income and expenditure and distribution statement for the year ended 31 March 2024 is set out below:

	Note	£000s
Total income (including interest income)		60,621
Expenditure (recoverable by deduction from Unitholders)		
Other expenditure		(6,555)
Tax withheld on distributions		(885)
Net income		**53,181**
Appropriated as follows:		
Distributed 20 July 2023	17	14,119
Distributed 20 October 2023	17	13,269
Distributed 20 January 2024	17	14,103
To be distributed April 2024	18	11,690
Total distributions		**53,181**

By order of the Manager

Kevin Mundy, ACIS
Director
Threadneedle Investments (Channel Islands) Limited
19 June 2024

Independent auditors’ report to the unitholders of Threadneedle Property Unit Trust

Report on the audit of the financial statements

Opinion

In our opinion, Threadneedle Property Unit Trust’s financial statements:

- give a true and fair view of the state of the trust’s affairs as at 31 March 2024 and of its loss and cash flows for the year then ended; and
- have been properly prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”.

We have audited the financial statements, included within the Annual Report and Financial Statements (the “Annual Report”), which comprise: the Balance Sheet as at 31 March 2024; the Statement of Comprehensive Income, the Statement of Changes in Net Assets Attributable to Unitholders, and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors’ responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the trust’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees and the manager’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the trust’s ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustees and the manager with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors’ report thereon. The trustees and the manager are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees and the manager for the financial statements

As explained more fully in the Statement of the Manager's Responsibilities in Respect of the Annual Report and Financial Statements of the Trust, the trustees and the manager are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees and the manager are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees and the manager are responsible for assessing the trust’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees and the manager either intend to liquidate the trust or to cease operations, or have no realistic alternative but to do so.

Auditors’ responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the trust and industry, we identified that the principal risks of non-compliance with laws and regulations related to non-compliance with the Trust Deed, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Challenging assumptions and judgements made by management in their significant accounting estimates and judgements, in particular in relation to the valuation of investment properties;

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;

- Reviewing relevant meeting minutes, including those of the manager and trustees;

- Identifying and testing journal entries, in particular any journals posted in unexpected account combinations against revenue or journals posted by unexpected users; and

- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the trust's unitholders as a body in accordance with the Trust Deed in accordance with our engagement letter dated 14 June 2024 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the trust, save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
London
19 June 2024

Statement of Comprehensive Income for the Year Ended 31 March 2024

	Note	2024 £000s	2023 £000s
Property income	6	75,571	87,551
Net income arising from investment in Threadneedle Carbon Neutral RE Trust		327	991
Gross income		**75,898**	**88,542**
Property expenses	7	(18,209)	(19,468)
Total income		**57,689**	**69,074**
Trust level expenses:			
Management fees	9	(5,799)	(8,499)
Trustees' fees	9	(248)	(295)
General expenses		(381)	(286)
Audit fees		(70)	(69)
Valuation fees		(275)	(394)
Bank charges		(31)	(46)
Total expenses		**(6,804)**	**(9,589)**
Interest income	11	3,181	1,325
Total interest income		**3,181**	**1,325**
Net loss on investment properties	8a	(45,702)	(272,817)
Net loss on investment in Threadneedle Carbon Neutral RE Trust	8b	(3,427)	(7,972)
Total comprehensive income/(loss) before finance costs and taxation		**4,937**	**(219,979)**
Finance costs – income distributions paid	17	(41,491)	(45,546)
Finance costs – income distributions payable	18	(11,690)	(14,658)
Tax withheld on distributions	5	(885)	(607)
Decrease in net assets attributable to Unitholders		**(49,129)**	**(280,790)**

Statement of Changes in Net Assets Attributable to Unitholders for the Year Ended 31 March 2024

	Note	2024 £000s	2023 £000s
Opening net assets attributable to Unitholders at 1 April 2023 / 1 April 2022 comprising 3,928,407.384 units (1 April 2022: 4,854,080.463 units)		1,045,656	1,574,828
Issue of 83,712.676 units (2023: 95,651.628 units)		22,986	29,589
Redemption of 541,037.503 units (2023: 1,021,324.707 units)		(138,682)	(277,971)
		929,960	**1,326,446**
Decrease in net assets attributable to Unitholders		(49,129)	(280,790)
Closing net assets attributable to Unitholders at 31 March 2024 / 31 March 2023 comprising 3,471,082.557 units (31 March 2023: 3,928,407.384 units)	19	**880,831**	**1,045,656**

All amounts above are in respect of continuing operations.
The notes and accounting policies on pages 46 to 54 form part of these financial statements.

Balance Sheet as at 31 March 2024

	Note	2024 £000s	2023 £000s
Non-current assets			
Investment Properties			
Freehold	12	660,135	823,943
Leasehold	12	139,082	167,978
Mixed	12	3,662	2,281
		802,879	**994,202**
Investment in Threadneedle Carbon Neutral RE Trust		-	18,191
Lease incentives receivable in more than one year		9,208	10,758
		812,087	**1,023,151**
Current assets			
Investment in Threadneedle Carbon Neutral RE Trust	8b	1,246	-
Debtors	14	13,881	14,094
Lease incentives receivable within one year	12	4,930	4,072
Cash at bank		122,192	93,961
		142,249	**112,127**
Creditors: amounts falling due within one year			
Income tax payable		(241)	(131)
Creditors	15	(61,574)	(74,833)
Finance costs: amounts due to Unitholders	18	(11,690)	(14,658)
		(73,505)	**(89,622)**
Net assets attributable to Unitholders		**880,831**	**1,045,656**

The notes and accounting policies on pages 46 to 54 form part of these financial statements.

The financial statements were approved by the Manager on 19 June 2024 and signed on its behalf by:

Kevin Mundy, ACIS
Director
Threadneedle Investments (Channel Islands) Limited
19 June 2024

Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024		2023	
		£000s	£000s	£000s	£000s
Net cash flow from operating activities	22	44,706		61,028	
Net cash generated from operating activities			**44,706**		**61,028**
Cash flow from investing activities					
Purchases of investment properties	12	(2,933)		(9,579)	
Capital expenditure		(13,686)		(15,067)	
Proceeds from sale of properties	8a	162,129		190,293	
Capital proceeds from Threadneedle Carbon Neutral RE Trust		14,161		-	
Interest received	11	3,181		1,325	
Net cash received from investing activities			**162,852**		**166,972**
Cash flow from financing activities					
Income distributions paid to Unitholders	17,18	(56,149)		(58,219)	
Taxation paid		(775)		(607)	
Issue of units		28,986		21,588	
Redemption of units		(151,389)		(233,206)	
Net cash used in financing activities			**(179,327)**		**(270,444)**
Net increase / (decrease) in cash and cash equivalents			**28,231**		**(42,444)**
Cash and cash equivalents at the beginning of the year			**93,961**		**136,405**
Cash and cash equivalents at the end of the year			**122,192**		**93,961**
Cash and cash equivalents consist of:					
Cash at bank			122,192		93,961
Cash and cash equivalents			**122,192**		**93,961**

The notes and accounting policies on pages 46 to 54 form part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 March 2024

1 General Information

The Trust is an unclassified open-ended Unit Trust originally established under English law by a Trust Deed dated 15 June 1967 under the name Molins Property Unit Trust. The Trust subsequently changed its name, first to Sackville Property Unit Trust and then to Threadneedle Property Unit Trust, and is now governed by a seventh amended and restated Trust Instrument under Jersey law dated 23 March 2023 (as may be amended from time to time) made between the Manager and the Trustees (the "Trust Deed"). The nature of the rights represented by Units in the Trust is that of a beneficial interest under a trust. The Unitholders have a right to the income of the Trust as and when it arises. The Trust is an Alternative Investment Fund ("AIF") under the Alternative Investment Fund Managers Directive ("AIFMD").

2 Statement of Compliance

The financial statements of Threadneedle Property Unit Trust have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and in accordance with the Trust Deed above.

3 Summary of Significant Accounting Policies

The principle accounting policies applied in the preparation of the financial statements are set out below. The Trust has adopted FRS 102 in these financial statements. The principle accounting policies which have been applied consistently throughout the year are set out below.

Basis of Preparation

These financial statements have been prepared on a going concern basis in accordance with United Kingdom Accounting Standards, including FRS 102, and the Trust Deed in accordance with the historical cost convention as modified by the revaluation of investment properties at fair value through profit or loss after the deduction of unamortised lease incentives at the year end, and by the valuation of financial assets and liabilities at fair value through profit and loss.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Trust's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

As at 31 March 2024, the Trust held 98 investment properties (2023: 123 investment properties) across the Office, Industrial and Retail sectors at a combined valuation of £813.1m (2023: £1,004.9m). The valuation of the investment properties will consider many factors including current and reversionary income streams.

The payments received from tenants within 28 days of the billing due date totalled 98.1% for the March 2024 quarter in comparison to 95.7% for the December 2023 quarter. Overall, collection rates for the last four quarters average 99.2%. The position of the Trust is broadly the same as that experienced across the whole of Columbia Threadneedle Investments ("CTI") UK Real Estate business and the wider market.

The Trust held cash of £122.2m at 31 March 2024 (£94.0m at 31 March 2023) with balances held in accounts with BNP Paribas S.A. Jersey Branch ("BNP Paribas") and Lloyds Banking Group PLC ("Lloyds"). BNP Paribas has a Moody's credit rating of Aa3 and Lloyds holds a Moody's credit rating of A3 as of February 2024 and October 2023 respectively, providing "Upper medium grade" ratings suggesting a lower credit risk for existing cash holdings.

The Trust has no debt to service over the next 12 months.

Due to the diversified nature of its investment portfolio and existing cash holdings, the directors have a reasonable expectation that the entity has adequate resources to continue in operational existence for the foreseeable future. The entity therefore continues to adopt the going concern basis in preparing its financial statements.

Revenue Recognition

Property income consists principally of rental income receivable from tenants in the year and is recognised on an accruals basis. Rental income received in advance is deferred and recognised in the period to which it relates.

Leases which contain incentives for entering lease arrangements are spread evenly over the lease term, even if payments are not made on that basis. The valuation of the investment properties is reduced by the total of the unamortised lease incentive. The resulting asset is reflected as a receivable in the Balance Sheet. Any remaining lease incentives in respect of property disposals are included in the calculation of the gain or loss arising at disposal.

The Trust has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS 102 (1 April 2014) and continue to recognise such lease incentives in the Statement of Comprehensive Income over the shorter of the lease period or the period to when the rental was set to a fair market rent.

Cost of Sales

Expenditure is accounted for on an accruals basis. Service charge revenue and service charge expenditure attributable to tenants are accounted for within property income and property expenses respectively and are recognised on an accruals basis. Service charge void costs attributable to the Trust are included in property expenses.

Trust Level Expenses

Administrative expenses consist of costs associated with general administration of the Trust and are recognised on an accruals basis.

Interest Income

Interest income is recognised on an accruals basis.

Taxation

The Trust is resident in Jersey for tax purposes. The Trust is not a resident in the UK for capital gains tax purposes. Non-UK residents, including unit trusts such as the Trust, are generally subject to UK tax on capital gains from 6 April 2019 arising on a disposal of UK immovable property. However, the Trust has made an election for exemption for offshore collective investment vehicles. Pursuant to the election, the Trust will be exempt from UK corporation tax on capital gains on disposals of UK immovable property, provided that it continues to meet the conditions for exemption (including reporting details about investors and Unit disposals to HM Revenue & Customs). The income of the Trust belongs directly to Unitholders and is paid gross to Unitholders whose usual place of abode in the UK and other persons who have received authority from HM

Revenue & Customs to receive rent gross. Tax is deducted at source (at the basic rate, currently 20% (2023: 20%)) from rental profit paid to Unitholders whose usual place of abode is not the UK and who have not received authority to receive rent gross. UK interest is paid net of UK income tax at the basic rate unless it is received gross of tax in which case it is paid gross to the Unitholders.

Exempt Unitholders are entitled to reclaim any income tax deducted at source. Other Unitholders may be able to reclaim income tax deducted at source if and to the extent that it exceeds their UK tax liability on income.

The Trust is an 'offshore fund' for UK tax purposes. In certain circumstances, UK tax regulations treat chargeable gains made on disposal of an interest in an offshore fund as if the gains were income for UK tax purposes. This treatment generally does not apply to disposals of interests in reporting funds. However, the Manager has not applied for reporting fund status for the Trust on the basis that the Trust is a transparent fund within the meaning of Regulation 11 of Part One of the Offshore Funds (Tax) Regulation 2009. As such, the income treatment referred to above will not apply, provided that the Trust continues to be a transparent fund, the Trust does not hold interests in non-reporting funds which amount in total to more than 5% by value of its assets and the Trust makes sufficient information available to Unitholders to enable them to meet their UK tax obligations in respect of their units.

Investment Properties

Property that is held for long-term rental income or for capital appreciation or both, and that is not occupied by the Trust, is classified as investment property and accounted for in accordance with FRS 102 Section 16.

Investment property is measured initially at cost, including related transaction costs, on the date of acquisition or the date of unconditional exchange, if earlier. After initial recognition, investment property is carried at fair value, after the deduction of unamortised lease incentives. Revaluation gains and losses are recognised in the Statement of Comprehensive Income.

Valuations are performed by CBRE Limited and, when there is a potential conflict of interest, also by Jones Lang LaSalle Limited ("JLL Limited") who are professional, third party, independent chartered surveyors, at the year-end in accordance with RICS Appraisal and Valuation Standards. Both valuers hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. Fair value is based on active market information, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, alternative valuation methods are used, such as recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices, or discounted cash flow projections.

Disposals of investment property are recognised on legal completion of contracts. Realised gains and losses are recognised in the Statement of Comprehensive Income.

Financial Instruments

The Trust has chosen to adopt Section 11 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price and subsequently measured at amortised cost, using the effective interest rate method. Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Basic financial liabilities are initially recognised at transaction price and subsequently measured at amortised cost, using the effective interest rate method.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost less provision for impairments. An allowance for impairment of trade and other receivables is established if the collection of a receivable becomes doubtful.

Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of the business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Investments

The interest of the Trust in its investment in TCNRET is stated in the Balance Sheet at fair value. Initial recognition is measured at cost, based upon the cost of the original investment in TCNRET on the date of acquisition. Any subsequent investment or divestment is measured at cost. After initial recognition, the Trust's investment in TCNRET is carried at fair value with revaluation gains and losses recognised in the Statement of Comprehensive Income. TCNRET has now sold all of its property assets and is in the process of distributing capital back to investors.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within current liabilities.

Distributions to Unitholders

With respect to distributions, all income is distributed to Unitholders after expenses and payment of tax, where applicable. Distributions are classified as finance costs and are accounted for on an accruals basis.

Related Party Transactions

The Trust discloses transactions with related parties if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Financing Leases

Assets held under finance leases, which transfer to the Trust as lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease with a corresponding liability being recognised for the fair value if the leased asset or, if higher, the present value of the minimum lease payments.

4 Critical Accounting Judgements and Estimation Uncertainty

Critical accounting estimates and assumptions

Management makes estimates and assumptions concerning the future based on historical experience and adjusted for current market conditions and other factors. The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

Investment Property

The principal assumptions underlying the estimation of fair value of investment properties are those related to the receipt of contractual rental, expected future market rentals, void periods lease incentives, maintenance requirements and appropriate yields/discount rates. These valuations are regularly compared to actual market yield data and actual transactions by the Trust and those reported by the market. The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

There are inter-relationships between these inputs as they are determined by market conditions. The existence of an increase in more than one input would be to magnify the impact on the valuation. The impact on the valuation will be mitigated by the inter-relationship of two inputs in opposite directions, e.g. an increase in rent may be offset by an increase in yield.

Capital value movements by asset class are a key driver of net assets attributable to unitholders. Management considers a change in capital value of up to +/- 5% to be reasonably possible based on market conditions. A sensitivity analysis showing the impact on valuations for changes in capital values on each asset class based on market conditions is shown below.

TPUT Property Valuations Change Analysis

	Valuation as at	Re-valuation of Properties if values moved by			
	31/03/2024 £	Valuation £ +5%	Change £	Valuation £ -5%	Change £
Retail & Leisure	25,650,000	26,932,500	1,282,500	24,367,500	(1,282,500)
Retail Warehouse	211,430,000	222,001,500	10,571,500	200,858,500	(10,571,500)
Industrial	359,515,000	377,490,750	17,975,750	341,539,250	(17,975,750)
Office	157,875,000	165,768,750	7,893,750	149,981,250	(7,893,750)
Mixed Commercial	58,600,000	61,530,000	2,930,000	55,670,000	(2,930,000)
Total (£)	**813,070,000**	**853,723,500**	**40,653,500**	**772,416,500**	**(40,653,500)**

5 Tax Withheld on Distributions

For the year to 31 March 2024, the Trustees withheld income tax payments to Unitholders amounting to £884,823 (2023: £606,625).

6 Property Income

	2024 £000s	2023 £000s
Rental income	59,334	74,162
Service charge income	8,347	10,529
Other income	7,890	2,860
	75,571	**87,551**

The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	2024 £000s	2023 £000s
No later than 1 year	50,262	60,849
Later than 1 year and no later than 5 years	163,227	190,116
Later than 5 years	121,674	140,334
	335,163	**391,299**

Contingent rents recognised as income were nil in the year (2023: nil).

The Trust leases out its investment property under operating leases to a variety of tenants and over varying periods.

7 Property Expenses

	2024 £000s	2023 £000s
Service charge expense	8,347	10,529
Other property expenses	3,613	3,103
Void property expenses	5,679	5,400
Ground rent payable	570	436
	18,209	**19,468**

The Trust has lease agreements in respect of its investment property for which the payments extend over a number of years. As at 31 March 2024, the future aggregate undiscounted minimum lease payments under non-cancellable finance leases totalled £16,852,840 (2023: £17,095,777) of which £242,274 was due within 1 year (2023: £242,274).

8a Net Loss on Investment Properties

	2024 £000s	2023 £000s
Proceeds from sales of investment properties	162,129	190,293
Total cost of investment properties sold	(132,567)	(236,555)
Realised gain/(loss) on investment properties sold during the year	**29,562**	**(46,262)**
Net loss thereon already recognised in prior periods	(37,339)	(6,271)
Overall loss realised on investment properties during the year	**(7,777)**	**(52,533)**
Net unrealised loss on properties held	(38,618)	(221,770)
Adjustment for value of lease incentives	693	1,486
Net loss on investment properties	**(45,702)**	**(272,817)**

8b Investment in Threadneedle Carbon Neutral RE Trust

	2024 £000s	2023 £000s
At 1 April 2023/2022	18,191	26,163
Reclassification from other Debtors	643	-
Return of Capital	(14,161)	-
Movement in valuation	(3,427)	(7,972)
At 31 March 2024/2023	**1,246**	**18,191**

TCNRET has now sold all of its property assets and is in the process of distributing capital back to investors.

9 Management and Trustees' Fees

Threadneedle Investments (Channel Islands) Limited together with BNP Paribas Depositary Services (Jersey) Limited and BNP Paribas Depositary Services Limited are regarded as the controlling parties by virtue of acting in concert in respect of the operations of the Trust.

Amounts paid to or received from the controlling parties are disclosed in the financial statements and detailed further within this note.

Management Fees

For the year ended 31 March 2024, a total management fee of £5,799,133 (2023: £8,499,178) including irrecoverable VAT of £12,429 (2023: 3,658) was charged to the Trust.

The Trust utilises differing levels of management charges. For Unitholders categorised as charities, UK pension funds or other UK tax exempt holders (Class A units), the fee is 0.68% per annum on gross assets of the Trust up to £200 million. Upon the gross assets rising above £200 million, the management charge (in respect of the increment) reduces to 0.60% per annum.

For Unitholders in all other categories, the charges will be notified to applicants as they subscribe (during the year to 31 March 2024 the following fees applied: 0.75% without trail commission for Unit Class B and 1.25% with trail commission for Unit Class C).

Unit Classes F, G, TSPA, TSPB, TSPC, TSPD and TSPE are not currently available to new investors but they are subject to different management charges.

The Manager is responsible for settling all marketing costs incurred in promoting the Trust and for any managing agents fees other than those payable by tenants in respect of service charges. Insurance commission of £162,457 (2023: £203,106) is retained by the Trust. The Manager is entitled to retain all management fees payable by tenants under service charges and landlords license fees for alterations, assignments and sublettings.

For the year to 31 March 2024, the total management fees including irrecoverable VAT for each unit class are detailed in the table below:

Unit Class	Total Management Fee in the Year £
Class A	3,285,234
Class B	87,781
Class C	1,151
Class F	73,008
Class G	39,374
TSPA	536,355
TSPB	719,191
TSPC	581,800
TSPD	64,262
TSPE	398,548
Irrecoverable VAT	12,429
	5,799,133

The amount due to the Manager at 31 March 2024 was £1,334,880 (2023: £1,709,773).

For the year ended 31 March 2024, the Registrar charged a total fee of £7,500 (2023: £7,500) payable quarterly. The amount due to the Registrar at 31 March 2024 was £1,875 (2023: £1,875).

Trustees' Fees

For the year ended 31 March 2024, the Trustees charged a total fee of £248,426 (2023: £294,900). The amount due to the Trustees at 31 March 2024 was £48,377 (2023: £41,315).

The Trustees are entitled to receive remuneration on such basis as shall, from time to time, be agreed between the Manager and the Trustees. The fees of the Trustees are calculated at 0.039% per annum on the Trust's net assets up to £50 million; 0.03% per annum between £50 million and £250 million; 0.025% per annum between £250 million and £750 million; 0.0125% between £750 million and £1,000 million and 0.011% in excess of £1,000 million, subject to a minimum annual fee of £50,000.

10 Employees and Directors

Employees

The number of persons working for the Trust during the year was nil (2023: nil).

Directors

The number of directors working for the Trust during the year was nil (2023: nil).

11 Interest Income

	2024 £000s	2023 £000s
Bank interest received	3,181	1,325
	3,181	**1,325**

12 Investment Properties

Cost	Freehold £000s	Leasehold £000s	Mixed £000s	Total £000s
At 1 April 2023	766,994	172,507	1,653	941,154
Additions	2,933	-	-	2,933
Capital Expenditure	9,402	4,155	159	13,716
Disposals	(122,599)	(9,969)	-	(132,568)
At 31 March 2024	**656,730**	**166,693**	**1,812**	**825,235**

Cost	Freehold £000s	Leasehold £000s	Mixed £000s	Total £000s
Movement in valuation				
At 1 April 2023	56,949	(4,529)	628	53,048
Unrealised loss during the year	(24,276)	(15,608)	1,266	(38,618)
Adjustment for lease incentives	1,259	(521)	(44)	694
Finance lease value	-	(140)	-	(140)
Amount realized in respect of sold properties	(30,527)	(6,813)	-	(37,340)
At 31 March 2024	**3,405**	**(27,611)**	**1,850**	**(22,356)**
Investment properties at 31 March 2024	**660,135**	**139,082**	**3,662**	**802,879**
Valuation by CBRE Limited, Chartered Surveyors at fair value at 31 March 2024	671,585	137,610	3,875	813,070

The valuation at 31 March 2024 is calculated after deducting the value of lease incentives receivable amounting to £14,137,360 (2023: £14,830,304) and the addition of financing leases of £3,946,994 (2023: £4,087,156). The value of lease incentives receivable is shown in the Balance Sheet and consists of non-current assets of £9,207,815 (2023: £10,758,118) and current assets of £4,929,545 (2023: £4,072,186). The value of financing leases is shown in the Balance Sheet and consists of non-current liabilities of £3,704,720 (2023: £3,844,882) and current assets of £242,274 (2023: £242,274).

13 Headlease

The Fund has lease agreements in respect of land and buildings for which the payments extend over a number of years. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2024 £000s	2023 £000s
Within one year	242	242
In two to five years	969	969
In over five years	15,642	15,884
Future finance charges on finance lease liabilities	**16,853**	**17,095**
Present value of finance lease liabilities	**3,947**	**4,087**

The present value of finance leases is as follows:

	2024 £000s	2023 £000s
Within one year	242	242
In two to five years	517	534
In over five years	3,188	3,311
Present value of finance lease liabilities	3,947	4,087

14 Debtors

	2024 £000s	2023 £000s
Trade debtors	6,662	562
Tenant deposits received	4,659	4,569
Unit subscriptions money outstanding	2,000	8,000
Other debtors	560	963
	13,881	**14,094**

Trade debtors primarily relate to rent and service charges due as at 31 March 2024.

Trade debtors of £6.7M (2023: £0.6M) as at 31 March 2024 reflect tenant rental demands due for the quarter commencing 25 March 2024 that had not been received as at the Balance Sheet date. The Investment Advisor has actively engaged with tenants to agree, where necessary payment plans on a case by case basis. Based on the information available at the Balance Sheet date and considering payment plans agreed, the Manager does not anticipate the collection of historic rental demands to materially differ from the trade debtors balance at the Balance Sheet date.

15 Creditors

	2024 £000s	2023 £000s
Deferred income	12,333	11,200
VAT payable	342	1,918
Trade creditors	5,399	5,402
Financing lease obligations	3,947	4,087
Management fee payable	1,100	991
Other creditors	1,702	1,867
Unit redemptions money owed	32,057	44,765
Tenant deposits payable	4,694	4,603
	61,574	**74,833**

16 Financial Instruments

In pursuing its investment objectives, the Trust creates its own financial instruments and invests in a number of financial instruments. These comprise:

- Instruments of the Trust:
  - Units.
- Instruments invested in by the Trust:
  - Cash, other liquid resources, derivative financial instruments and short-term debtors and creditors that arise from its operations; and
  - Jersey Property Unit Trusts.

The Trust has not used derivatives or interest bearing instruments during the financial year.

The main risks arising from the Trust's own financial instruments and instruments in which it invests are market risk, price risk, cash flow risk, credit risk, interest rate risk and liquidity risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Trust's market risks arise from open positions in interest bearing assets, to the extent that these are exposed to general and specific market movements. Management sets limits on the exposure to interest rate risk, that may be accepted, which are monitored on a monthly basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

Price Risk

Price risk is the risk that the Trust's financial position and performance will be affected by a change of market prices.

The Trust's performance is determined by:

- The eventual selling price of the investment properties held. As a consequence, it incurs a deficit when the property values fall.
- The rental income obtainable from the directly held properties during the period they are held. The risk arises when there are adverse movements in the property rental market.

In order to mitigate the risk, the Trust had regard to the market price risk associated with particular industry and geographical sectors in formulation of its investment strategy.

Cash Flow Risk

Cash flow risk is the risk stemming from the lack of marketability of an investment and the potential inability to meet outgoings because the assets are illiquid.

The Trust's liquidity can be impacted by the following:

- The Trust's assets, comprising mainly of its direct investment in property, may not be readily saleable;
- Decline in the rental market can lead to uncertainty of income received from the property assets held by the Trust.

The Manager actively monitors its liquidity and cash flow position to ensure it has sufficient finance in order to fund its activities.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from cash and cash equivalents held at banks and trade receivables, including rental receivables from lessees and derivatives.

Such risks are subject to a quarterly or more frequent review. In order to mitigate this risk, the Manager performs credit checks on potential customers before lease contracts are undertaken. Any overdue debts are chased on a regular basis.

Cash balances by the Trust are agreed only with financial institutions with a Moody's credit rating of Baa3 or better. The Trust limits the amount of credit exposure to any financial institution.

As at 31 March 2024, the Trust did not hold any Money Market Deposits (2023: Nil).

Revenues are derived from a large number of tenants and no single tenant or group under common control contributes more than 4.3% (2023: 3.8%) of the Trust's revenues.

As at 31 March 2024, £6,661,798 (2023: £561,589) trade receivable included a bad debt provision of £1,618,428 (2023: £2,232,466).

Interest Rate Risk

Interest rate risk arises due to changes in interest rates. The Trust holds no interest bearing instruments and no long-term deposits at the year end and is therefore not subject to significant interest rate risk.

Fair Value Estimation

At 31 March 2024 and 31 March 2023, as well as investment properties described in note 4, the only financial instrument that required fair value estimation was the Trust's investment in TCNRET.

The Trust's investment properties and investment in Threadneedle Carbon Neutral RE Trust are level 3, as defined by FRS 102, in the fair value hierarchy as at 31 March 2024 and there were no transfers between levels during the year. Level 3 inputs used in valuing the investment properties and investment in Threadneedle Carbon Neutral RE Trust are those which are unobservable, as opposed to level 1 (inputs from quoted prices) and level 2 (observable inputs either directly, i.e. as prices, or indirectly, i.e. derived from prices).

Fair value is based on valuations provided by third party, independent chartered surveyors. These values were determined after having taken into consideration recent market transactions for similar properties in similar locations to the investment properties held by the Trust and Threadneedle Carbon Neutral RE Trust.

The significant unobservable inputs used in the fair value measurement of the Trust's investment properties are yield and expected future market rentals. An increase/decrease to expected future market rentals will increase/decrease valuations, while an increase/decrease to yield will decrease/increase valuations.

There are inter-relationships between these inputs as they are determined by market conditions. The existence of an increase in more than one input would be to magnify the impact on the valuation. The impact on the valuation will be mitigated by the inter-relationship of two inputs in opposite directions, e.g. an increase in rent may be offset by an increase in yield.

Management considers a change in capital value of up to +/-5% to be reasonably possible based on market conditions. A sensitivity analysis showing the impact on valuations for changes in capital values on each asset class based on market conditions is shown in note 4.

Liquidity Risk

The amounts disclosed in the table below are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within 12 months generally equal their carrying amounts in the Balance Sheet, as the impact of discounting is not significant.

The maturity analysis of financial instruments as at 31 March 2024 is as follows:

	Demand within 12 months £000s	From 12 months to 2 years £000s	From 2 to 5 years £000s	Later than 5 years £000s	Total £000s
Assets					
Investment in TCNRET	1,246	-	-	-	1,246
Cash and cash equivalents	122,192	-	-	-	122,192
Trade debtors	6,662	-	-	-	6,662
Other debtors	560	-	-	-	560
Liabilities					
Deferred income	12,333	-	-	-	12,333
Trade creditors	5,399	-	-	-	5,399
Management fee payable	1,100	-	-	-	1,100
Other creditors	1,702	-	-	-	1,702
Amounts due to Unitholders	11,690	-	-	-	11,690

The maturity analysis of financial instruments as at 31 March 2023 is as follows:

	Demand within 12 months £000s	From 12 months to 2 years £000s	From 2 to 5 years £000s	Later than 5 years £000s	Total £000s
Assets					
Investment in TCNRET	18,191	-	-	-	18,191
Cash and cash equivalents	93,961	-	-	-	93,961
Trade debtors	562	-	-	-	562
Other debtors	963	-	-	-	963
Liabilities					
Deferred income	11,200	-	-	-	11,200
Trade creditors	5,402	-	-	-	5,402
Management fee payable	991	-	-	-	991
Other creditors	1,867	-	-	-	1,867
Amounts due to Unitholders	14,658	-	-	-	14,658

17 Finance Costs – Income Distributions Paid

The Trust's income belongs to Unitholders and income is allocated monthly up to, but not including the Pricing Day (usually the last business day in the month). All Unitholders subscribing to the Trust on a Pricing Day receive income accruing with effect from that day. Distributions of income to Unitholders are paid one quarter in arrears, as soon as is practical following the last days of March, June, September and December. Under the terms of the Trust Deed, Unitholders bear certain expenses (including the management charge) and these are deducted from distributions of income.

The final Pricing Day within the previous year ended was 31 March 2023. Income accruing for 31 March 2023 was allocated to all Unitholders who held units on 31 March 2023. This income was allocated to Unitholders as part of the monthly allocation in April 2023. The distribution of this income was made in July 2023. Accordingly, this income relating to the previous year has been removed from the reported quarterly distribution in July 2023.

The final Pricing Day within the year ended 31 March 2024 was 28 March 2024. Income accruing for 28 to 31 March 2024 was allocated to Unitholders who held units on 28 March 2024. This income was allocated to Unitholders as part of the monthly allocation in April 2024. The distribution of this income will be made in July 2024.

During the year ending 31 March 2024, three income distributions, relating to net income generated during the year, were paid to Unitholders.

	Total £000s
Distributed 20 July 2023	14,119
Distributed 20 October 2023	13,269
Distributed 20 January 2024	14,103
Total distributions	**41,491**

18 Finance Costs – Income Distributions Payable

As stated in note 17, the Trust's income belongs to Unitholders and distributions of income are made one quarter in arrears, being paid as soon as is practical following the last days of March, June, September and December.

The following table gives a breakdown of distributions payable as at the end of the two years:

Year end	Period to which distributions relate	Total £000s
31 March 2024	29 December 2023 to 31 March 2024	11,690
31 March 2023	31 December 2022 to 31 March 2023	14,658

19 Units in Issue

As at 31 March 2024, there were a total of 3,471,082.557 units in issue. These comprised: 1,751,186.864 Class A units, 8,213.089 Class B units, 348.213 Class C units, 84,501.147 Class F units, nil Class G units, 286,207.761 Class TSPA units, 501,219.891 Class TSPB units, 364,420.040 Class TSPC units, 9,957.053 Class TSPD units, 465,028.499 Class TSPE units.

Unit Class	Number of Units in issue as at 1 April 2023	Number of Units issued during the year	Number of Units redeemed during the year	Number of Units transferred during the year	Number of Units in issue as at 31 March 2024
Class A	2,122,456.002	53,691.893	(400,039.469)	(24,921.562)	1,751,186.864
Class B	174,681.626	23.394	(55,711.662)	(110,780.269)	8,213.089
Class C	342.758	5.455	-	-	348.213
Class F	257,749.617	-	(6,091.293)	(167,157.177)	84,501.147
Class G	63,642.229	100.361	(24,339.302)	(39,403.288)	-
Class TSPA	341,063.538	-	(54,855.777)	-	286,207.761
Class TSPB	475,957.065	23,086.984	-	2,175.842	501,219.891
Class TSPC	319,145.440	6,804.589	-	38,470.011	364,420.040
Class TSPD	49,388.207	-	-	(39,431.154)	9,957.053
Class TSPE	123,980.902	-	-	341,047.597	465,028.499
	3,928,407.384	**83,712.676**	**(541,037.503)**	-	**3,471,082.557**

20 Capital Commitments and Contingent Liabilities

There were contractual capital commitments relating to property enhancement projects of £6,855,159 (2023: £15,458,041) at the balance sheet date which had not been accounted for in the financial statements. There were no contingent liabilities at the year end.

21 Finance Costs: Distributions Per Unit*

	Period to 30 June 2023 £	Quarter to 29 September 2023 £	Quarter to 28 December 2023 £	Quarter to 27 March 2024 £	Period to 31 March 2024 £	Total 2024 £
Gross amount	3.67	3.41	3.93	3.35	(0.05)	14.31
Income tax (deducted)/added	(0.71)	(0.63)	(0.74)	(0.63)	0.01	(2.70)
Net income/(loss)	2.96	2.78	3.19	2.72	(0.04)	11.61
(Expenses)/income	0.02	0.10	(0.13)	(0.01)	(0.01)	(0.03)
Net amount distributable	2.98	2.88	3.06	2.71	(0.05)	11.58
Gross return assuming prevailing rate of tax at date of distribution	3.68	3.51	3.80	3.33	(0.06)	14.26

Different investors are subject to a different management fee (see note 9). Thus distributions are subject to the deduction of different levels of expenses. The distribution rates shown are average distributions taking a weighted average management fee.

*Income is allocated monthly but paid quarterly. Monthly income accrues up to and including the day prior to the Pricing Day (being the last business day in the month). Thus, distributions paid for the quarter to 30 June 2023 included one day's income for 31 March 2023. The table details distributions accrued per unit and consequently, this one day's income has been deducted from the figures.

Different investors are also paid distributions gross or net of tax based upon their individual circumstances (see note 3). The table details those distributions paid net of tax although the gross return gives an equivalent amount payable to Unitholders who receive their income gross of tax.

This distribution is not in the form of a dividend.

22 Notes to the Statement of Cash Flows

Entity	2024 £000s	2023 £000s
Total comprehensive income / (expense) for the financial year before finance costs and taxation	**4,937**	**(219,979)**
Net loss on investment properties/investments	49,129	280,788
Net interest income	(3,181)	(1,325)
Lease incentives	694	1,487
Operating profit	**51,579**	**60,971**
Working capital movements:		
■ (Increase)/decrease in debtors	(6,432)	5,841
■ Decrease in creditors	(441)	(5,784)
Net cash flow from operating activities	**44,706**	**61,028**

23 Post Balance Sheet Events

Since 31 March 2024, the Trust completed on the disposal of three properties realising net proceeds of £23.5m. The sales were realised at the same valuation as the 31 March 2024 independent valuation.

The Fund also received a £1.0m capital distribution dated 3 May 2024 from CNRET.

There have been no other post balance sheet events which would provide additional evidence relating to conditions that existed at the balance sheet date, or events indicating that it is not appropriate to apply the going concern basis of accounting.

ADDITIONAL INFORMATION

Washford Industrial Estate, Redditch

Additional Information (Unaudited)

The Trust is a member of the Association of Real Estate Funds ("AREF"). Further information regarding AREF and Threadneedle Property Unit Trust can be found at www.AREF.org.uk

The form and content of the Annual Report and Financial statements and additional information provided in this section complies, where applicable, with the minimum and best practice guidelines as outlined in the Code of Practice (version March 2022) as issued by AREF.

Net Asset Value*

Over the last five years as at:	Net asset value of the Trust (£)	Net asset value per unit (£)
31 March 2024	880,831,349	253.76
31 March 2023	1,045,655,767	266.18
31 March 2022	1,574,827,738	324.43
31 March 2021	1,385,821,840	276.28
31 March 2020	1,493,618,166	280.30

The offer and bid prices quoted below are not affected by the Unit Classes described in note 9.

Offer and Bid Price**

Between March 2023 and March 2024	March 2024 (£)	March 2023 (£)	Decrease (£)	Decrease (%)
Offer price	268.77	282.43	-13.66	-4.8
Bid price	250.60	263.30	-12.70	-4.8

Offer Price Range

Over the last 5 years for the period ending:	Highest offer (£)	Lowest offer (£)	Range (%)
31 March 2024	285.08	268.77	6.1
31 March 2023	355.66	281.16	26.5
31 March 2022	341.80	295.77	15.6
31 March 2021	291.90	286.53	1.9
31 March 2020	312.67	299.23	4.0

Bid Price Range

Over the last 5 years for the period ending:	Highest bid (£)	Lowest bid (£)	Range (%)
31 March 2024	265.75	250.60	6.0
31 March 2023	331.63	262.32	26.4
31 March 2022	318.77	276.03	13.4
31 March 2021	272.91	267.72	1.9
31 March 2020	291.76	279.19	5.0

* The Net Asset Value of the Trust and the Net Asset Value per unit quoted in this table are based upon balance sheet valuations, rather than unit price valuations.
** The Offer and Bid Prices reflect the costs of buying and selling investments.

Past performance is not a guide to future returns.

Finance Costs: Distributions per Unit*

Over the last 5 years for the period ending:	Unit Class	Opening Offer price £	Closing Offer price £	Distribution Accrued £	Yield on closing NAV price %	Yield on closing Offer price %
31 March 2024	A	282.43	268.77	14.16	5.6	5.3
	B	282.43	268.77	13.80	5.4	5.1
	C	282.43	268.77	12.47	4.9	4.6
	F	282.43	268.77	16.04	6.3	6.0
	TSP-A	282.43	268.77	14.16	5.6	5.3
	TSP-B	282.43	268.77	14.33	5.6	5.3
	TSP-C	282.43	268.77	14.16	5.6	5.3
	TSP-D	282.43	268.77	14.31	5.6	5.3
	Average	282.43	268.77	14.26	5.6	5.3
31 March 2023	A	341.80	282.43	12.9	4.8	4.6
	B	341.80	282.43	12.5	4.7	4.4
	C	341.80	282.43	10.9	4.1	3.9
	F	341.80	282.43	13.9	5.2	4.9
	G	341.80	282.43	13.1	4.9	4.6
	H/SP-A **	341.80	282.43	13.0	4.9	4.6
	SP-B **	341.80	282.43	2.1	0.8	0.8
	SP-C **	341.80	282.43	2.1	0.8	0.8
	SPD/E **	341.80	282.43	2.1	0.8	0.8
	Average	341.80	282.43	12.9	4.9	4.6
31 March 2022	A	291.66	341.80	12.04	3.7	3.5
	B	291.66	341.80	11.62	3.6	3.4
	C	291.66	341.80	10.12	3.1	3.0
	D	291.66	341.80	7.01	2.2	2.1
	E	291.66	341.80	–	–	–
	F	291.66	341.80	13.06	4.1	3.8
	G	291.66	341.80	12.17	3.8	3.6
	H**	291.66	341.80	2.68	0.8	0.8
	Average	291.66	341.80	12.06	3.7	3.5
31 March 2021	A	299.23	291.66	11.60	4.2	4.0
	B	299.23	291.66	11.21	4.1	3.8
	C	299.23	291.66	9.84	3.6	3.4
	D	299.23	291.66	10.22	3.7	3.5
	E	299.23	291.66	–	–	–
	F	299.23	291.66	12.75	4.6	4.4
	G	299.23	291.66	11.69	4.2	4.0
	Average	299.23	291.66	11.61	4.2	4.0
31 March 2020	A	313.30	299.23	13.82	4.9	4.6
	B	313.30	299.23	13.41	4.8	4.5
	C	313.30	299.23	11.94	4.2	4.0
	D	313.30	299.23	12.35	4.4	4.1
	E	313.30	299.23	–	–	–
	F	313.30	299.23	14.90	5.3	5.0
	G	313.30	299.23	13.99	5.0	4.7
	Average	313.30	299.23	13.80	4.9	4.6

*Different management fees were applicable to different investors (see note 9) causing differing levels of distributions to accrue to Unitholders. The table above gives both an average distribution accrued; based upon a weighted average management fee, together with a breakdown of the actual distributions paid per Unit Class.
**Class H units came into existence 30 November 2021.

Past performance is not a guide to future returns.

Number of Units in Issue

Over the last 5 years as at:	Unit Class	Number of units in issue
31 March 2024	A	1,751,186.864
	B	8,213.089
	C	348.213
	F	84,501.147
	G	0.000
	TSPA	286,207.761
	TSPB	501,219.891
	TSPC	364,420.040
	TSPD	9,957.053
	TSPE	465,028.499
		3,471,082.557
31 March 2023	A	2,122,456.002
	B	174,681.626
	C	342.758
	F	257,749.617
	G	63,642.229
	SP-A	341,063.538
	SP-B	475,957.065
	SP-C	319,145.440
	SP-D	49,388.207
	SP-E	123,980.902
		3,928,407.384
31 March 2022	A	3,655,615.527
	B	281,869.349
	C	339.217
	D	–
	E	–
	F	257,749.617
	G	104,005.344
	H	554,501.409
		4,854,080.463
31 March 2021	A	4,025,779.936
	B	557,982.408
	C	335.589
	D	97.186
	E	–
	F	257,749.617
	G	174,060.210
		5,016,004.946
31 March 2020	A	4,273,348.436
	B	626,685.277
	C	331.559
	D	97.186
	E	–
	F	257,749.617
	G	170,482.235
		5,328,694.310

Past performance is not a guide to future returns.

Annualised Unit Price Performance – NAV to NAV Basis (adjusted for net income)

For the period	Trust's Performance %	MSCI/AREF QPFI All Balanced Property Fund Index Weighted Average %
March 2024	0.5	(0.7)
3 Years to March 2024 (p.a.)	1.8	1.5
5 Years to March 2024 (p.a.)	1.5	1.4
10 Years to March 2024 (p.a.)	5.4	5.2
1 Year to March 2023	(13.8)	(14.5)
1 Year to March 2022	21.7	23.1
1 Year to March 2021	2.0	2.5
1 Year to March 2020	0.2	0.0
1 Year to March 2019	4.9	4.8

Unit Turnover (all classes)

For the year ending 31 March 2024	Number of Units	Net asset value of Units as at year end (£)	Percentage of total net asset value of the Trust as at start of year (%)	Percentage of total net asset value of the Trust as at year end (%)
Unit creations	83,712.676	21,242,929	2.0	2.4
Unit redemptions	541,037.503	137,293,677	13.1	15.6

Unit Analysis

As at 31 March 2024 ownership band	Number of Unitholders	Total % held
Less than 1% of Units in issue	64	14.98
1% or greater but less than 2%	10	15.47
2% or greater but less than 4%	14	39.83
4% or greater but less than 8%	1	4.16
Greater than 8% (6.80% being the largest holding)	2	25.56
Total	**91**	**100**
Total number of Units in issue		
Internal Investors	1	
External Investors	90	

	%
Largest Investor	14.44
Largest 3 Investors	29.72
Largest 5 Investors	37.25
Largest 10 Investors	52.68

Total Expense Ratios (AREF basis)

at 31 March 2024	
Average Net Assets (NAV)	991,761,854
	% of NAV per annum
Fund Management Fees	0.55
Fund Operating Expenses	0.08
Total Global Expense Ratio (TGER)	**0.63**
Real Estate Expense Ratio (REER) (excludes items in TGER)	1.05
Total	**1.68**
Performance fees	0.00

Past performance is not a guide to future returns.

Portfolio Turnover Ratio

at 31 March 2024	
Average Net Assets (NAV)	991,761,854
	% of NAV per annum
Portfolio Turnover Ratio	-1.12
Transaction Costs	£2,674,696

EMEA Diversity and Inclusion strategy

Responsibility for the strategy sits with the EMEA CEO, with the support of the EMEA Business Management Committee (BMC) and Chair of the EMEA Diversity and Inclusion Group (DIG).

The strategy sets out the following four primary objectives, and proposes a number of actions to drive clear and measurable progress against each one:

Primary Objectives:

1. Change the profile of our EMEA employee base to better reflect our client base and the broader population by achieving gender balance and an agreed appropriate level of ethnic minority representation at all levels
2. Create and environment and culture that is inclusive and supports a diverse employee and client population
3. Embed clear accountability for diversity and inclusion among senior leaders, line managers and all employees
4. Proactively build a reputation as a champion of diversity through external communication, advocacy and thought leadership.

Each objective has several supporting actions, detailing ownership, accountability and timeframe.

About the Trust (Unaudited)

Threadneedle Property Unit Trust is an open-ended collective investment scheme that provides an opportunity for investors to have an indirect investment exposure to a diversified portfolio of property assets in the United Kingdom.

The Trust is constituted by a Trust Deed dated 15 June 1967 (as subsequently amended and restated). Investment in the Trust is open to pension funds, insurance companies and other corporate and institutional investors. Units may also be issued to wealthy individuals whom the Manager considers have appropriate experience to invest.

Management of the Trust

BNP Paribas Depositary Services (Jersey) Limited and BNP Paribas Depositary Services Limited as Trustees and Custodian receive subscriptions for units and hold the underlying investments and other assets of the Trust. Threadneedle Investments (Channel Islands) Limited, as Manager, is responsible for the overall management of the Trust, including investment strategy, management of the property portfolio, issue of new units and preparation of financial statements for distribution to investors. The Manager meets not less than once every quarter to monitor investment policy and discuss progress of the Trust.

Regulatory Disclosure – TICI 2023

AIFMD Remuneration Disclosures

This disclosure is made in respect of the Group's Remuneration Policy as it applies to Threadneedle Investment (Channel Islands) Limited ("the Manager") in respect of the Alternative Investment Fund Managers Directive ("AIFMD") and other applicable rules and guidance.

The Remuneration Policy applies to all of the Company's subsidiary entities, to which the AIFMD requirements apply, and was last approved by the Remuneration Committee in June 2023.

1. The Remuneration Committee

The Remuneration Committee of the UK HoldCo ("the Committee") is a sub-committee of the UK HoldCo Board with the responsibility to establish the philosophy and objectives that will govern the Group's compensation and benefit programmes; review and approve compensation and benefit plans, policies, and practices; and oversee and approve the Group's remuneration. It has been determined to be independent of the day-to-day executive management of the Group, its Members being Directors of the Group or senior members of the Executive Leadership Team of Ameriprise Financial, the Group's parent company, all of whom do not hold executive positions for the UK HoldCo.

Current Committee Members are Mr Walter Berman, Mr William Turner and Ms Kelli Hunter. Meetings are normally held in January, March, June, September and December. The Global Head of Compensation Consulting & Operations acts as Secretary to the Committee. The Committee may invite the attendance of any Group employee or functional expert from the parent company as deemed appropriate, to allow it to fulfil its responsibilities including ensuring remuneration is consistent with effective risk management and does not encourage excessive risk taking.

2. Determining Incentive Remuneration Pools

The Manager made its annual Total Incentive Award decisions from separate pools covering the Real Estate business and Support functions, ultimately aggregated for governance and oversight at the EMEA regional level. Those pools are determined at the final discretion of the Remuneration Committee.

For Real Estate, the pool is determined with reference to four un-weighted factors being a 'Top-Down' assessment of market practice, legal and regulatory requirements and any other internal or external contextual factors; a 'Bottom-Up' calculation based on business performance against Plan and Target Incentive level for the firm (see 'Pay for Performance' below); the overall financial and strategic performance of the Group; and the financial and strategic performance of Ameriprise Financial as the Group's parent company and shareholder.

For senior management and support functions, the pool is funded based on business performance metrics and an overall assessment of corporate performance. Individual awards from the pool are discretionary (see 'Pay for Performance' below).

The Committee also receives ongoing reports through the year from the Risk function regarding risk assessments and any themes or areas of note related to risk control or risk-related behavioural concerns.

The Committee takes all of these factors into account in order to make a balanced decision on the Total Incentive pool for the year in question.

3. Determining Individual Total Incentive Awards

Individual reward decisions are wholly discretionary, although strongly informed by the annual performance appraisal and by known market remuneration levels for equivalent jobs as well as by the pool funding available. Risk and Compliance provide a critical input to final performance rating setting, ensuring that any risk and relevant behavioural concerns are reflected in performance appraisals and subsequently in remuneration recommendations. The Heads of Risk and Compliance also report directly to the final Remuneration Committee of the award process to ensure that the Committee receives a direct report on which to base its final risk adjustment decisions.

Base salaries are maintained at a market-competitive level in order to ensure that, if required, it is possible to award zero incentive.

Pay for Performance

The bottom-up element of the incentive pool determination process measures team and wider business performance against key business targets for each area of the Group, including longer-term investment performance for the Real Estate division. Investment performance is assessed against each fund's benchmarks and its risk profile. All such assessments' impacts on the bottom-up calculation are capped so as not to incentivise managers to take excessive risk in order to deliver higher incentive pools. While the Group and parent company financial and strategic results are important factors in pool determination, the model is set up to ensure that delivery of the business' core goals, including delivering investment performance to its customers, is an explicit and significant driver in pool determination for those divisions.

For senior management and support staff, an explicit, role-based incentive target is set as a percentage of base salary, that target being subject to leverage on delivery based on the performance of Ameriprise Financial overall as well as the holistic performance of the relevant business unit, and individual performance.

Individual discretionary awards from the available funding, in context of market-competitive reward levels for the job in question, are driven strongly by each individual's ratings against Goals (objectives) and the Group's Values, each of which is separately rated on a 5-point scale to ensure the Values assessment is given due prominence. Goals focus on the key deliverables for the role that year, in particular on the delivery of investment performance for the Real Estate division: all employees are also managed against a mandatory Risk Management Goal. Investment performance, where relevant to the role, is assessed against each fund's benchmark and its risk profile.

Ratings are consistency-checked across the business with the input of the Heads of Risk and Compliance to ensure balance and due reflection of risk management. For Real Estate incentives, there is no pre-determined grid or formula driving awards, which are discretionary in order to be able to account for and reflect all relevant factors.

Delivery of Total Incentives

Threadneedle believes that deferred awards for higher earners are a matter of good practice and an important part of aligning key staff's interests with the long-term interests of customers and shareholders. To that end, Total Incentive awards for all employees in the Group may be delivered partly in deferred awards through the Ameriprise Financial Long-Term Incentive Award ("LTIA") programme and, for those in the Investments division, through a fund deferral programme.

Staff qualifying as Code Staff/Identified employees and those of a comparable level of seniority are subject to a higher rate of deferral. 50% of the overall incentive award is delivered in fund-linked units subject to a holding period after delivery. The fund linked units are designed to reflect the performance of a cross section of products and asset classes within the region.

4. Identified Staff

The Manager defines its Code Staff/Identified Staff in line with the definitions provided by SYSC 19B and associated guidance. Those Identified Staff are the senior management, risk takers, control functions and other employees whose total remuneration takes them in to the same bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages. In practice, that includes the named Fund Managers of the Manager's funds.

5. Remuneration Payment Disclosure

The AIFM's performance periods for remuneration operate on a calendar year basis.

Total Remuneration paid by the Group to 8 AIFM Remuneration Code Staff Senior Managers in respect of the AIFM's activities in the 2023 performance year was £0.50m, of which £0.29m was fixed and £0.21m was variable. Total Remuneration paid to other members of AIFM Remuneration Code Staff whose actions had a material impact on the risk profile of the AIFM in respect of AIFM activities was £0.52m, of which £0.15m was fixed and £0.37m was variable.

Valuation and Subscriptions

Monthly valuations of the Trust's properties are carried out by CBRE Limited. The unit price is computed monthly based upon these valuations and capital expenditure incurred. The computation forms the basis for the determination of the issue and redemption prices of units by the Manager. Net income is not included in the calculation, being distributed on a quarterly basis to Unitholders. Subscription for Units may be made monthly with units issued on a Pricing Day at the Subscription Price. When required, the Trust operates a waiting list with respect to the issuance of new units in order to control liquidity levels.

The Manager, at its discretion, may accept or reject any subscription.

Taxation

The Trustees are not resident in the UK for taxation purposes. Non-UK residents, including unit trusts such as the Trust, are generally subject to UK tax on capital gains from 6 April 2019 arising on a disposal of UK immovable property. However, the Trust has made an election for exemption for offshore collective investment vehicles. Pursuant to the election, the Trust will be exempt from UK corporation tax on capital gains on disposals of UK immovable property, provided that it continues to meet the conditions for exemption (including reporting details about investors and Unit disposals to HM Revenue & Customs). The income of the Trust belongs directly to Unitholders and is paid gross to Unitholders whose usual place of abode is in the UK and other persons who have received authority from HM Revenue & Customs to receive rent gross. Tax is deducted at source (at the basic rate applicable in the year 20%) from rental profit paid to Unitholders whose usual place of abode is not in the UK currently, and who have not received authority to receive rent gross. UK interest is paid net of UK income tax at the basic rate unless it is received gross of tax in which case it is paid gross to the Unitholders.

Exempt Unitholders are entitled to reclaim any income tax deducted at source. Other Unitholders may be able to reclaim income tax deducted at source if and to the extent that it exceeds their UK tax liability on income.

The Trust is an "offshore fund" for UK tax purposes. In certain circumstances, UK tax regulations treat chargeable gains made on disposal of an interest in an offshore fund as if the gains were income for UK tax purposes. This treatment generally does not apply to disposals of interests in reporting funds. However, the Manager has not applied for reporting fund status for the Trust on the basis that the Trust is a transparent fund within the meaning of Regulation II of Part One of the Offshore Funds (Tax) Regulation 2009. As such, the income treatment referred to above will not apply, provided that the Trust continues to be a transparent fund, the Trust does not hold interests in non-reporting funds which amount in total to more than 5% by value of its assets and the Trust makes sufficient information available to Unitholders to enable them to meet their UK tax obligations in respect of their units.

Certification

The Trust is non-certificated. Title to units will be evidenced solely by reference to entries in the register.

Management of the Trust

The roles and responsibilities of all parties involved in running the fund who have obligations, or the ability to set and implement policies or strategies relating to the management of the fund can be found in the current prospectus.

Investment restrictions and the procedure for the management of conflicts of interest can also be found in the current prospectus which is available upon request from the Manager.

Transfer and Realisation of Units

After written notification to the Manager, units may be transferred on the first Pricing Day following receipt of the instrument of transfer.

After written notification to the Manager, units may be realised at a Realisation Price determined on the fifth Pricing Day following receipt of the Realisation Notice, subject to the delivery of appropriate documents to the Manager. Payment will normally be made to the investor as soon as practical following this fifth Pricing Day. The Manager has the right to defer calculation of the realisation price and payment if it considers it necessary for the protection of the interests of continuing Unitholders to do so. Notwithstanding the above, if the Manager receives a request to process and settle a Realisation Notice prior to the dates stated above for any reason deemed appropriate by the Manager and the Manager reasonably believes that an early settlement of such a Realisation Notice will not materially prejudice the interests of existing Unitholders.

Reporting, Financial Statements and Distribution
The Trust's year-end is 31 March. The report and financial statements are distributed to Unitholders at least 21 days before the Annual General Meeting (usually held in July).

Distributions of income to Unitholders are made quarterly, being as soon as is practical following the last days of March, June, September and December (after deductions of income tax where appropriate). A tax certificate is sent with each distribution to allow investors to make individual claims for repayment of tax.

Borrowing Powers
Under the terms of the Trust Deed, the Trustees are permitted to make borrowing arrangements for the Trust up to 35% of the net asset value of the Trust.

Derivative Exposure
Under the terms of the Trust Deed, the Trustees are permitted to hold Approved Investments on behalf of the Trust not exceeding 10% of the underlying property assets at the time.

Business Continuity Strategy
Columbia Threadneedle has in place a business continuity and disaster recovery plan to enable swift recovery and resumption of normal operations following an incident. All elements of the plan are exercised annually at minimum including loss of office, loss of IT and accounting for staff for each office location.

ESG and Sustainability

Property owners and managers have an obligation to manage their real estate assets responsibly – in the interest of clients and of wider society.

Consideration of Environmental Social and Governance (ESG) issues can both reduce risk, for instance anticipating new regulation; and improve performance by proactively enhancing assets and their demand. More widely, responsible real estate can support more sustainable and inclusive economic growth. Correspondingly, global frameworks such as the UN Sustainable Development Goals[5] (SDGs) and the Paris Climate Agreement[6] underline the need for the private sector to consider ESG risks, but also the opportunity to contribute to a more sustainable future. In particular, SDGs 11, Sustainable Cities and Communities, and 9, Industry, Innovation and Infrastructure, outline global ambitions to reduce the environmental impact of cities; and sustainably upgrade and retrofit physical assets, thus providing lower carbon growth and sustainable living. Responsible real estate investment is therefore, key to both mitigating risk, and reaping benefits for clients and wider society.

- **Risks in brief:** Real estate assets consume around 40% of the world's energy and contribute up to 30% of its annual GHG emissions.[7] The UK has committed to bring all greenhouse gas emissions to net zero by 2050: property, already a focus of related regulation, will be expected to play an increasing role in achieving this reduction. More widely, real estate is exposed to a variety of climate and energy related risks, both transitional (policy, legal, technology related) and physical (short-term events and chronic longer-term shifts).[8] Social risks, including those arising from health and safety issues, can also have tangible consequences for the property owners and managers.
- **Opportunity in brief:** Material asset value improvements that can be achieved through integrating ESG issues in the investment process. Sustainably managed buildings provide benefits to their occupiers, such as greater resilience, lower energy and operational costs, whilst working in buildings with good air quality and high levels of daylight has been shown to reduce absenteeism and stress, improve productivity and concentration, and increase wellbeing. Enhancing asset quality as well as environmental and social benefits thus go hand-in-hand – and can further the achievement of wider goals such as the SDGs.

Together these risks and opportunities evidence the duty to both actively manage ESG risks and to seek to enhance sustainable outcomes, as a routine component of our business thinking, practices and management processes.

Real Estate Responsible Investment Strategy

The Investment Advisor strives to be responsible stewards of our clients' assets within a framework of good governance and transparency. The Investment Advisor promote ESG and sustainability best practice, which assist in achieving the Fund's primary financial objectives of delivering strong investment returns, by enhancing the underlying real estate, reducing running costs and making them more attractive to occupiers. These are implemented as property level initiatives, with the expectation of a positive impact on rental income streams, capital values and tenant satisfaction. To gain support for this process from key stakeholders, the Investment Advisor aim to clearly articulate the connections between sustainability and value creation, as both investors and occupiers should experience the value created, environmentally, socially and financially.

In addition, our sustainability objectives guard against transitional risks, as policy/law makers are introducing new obligations on the real estate sector to move towards a low carbon economy. Moreover, occupiers are also changing their expectation when looking for properties to lease.

Activity Specific Objectives

Our goal is to seek continual improvement in responsible investment performance across our business and the Investment Advisor commit to best practice in the five core areas of their real estate operations.

Property Investment – When assessing any new property investment on behalf of our funds, the Investment Advisor's standard due diligence protocol requires all buildings to be comprehensively surveyed from a structural, mechanical and environmental perspective prior to purchase. Consideration is given to a wide range of factors including energy performance (Energy or Sustainability audits) / minimum energy standards , environmental risks / impact (including flood risk), and areas for potential improvement in terms of sustainability performance. The contents of each report inform the financial modelling undertaken on the property (as appropriate) and form part of the Property Risk matrix which is handed over to the Property Management team on completion of each acquisition.

[5] https://www.un.org/sustainabledevelopment/sustainable-development-goals/
[6] For details see the United Nations Framework Convention on Climate Change https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement
[7] Sustainable real estate investment: Implementing the Paris Climate agreement - an action framework, PRI, 2016 https://www.unpri.org/property/sustainable-real-estate-investment-implementing-the-paris-climate-agreement/138.article
[8] For details of terminology and applications to property, see Recommendations of the Task Force on Climate-related Financial Disclosures, 2017. https://www.fsb-tcfd.org/wp-content/uploads/2017/06/FINAL-TCFD-Report-062817.pdf

Asset management – While the primary objective of the asset management team is to identify opportunities to add value, we look to promote environmental, sustainability and health and wellbeing best practices; as well as energy, water and waste efficiencies at every opportunity. We look to introduce data sharing and co-operation clauses into all new leases to enable the monitoring of operational energy, water and waste consumption, as well as engaging directly with our tenants to procure the data where necessary. Physical interventions and improvements will continue to be required and the timing of those works will typically be programmed around lease events. All works are undertaken in accordance with our Refurbishment Guide.

Property management – Support our external managing agents in delivering against annual Key Performance Indicators (KPIs) in respect to energy management and data coverage, green energy procurement, Energy Performance Certificates (EPC), water management and data coverage, waste management and data coverage, community involvement, and tenant engagement. To actively manage and continually improve the environmental impact of our buildings, while maintaining tenant satisfaction. We have conducted an extensive programme of sustainability audits for buildings across the portfolio to identify opportunities for improvement through operational and technical improvement measures.

Health and Safety, Risk and Governance – To ensure Health and Safety risks for all properties are correctly identified and managed. In order to meet the Funds' responsibilities and protect the wider community, the Investment Advisor ensures all necessary inspections are conducted regularly and ensure oversight through monthly reporting, meetings with the agents and independent annual audits. The Investment Advisor manages compliance with the Corporate Responsibility policy (which addresses diversity, Inclusion and the Modern Slavery Act), and the Anti-Bribery and Corruption policy.

In addition, to identify and monitor Climate Change risks by working with insurers to obtain enhanced flood data on every asset and obtaining a flood risk rating, which will be reviewed on an annual basis in order to monitor any change.

Refurbishment – We have developed a Refurbishment Guide to promote the use of high sustainability standards within any new refurbishment. The Guide has been provided to project managers and will be provided to contractors as part of a project brief. It considers the use of energy efficient measures in the design of new lighting, air conditioning and ventilation, space heating and water heating. Automated controls will be incorporated where viable to collect data, manage building systems efficiently and assist with occupant comfort and well-being. Consideration will be given to renewable energy sources such as photovoltaic panels. Refurbishments will seek to minimise environmental and social impacts on site and to maximise the creation of economic opportunities in the local community, where applicable. All projects should incorporate the requirements set out in the Refurbishment Guide, as long as it is economically viable to do so.

All construction projects are to incorporate a set of minimum requirements as defined in the Refurbishment Guide, relating to environmental management, building quality and flexibility, health and well-being, energy efficiency, transport, water, building materials, waste management, ecology and pollution. In addition, all Major Projects should incorporate the additional requirements set out in the Refurbishment Guide, as long as it is economically viable to do so.

Road Map and Targets

The Investment Advisor has aligned their strategic real estate ESG, sustainability and climate change objectives to the UN SDG's where appropriate.

Topic	SDG Target
Build Resilient Infrastructure 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities. ■ Align refurbishments with government legislation, targeting a minimum EPC rating of B (where economically and technically feasible). ■ To proactively explore other Green Building Standards, such as BREEAM and LEED. ■ To identify where sustainability improvements can be made via greater landlord-occupier engagement. ■ To continue to improve building quality by refurbishing buildings in line with the Refurbishment Guide.
Energy 7 AFFORDABLE AND CLEAN ENERGY	7.3 By 2030, double the global rate of improvement in energy efficiency. ■ To target a 20% reduction in energy use by 2030, of assets where we have operational control. ■ Electricity consumption - target 99% of assets where we have operational control, to have green energy tariffs by 2025. ■ Gas consumption - target 75% of assets where we have operational control, to have green gas tariffs by 2025. ■ To target 100% of buildings within our operational control, to have smart energy metres by 2030. ■ Target 50% of all assets where we have operational control, to be gas free by 2030. ■ For FRI assets, where we do not have operational control, to target 50% of energy data by 2030.
Carbon & Climate 13 CLIMATE ACTION	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries. ■ To target a 15% reduction in GHG emissions by 2025, for assets where we have operational control. ■ To target a 30% reduction in GHG emissions by 2030, for assets where we have operational control. ■ In line with government policy, to work towards all buildings becoming carbon neutral by 2050. ■ To monitor and report flood risk for every asset on an annual basis.
Water 6 CLEAN WATER AND SANITATION	6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity. ■ To target 100% of buildings within our operational control by 2030, to record water consumption data. ■ To target 100% of all buildings within our operational control, to have a smart meter by 2030. ■ To implement a portfolio wide water reduction strategy.
Waste 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse. To audit the percentage of multi-let properties that divert all waste from landfill. ■ Target a 100% diversion rate of waste to landfill by 2025, for buildings where we have operational control. ■ Target a 50% reduction in waste (by tonnage), for buildings where we have operational control by 2030. ■ Target a 75% recycling rates at assets where we have operational control by end of 2030, to reduce incineration.

Energy Efficiency Actions

Environmental Data Management System and Quarterly Reporting

The fund uses SIERA as its environmental data management system where energy, water, waste and greenhouse gas emission data are collected and validated for all assets where the portfolio has operational control. Energy and greenhouse gas emission data is reported on a quarterly basis for the portfolio's 20 highest energy consuming assets. Additionally, Columbia Threadneedle is currently in the process of revising the fund energy reduction target using the 2018 financial year as a baseline.

Technical sustainability audit programme

TPUT has completed technical sustainability audits at 24 of its largest energy consuming assets. The technical sustainability audits identify current environmental performance, including energy, water, waste and wellbeing, as well as the tangible identification of opportunities for environmental and financial improvement.

Managing agent sustainability requirements

Managing agents play a crucial role in supporting the Funds sustainability programme. As such, a set of ESG key performance indicators have been developed to guide managing agents for the fund in their support of the fund's sustainability programme. These indicators include coverage of energy, water, and waste data, EPC coverage, impact on local community, and regular tenant engagement through tenant satisfaction surveys.

TCFD and SFDR Methodology Statement

The Investment Advisor has commissioned EVORA to undertake TCFD and SFDR (PAI) calculations, in support of which EVORA have issued a Methodology Statement dated May 2023 which is available on request. That statement provides an overview of the methodology applied by EVORA to the preparation of energy and carbon data, required to disclose key group and fund performance metrics, summarised as follows:

- Voluntary Principal Adverse Impacts (PAI) 2.18 and 2.19, as required by the European Union's Sustainable Finance Disclosure Regulation (SFDR) and,
- Taskforce for Climate-Related Financial Disclosure (TCFD) aligned reporting, as required under the UK Government's Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2021 and the Limited Liability Partnerships (Climate-related Financial Disclosure) Regulations 2022.

Specifically, the methodology provided in the statement relates to the steps taken by EVORA in preparing the underlying energy and carbon data used to calculate the above metrics.

1. Procedures for collating and validating energy and carbon data for landlord- and tenant-controlled assets, Scopes 1, 2 and 3 (Category 13 only)
2. Approach taken to undertake asset-level energy consumption estimations for any missing time and / or building areas (coverage)
3. Application of asset-level benchmarks as required
4. Data aggregation and application of financial data for reporting metrics
5. Methodology limitations and assumptions

The approach taken by EVORA is based on both current industry best practice and their market expertise and experience. As industry consensus regarding best practice approaches to preparing and disclosing performance aligned with the above-mentioned regulations evolves over time, EVORA may need to update its own in-house position to ensure it remains relevant. Should any methodological changes be required to realign with current industry approaches with the potential to materially impact on historical disclosure(s), EVORA will notify CTI accordingly.

Select Environmental Definitions

Total Carbon Emissions are the absolute greenhouse gas emissions associated with the Commercial Real Estate (CRE) portfolio, expressed in tonnes CO2e.

GHG Emissions are the total absolute greenhouse gas emissions associated with the CRE portfolio, expressed in tonnes CO2e.

Carbon Footprint is the whole-building GHG emissions attributed to investors based on an equity ownership approach as described under methodology for Total Carbon Emissions.

Carbon Intensity is the total volume of carbon emissions per million pounds (GBP) of revenue (carbon efficiency of the CRE portfolio), expressed in tonnes CO2e per financial revenue.

Weighted Average Carbon Intensity is the exposure of the CRE portfolio to carbon-intensive companies, expressed in tonnes CO2e per million units of revenue in applicable currency.

Energy Consumption Intensity is the ratio of energy consumption per unit of activity, output or any other metric of the investee company to the total energy consumption of that investee company.

Exposure to Carbon Related Assets is the amount or percentage of carbon-related assets in the portfolio, expressed in $M or percentage of the current portfolio value.

Environmental and Carbon Reporting

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, also referred to as Streamlined Energy and Carbon Reporting (SECR), requires all quoted companies, "large" unquoted companies and LLPs to report their UK energy use, associated Scope 1 & 2 emissions, an intensity metric and, where applicable, global energy use in their Annual Reports.

Regulatory update

Environmental legislation within the UK and European Union has evolved significantly over the past few years, placing Managers under an increasing regulatory burden. Legislation currently affecting the Fund may be summarised as follows:

1. **MEES:** The Minimum Energy Efficiency Standards ("MEES") make it unlawful for a landlord to grant a new tenancy or to extend or renew an existing tenancy of certain property having an EPC rating of F or G. From 01 April 2023, the scope of MEES extends to existing tenancies of most commercial property and will restrict a landlord's ability to continue to let property with an F or G rating. MEES will also see a phased implementation of the EPC 'B' by 2030 requirement, with EPC 'C' by 2027 set as an interim milestone. This phased implementation will be based on two-year compliance windows. The first compliance window (EPC 'C') will run from 2025-2027 and the second window (EPC 'B') from 2028-2030.

2. **SECR:** The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, also referred to as Streamlined Energy and Carbon Reporting ("SECR"), requires all quoted companies, "large" unquoted companies and LLPs to report their UK energy use, associated Scope 1 & 2 emissions, an intensity metric and, where applicable, global energy use in their Annual Reports. In addition, businesses will be required to provide a narrative on energy efficiency actions taken in the previous financial year.

3. **TCFD:** Reporting in accordance with the Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations is undertaken as part of Columbia Threadneedle Investments' corporate disclosures, issued annually by 30th June, as mandated by the Financial Conduct Authority's (FCA). As most portfolio level data is already being measured as part of existing initiatives, and corporate reports are accompanied by Fund-level disclosures. Portfolio level reports focus on exposure to Climate Related Risks and Opportunities ("CRRO"). Carbon metrics are available on request if needed by investors ahead of this timeline.

4. **SFDR:** Disclosures set out in Annex I of the Prospectus relate to the Sustainable Financial Disclosure Regulation ("SFDR"), a European regulation that applies to alternative investment Fund managers and the alternative investment Funds ("AIF") that they manage and/or market into the EU in accordance with the Alternative Investment Fund Managers Directive. TPUT is not an EU-AIF and to the extent that it is not marketed into the EU, it does not fall within the scope of the SFDR. However, TPUT is the master fund to the Threadneedle Property Unit Trust Luxembourg Feeder SA SICAV-SIF ("TPUT Feeder") which was established for the sole purpose of allowing investors to invest indirectly in TPUT.

   The TPUT Feeder falls within the scope of the SFDR as it is domiciled in Luxembourg and is therefore an EU AIF. As a result of the structure between TPUT and TPUT Feeder, the Investment Advisor has sought to align TPUT with certain best practices and key aspects of the SFDR. The SFDR-related disclosures are set out in Annex I of the Prospectus.

5. **Taxonomy:** As part of those SFDR disclosures, the Investment Advisor has included information related to the Taxonomy Regulation ("TR"). The TR is a European regulation that sets out a classification system for determining whether certain economic activities may be classified as 'environmentally sustainable' and requires AIFs that are subject to the SFDR to disclose the extent to which their investments are in 'environmentally sustainable' economic activities. As TPUT does not fall within the scope of the SFDR, it is not required to make any TR-related disclosures. However, in accordance with the approach taken to the SFDR, the Investment Advisor has sought to make certain TR-related disclosures.

6. **SDR:** From 31st May 2024, the UK Government's Sustainability Disclosure Framework (SDR) comes into effect. Based on a similar structure to the EU's SFDR, it provides four formal investment product labels, which distinguish between different types of investment product based on their sustainability-related objectives and features.

   An additional 'anti-greenwashing rule' will also apply to all firms, regardless of whether they are captured by the FCA's SDR regulations (currently only firms managing a UK UCITS or UK AIF). The new anti-greenwashing rules primarily apply to any communications relating to financial products or services, comprising environmental and/or social characteristics.

   As such, a review of the FCA's Guidance on the Anti-Greenwashing Rule (FG24/3) is underway to the Fund is not exposed to any potential non-compliance (where and if applicable to the Fund's investments).

Regulatory Reporting Summary

Energy consumption (SECR)

Under the SECR reporting framework methodology, energy consumption decreased by 2.9% (2022 decrease 11.8%) on a like-for-like basis between 1 April 2023 and 31 March 2024. Like-for-like electricity consumption decreased by 10.3% (2022 decrease 4.7%) whilst fuel (gas) consumption increased by 16.7% (2022 decrease 24.2%).

Like-for-like energy consumption increased on average across the Fund's industrial and retail warehouses, however this was more than offset by energy consumption decreases across the Fund's retail and low/mid-rise office assets.

Comparing the twelve months ending 31 March 2024 to the prior twelve months, Scope 1 gas absolute use decreased from 4,265,267 kWh to 2,576,624 kWh (-39.6%). Scope 2 electricity absolute use reduced from 8,572,943 kWh to 4,648,164 kWh (-45.8%) and total absolute energy use therefore decreased -43.7%.

Greenhouse gas (GHG) emissions (SECR)

Under the SECR reporting framework methodology, greenhouse gas (GHG) emissions decreased by 0.3% (2022 decrease 16.5%) on a like-for-like basis between 1 April 2023 and 31 March 2024. Like-for-like Scope 1 (gas) emissions increased by 16.8% (2022 decrease 24.4%) and Scope 2 (electricity) emissions decreased by 6.2% (2022 decrease 12.6%).

Comparing the twelve months ending 31 March 2024 to the prior twelve months, Scope 1 gas (carbon equivalent) emissions reduced -39.5%, Scope 2 electricity emissions reduced -42.7% and total emissions therefore decreased -41.7%.

TCFD

The following table represents a summary of metrics related to the Fund, as defined by the TCFD:

Reporting Period	Carbon Footprint (tCO2e / £M portfolio value)		Weighted Average Carbon Intensity (tCO2e / £M revenue)		Scope 1 & 2 Data Coverage (Portfolio Market Value) (of which Actual / Proxy)			Scope 3 Data Coverage (Portfolio Market Value) (of which Actual / Proxy)		
12-months ending	Scopes 1-2	Scope 3	Scopes 1-2	Scope 3	Coverage (%)	(Actual)	(Proxy)	Coverage (%)	(Actual)	(Proxy)
31 March 2023	6	21	80*	320*	82%	46%	54%	61%	30%	70%
31 March 2024	8	11	95	139	81%	17%	83%	61%	32%	68%

SFDR periodic reporting

Full details of the Fund's SFDR periodic reporting is contained within the RTS template appended to this report. The following table represents a summary of the Principle Adverse Impacts of the fund, as defined by the SFDR:

PASI Indicator	Description	Calculation	Output (31 March 2024)
Mandatory			
1.17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels. Extent to which physical assets have exposure to occupiers involved in the extraction, storage, transport or manufacture of fossil fuels, through leasing contracts and present these in terms of proportions of the total net lettable area and total gross asset value of the fund.	Proportions of the total net lettable area and total gross asset value of the fund Exposed to Fossil Fuel related occupiers Expressed as weighted Average by NLA and GAV	0.0%
1.18. Exposure to energy-inefficient real estate assets	The firm monitors and discloses portfolio distribution to different energy performance certificate ratings at demise level and by floor area and rental value.The firm aims to increase the proportion of higher rated assets over time through thoughtful acquisition and repositioning of existing stock exploiting conventional market opportunities as a primary intervention strategy.	((value of real estate assets built before 31/12/2020 with EPC of C or below) + (value of real estate assets built after 31/12/2020 with PED below NZEB in Directive 2010/31/EU))/Value of real estate assets required to abide by EPC and NZEB rules Expressed as weighted average by NLA and ERV	72.0% (by Net Lettable Area) 67.1% (by ERV)
Optional			
2.18 GHG emissions (total absolute greenhouse gas emissions associated with the portfolio)	Scope 1 (on Balance Sheet) GHG emissions generated by real estate assets	The indicators will be applied at a whole building level irrespective of the specific circumstances surrounding operational control at individual property assets. Emissions will be determined and reported both at an absolute level and on a like-for-like basis to recognise the fluid nature of property investment and trading activities. Scope 3 emissions generated by building occupiers may need to be estimated in the absence of underlying data being provided. Emissions will also be presented as intensities using floor area as the denominator to allow for deeper comparison particularly between different property sectors	4,278 tCO_2e (31 March 2023 = 3,545 tCO_2e)
	Scope 2 (Property Value) GHG emissions generated by real estate assets		3,733 tCO_2e (31 March 2023 = 4,457 tCO_2e)
	Scope 3 (Whole Building Carbon Emissions by Scope) GHG emissions generated by real estate assets		12,267 tCO_2e (31 March 2023 = 28,988 tCO_2e)
	Total GHG (Scopes 1-3) emissions generated by real estate assets		20,317 tCO_2e (31 March 2023 = 36,990 tCO_2e)
2.19 Energy consumption intensity	Energy consumption of owned real estate assets per square meter (ratio of energy consumption per square metre of gross internal area (GIA) to the total energy consumption of the portfolio)	Total energy equivalent consumption in GWh / total floor area Expressed as weighted average by NLA	0.000185 GWh / m^2 (GIA) (31 March 2022 = 0.000275 GWh / m2 (GIA))

Reporting Methodology

1.1. Scope

TPUT has chosen to report GHG emissions using the Operational Control approach for its organisational boundary. This boundary includes owned assets where the fund, acting as the landlord, is directly responsible for electricity and/or gas supplies.

TPUT has considered the seven main GHGs covered by the Kyoto protocol, including:

- Carbon dioxide (CO_2)
- Methane (CH_4)
- Nitrous oxide (N_2O)
- Hydrofluorocarbons (HFCs)
- Perfluorocarbons (PFCs)
- Sulphur Hexafluoride (SF_6)
- Nitrogen Trifluoride (NF_3)

Total GHG emissions are reported in terms of carbon dioxide equivalent (CO2e). Conversion factors have been sourced from the UK Government's Greenhouse Gas Reporting Factors for Company Reporting (2022).

The following sources of emissions have been considered as part of this review:

Scope 1

- Direct emissions from controlled gas boilers (converted from kWh usage)
- Business travel through company owned vehicles (although not relevant to TPUT)

Scope 2

- Indirect emissions from electricity purchased by TPUT and consumed within real estate assets owned by the company (converted from kWh usage)
- Greenhouse Gas (GHG) emissions from electricity (Scope 2) are reported according to the 'location-based' approach.
- TPUT has chosen not to report fugitive emissions e.g. from refrigerant leaks.

1.2. Emissions within Operational Control

As a real estate focused entity, the majority of TPUT emissions arise through assets that are owned and leased. At multi-let properties, TPUT, acting as the landlord, has control and influence over the whole building and/or shared services, external lighting and void spaces. Accordingly, TPUT was responsible for Scope 1 and/or Scope 2 emissions for the corresponding reporting periods Apr 2022-Mar 2023 and Apr 2023-Mar 2024.

1.3. Carbon Offsets

No carbon offsets were purchased during the reporting period.

1.4. Emissions outside of Operational Control

TPUT is not directly responsible for any GHG emissions/energy usage at single let/FRI assets nor at multi-let assets where the tenant is counterparty to the energy contract. These emissions form part of the wider value chain (i.e. 'Scope 3') emissions, which are not reported at present.

1.5. Baseline Year

A baseline year of Apr 2022-Mar 2023 has been selected to enable comparison over time. The baseline year comprises energy/ GHG data for all assets (where data has been reported). This represents the assets included in the long-term energy and GHG target and assets for which energy use is actively tracked and reported against on a quarterly basis.

1.6. Intensity Ratios (Key Performance Indicator)

In addition to reporting relevant absolute GHG emissions (by scope and per sector), TPUT has chosen to report intensity ratios, where appropriate. The denominator determined to be most relevant to the business is square metres of net lettable area (office, industrial distribution warehouse and retail high street) The intensity ratio is expressed as:

- Energy: kilowatt hours per metre square (net lettable area) per year, or, kWh/m^2/yr.
- GHG: kilograms carbon dioxide equivalent per metre square (net lettable area) per year, or, $CO_2e/m^2/yr$.

The like-for-like (LFL) intensity ratio for energy usage and emissions are calculated per metre square (net lettable area) for all asset sectors independently.

Intensity ratios have only been determined on relevant emissions, where the Like-for-Like Reporting (3.7.) criteria have been met. Additionally, consumption data from meters serving exterior areas have been excluded from intensity ratios, as these do not serve a measurable floor area of the asset. Where a sector's like-for-like consumption is solely derived from meters serving exterior areas, this sector is excluded from intensity reporting.

1.7. Like-for-Like Reporting

Previously, like-for-like analysis has been adopted for the top 20 highest energy consuming assets in the entity, however, the materiality of the top 20 has become less significant over time. Therefore, like-for like energy usage, emissions, and subsequent intensity values are set out per sector based on all assets within the entity.

Assets are included within like-for-like analysis where each of the following conditions is met:

- No major renovation or refurbishment has taken place, i.e., affecting more than 50% of the building by area or number of occupants
- Data is available for over 355 days in both the baseline and reporting years

1.8. Normalisation Factors

No further adjustments are considered for this annual report, including any adjustments to account for the impact of the COVID-19 pandemic. Any movement in reported emissions due to the pandemic could mask the impacts of any genuine reduction activities. Furthermore, the impact on Scope 1 and 2 greenhouse gas emissions will have a lesser impact for some sectors and the extent of the impact is still largely not fully understood. Further evaluation concerning occupancy and/or operation hours may be considered in the future.

1.9. Data Collection and Validation

Data has been sourced from the funds Property Managers and their utility brokers. Data is held within the sustainability data platform SIERA which is used as the basis for data checking and validation. In summary, the applied process includes:

1. Confirmation of asset location and scope of landlord impacts (Scopes 1 and 2)
2. Input of Scope 1 and Scope 2 data (provided by Property Managers and appointed brokers)

3. Completion of data accuracy checks (inbuilt function of SIERA with specialist consultant review)
4. Initial review and / or approval of data (by Property Managers)
5. Validation of data and publishing of results quarterly

Data has not been verified or assured to any recognised standard.

1.10. Energy / GHG Target Setting

GHG Reporting Guidelines[1] recommend establishing a target as a matter of good practice. Energy targets are typically measured via changes to kWh usage and/or greenhouse gas emissions (in the form of carbon dioxide equivalent) compared to a baseline. Columbia Threadneedle Investments recognises the importance of setting an energy target. At the fund level, a science-based target has been established for TPUT, targets a 65% energy intensity reduction and 97% carbon intensity reduction by 2040 (from a 2023 baseline).

An energy target helps to:

- Support identification of asset improvement opportunities
- Drive improvements in operational efficiency (and potentially lower costs)
- Futureproof asset against increased legislation and 'brown discounting' (on sale)
- Support overall good asset management
- Provide a simple KPI that can be shared with key stakeholders
- Demonstrate commitment to, and alignment with, the broader goals of their organisation and wider society around ESG and climate change.

Disclaimer

This report has been prepared for Columbia Threadneedle Investments for the agreed purpose. Reasonable professional care has been taken in the development of this report. Where our analysis, conclusions and recommendations are based on information provided to us (for example by you and/or a data agent), EVORA cannot be held responsible for the accuracy of this information. We have clearly identified where estimates have been used to provide indications of performance. Estimates are not a guarantee of current or future performance. We have also indicated where our work is based on certain assumptions, which assumptions were made at a given point in time based upon prevailing industry practices, available technologies and client data. These assumptions may change over time, which could have a resultant impact on any recommendations given. Neither this report nor any other statements or representations by EVORA should be construed by the named client or any third party as legal and/or financial advice. Further, EVORA cannot be held responsible for reliance on the contents of this report by any third parties other than the named client.

[1] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/206392/pb13944-env-reporting-guidance.pdf

TPUT energy (kWh) and Scope 1 and 2 emissions (tCO^2e) year ending 31 March 2024

GHG Scope	Apr 2022 – Mar 2023		Apr 2023 – Mar 2024	
	Absolute Energy use (kWh)	Absolute Tonnes of Carbon Dioxide Equivalent (tCO_2e)	Absolute Energy use (kWh)	Absolute Tonnes of Carbon Dioxide Equivalent (tCO_2e)
Gas / Scope 1	5,415,333	989	3,550,008	649
Electricity / Scope 2	11,038,511	2,166	6,619,230	1,371
Total	**16,453,844**	**3,156**	**10,169,238**	**2,020**

TPUT energy (kWh) and Scope 1 and 2 emissions intensity ($kgCO_2e$) year ending 31 March 2024

SECTOR	Apr 2022 – Mar 2023		Apr 2023 – Mar 2024	
	Energy Intensity (kWh)	Carbon Intensity ($kgCO_2e$)	Energy Intensity (kWh)	Carbon Intensity ($kgCO_2e$)
Per m^2 – **Industrial: Non-Refrigerated Warehouse**	2.2	0.4	2.2	0.5
Per m^2 – **Lodging, Leisure & Recreation: Other**	0.7	0.1	0.3	0.1
Per m^2 – **Office: Corporate: Low-Rise Office**	84.6	16.3	81.5	16.1
Per m^2 – **Office: Corporate: Mid-Rise Office**	179.6	34.5	167.7	33.4
Per m^2 – **Retail: Retail Centers: Warehouse**	3.3	0.7	3.7	0.7

TPUT Greenhouse Gas Emissions Statement for year ending 31 March 2024

Sector	Scope	Absolute Emissions (tCO_2e)		Like-for-Like Emissions (tCO_2e)			Intensity (kg CO_2e /m^2)		
		Apr 22 - Mar 23	Apr 23 - Mar 24	Apr 22 - Mar 23	Apr 23 - Mar 24	% Change	Apr 22 - Mar 23	Apr 23 - Mar 24	% Change
Industrial, Non-Refrigerated Warehouse	Scope 1	74.7	15.4	0.0	0.0	N/A			
	Scope 2	282.2	175.4	19.0	20.1	5.7%			
	Scopes 1 & 2	356.9	190.7	19.0	20.1	5.7%	0.4	0.5	5.7%
Lodging, Leisure & Recreation: Indoor Arena	Scope 1	362.1	265.0	0.0	0.0	N/A			
	Scope 2	493.1	328.4	1.2	0.6	-48.8%			
	Scopes 1 & 2	855.2	593.4	1.2	0.6	-48.8%	0.1	0.1	-48.8%
Lodging, Leisure & Recreation: Other	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	0.0	0.0	0.0	0.0	N/A			
	Scopes 1 & 2	0.0	0.0	0.0	0.0	N/A	-	-	N/A
Mixed use: Other	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	37.7	27.1	0.0	0.0	N/A			
	Scopes 1 & 2	37.7	27.1	0.0	0.0	N/A		-	
Office: Business Park	Scope 1	22.5	0.0	0.0	0.0	N/A			
	Scope 2	88.5	0.0	0.0	0.0	N/A			
	Scopes 1 & 2	111.0	0.0	0.0	0.0	N/A	-	-	N/A
Office: Corporate: Low-Rise Office	Scope 1	315.0	191.0	122.8	143.5	16.8%			
	Scope 2	685.4	387.7	316.0	291.1	-7.9%			
	Scopes 1 & 2	1,000.4	578.6	438.8	434.6	-1.0%	16.3	16.1	-1.0%
Office: Corporate: Mid-Rise Office	Scope 1	210.1	178.1	184.8	166.8	-9.7%			
	Scope 2	485.5	408.2	388.8	388.1	-0.2%			
	Scopes 1 & 2	695.6	586.2	573.6	554.8	-3.3%	34.5	33.4	-3.3%
Office: Corporate: High-Rise Office	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	0.9	0.9	0.0	0.0	N/A			
	Scopes 1 & 2	0.9	0.9	0.0	0.0	N/A	-	-	N/A
Retail: High Street	Scope 1	4.9	0.0	0.0	0.0	N/A			
	Scope 2	39.4	0.0	0.0	0.0	N/A			
	Scopes 1 & 2	44.3	0.0	0.0	0.0	N/A		-	
Retail: Restaurants/ Bars	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	11.6	0.0	0.0	0.0	N/A			
	Scopes 1 & 2	11.6	0.0	0.0	0.0	N/A	-	-	N/A
Retail: Retail Centers: Warehouse	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	41.8	43.1	19.3	21.7	12.3%			
	Scopes 1 & 2	41.8	43.1	19.3	21.7	12.3%	0.7	0.7	12.3%
TOTAL	**Scope 1**	**779.2**	**471.3**	**122.8**	**143.5**	**16.8%**			
	Scope 2	**1,680.8**	**962.5**	**355.4**	**333.5**	**-6.2%**		N/A	
	Scopes 1 & 2	**2,460.0**	**1,433.9**	**478.3**	**476.9**	**-0.3%**			

Statement of Energy Usage

TPUT energy usage statement for the year ending 31 March 2024 is reported in the table below. Absolute energy usage, like-for-like and an intensity value for 2023 and 2024. The table sets out the energy use per sector and for the entity overall. Like-for-like energy usage and intensity values are set out per sector based on the top 20 consuming assets (Tier 1) within the entity. The approach taken follows guidance provided by the GHG Reporting Guidelines (BEIS, 2019) and INREV Sustainability Reporting Guidelines 2016.

TPUT Energy Usage Statement for year ending 31 March 2024

Sector	Scope	Absolute Consumption (kWh)		Like-For-Like Consumption (kWh)			Energy Intensity (kWh /m²)		
		Apr 22 - Mar 23	Apr 23 - Mar 24	Apr 22 - Mar 23	Apr 23 - Mar 24	% Change	Apr 22 - Mar 23	Apr 23 - Mar 24	% Change
Industrial, Non-Refrigerated Warehouse	Scope 1	408,913	84,040	0	0	N/A			
	Scope 2	1,455,847	846,776	95,630	98,115	2.6%			
	Scopes 1 & 2	1,864,759	930,815	95,630	98,115	2.6%	2.2	2.2	2.6%
Lodging, Leisure & Recreation: Indoor Arena	Scope 1	1,982,311	1,448,719	0	0	N/A			
	Scope 2	2,502,967	1,585,747	5,884	2,846	-51.6%			
	Scopes 1 & 2	4,485,278	3,034,467	5,884	2,846	-51.6%	0.7	0.3	-51.6%
Lodging, Leisure & Recreation: Other	Scope 1	0	0	0	0	N/A			
	Scope 2	0	0	0	0	N/A			
	Scopes 1 & 2	0	0	0	0	N/A	-	-	N/A
Mixed use: Other	Scope 1	0	0	0	0	N/A			
	Scope 2	190,959	131,073	0	0	N/A			
	Scopes 1 & 2	190,959	131,073	0	0	N/A		-	
Office: Business Park	Scope 1	123,144	0	0	0	N/A			
	Scope 2	454,067	0	0	0	N/A			
	Scopes 1 & 2	577,211	0	0	0	N/A	-	-	N/A
Office: Corporate: Low-Rise Office	Scope 1	1,724,200	1,043,865	672,327	784,343	16.7%			
	Scope 2	3,492,321	1,872,145	1,603,302	1,409,382	-12.1%			
	Scopes 1 & 2	5,216,521	2,916,010	2,275,629	2,193,725	-3.6%	84.6	81.5	-3.6%
Office: Corporate: Mid-Rise Office	Scope 1	1,150,066	973,383	1,011,269	911,574	-9.9%			
	Scope 2	2,465,569	1,971,066	1,973,015	1,875,178	-5.0%			
	Scopes 1 & 2	3,615,635	2,944,449	2,984,284	2,786,752	-6.6%	179.6	167.7	-6.6%
Office: Corporate: High-Rise Office	Scope 1	0	0	0	0	N/A			
	Scope 2	4,550	4,428	0	0	N/A			
	Scopes 1 & 2	4,550	4,428	0	0	N/A	-	-	N/A
Retail: High Street	Scope 1	26,699	0	0	0	N/A			
	Scope 2	201,044	0	0	0	N/A			
	Scopes 1 & 2	227,742	0	0	0	N/A		-	
Retail: Restaurants/ Bars	Scope 1	0	0	0	0	N/A			
	Scope 2	59,401	0	0	0	N/A			
	Scopes 1 & 2	59,401	0	0	0	N/A	-	-	N/A
Retail: Retail Centers: Warehouse	Scope 1	0	0	0	0	N/A			
	Scope 2	211,786	207,996	97,765	107,409	9.9%			
	Scopes 1 & 2	211,786	207,996	97,765	107,409	9.9%	3.3	3.7	9.9%
TOTAL	**Scope 1**	**4,265,267**	**2,576,624**	**672,327**	**784,343**	**16.7%**			
	Scope 2	**8,572,943**	**4,648,164**	**1,802,581**	**1,617,751**	**-10.3%**		N/A	
	Scopes 1 & 2	**12,838,209**	**7,224,789**	**2,474,908**	**2,402,094**	**-2.9%**			

Additional Information

The value of investments may fall as well as rise and investors may not get back the original investment. It may be difficult or impossible to realise an investment in the Trust because the underlying property concerned may not be readily saleable. The value of the property held by the Trust is a matter or the valuer's opinion and the true value may not be recognised until the property is sold.

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Please note that the use of gearing creates additional risk by raising the Trust's exposure to capital risk and interest costs. In some circumstances the use of gearing can also affect the eligibility of the Trust for certain investors.

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Important Information

The Trust is not an authorised unit trust scheme for the purposes of the Trustee Investment Act 1961 or for UK tax purposes.

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Units in the Trust may only be promoted in accordance with the aforementioned legislation. Past performance is no guide to future returns. The value of investments and income from them can go down as well as up. Any opinions expressed in this document are made as at the date of issue and are subject to change without notice. Tax concessions are not guaranteed and may change in the future. It may be difficult or impossible to realise an investment because the underlying property concerned may not be readily saleable. The value of property is a matter of a valuer's opinion and the true value may not be recognised until the property is sold. Both the Columbia Threadneedle Investments name and logo are trademarks or registered trademarks of the Columbia Threadneedle Investments group of companies.

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ALTERNATIVES

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ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Threadneedle Property Unit Trust
Legal entity identifier: 54930010V88ID3WPPN38

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promotes environmental characteristics through asset selection and active asset management in order to support the creation of sustainable property assets that are environmentally optimised. In particular, the Fund has and will continue to:

1. improve the environmental performance potential of its property assets, and
2. lower the energy use and carbon intensity of its property assets,

in order to achieve Net Zero operational carbon emissions from its property portfolio by 2040 or sooner (the "**Environmental Characteristics**").

This is reflected in the Key Performance Indicators defined in the Fund's Prospectus which the Manager monitors as part of its role, which include the sustainability indicators. Over the twelve months ending 31 March 2024, the Fund has continued to monitor and update progress against these Environmental Characteristics, as set out below.

How did the sustainability indicators perform?

The Investment Advisor uses the following sustainability key performance indicators to measure the attainment of the Environmental Characteristics that the Fund promotes.

The Investment Advisor also measures and reports additional data metrics as part of its standard informal quarterly and annual reporting, which may differ to the figures set out below, due to methodology or timing differences.

1. **Environmental Performance Certificates** ("**EPCs**")

Weighting by number of units (consistent with legacy reporting data) portfolio coverage as at 31 March 2024 was **99.1**%, with **31.7**% of units rated EPC A or B.

Weighting by ERV (consistent with the quarterly reported statistics), portfolio coverage was **99.1**%, with **33.1**% of ERV rated A or B.

2. **Energy consumption / intensity**

For the period to 31 March 2024, Energy Consumption Intensity was **0.000185** GWh / m2 (GIA).

3. **GHG emissions / carbon footprint**

For the period to 31 March 2024, Fund GHG emissions were as follows:

tCO2e (Scope 1)	tCO2e (Scope 2)	tCO2e (Scope 3)	tCO2e (Scopes 1-3)
4,278	3,733	12,267	20,317

…and compared to previous periods?

Comparable data for the 12-months ending 31 March 2023 is set out below:

(1) Environmental Performance Certificates (EPCs)

Weighting by number of units (consistent with legacy reporting data) portfolio coverage as at 31 March 2023 was 99.7%, with 25.8% of units rated EPC A or B.

Weighting by ERV (consistent with the quarterly reported statistics), portfolio coverage was 99.0%, with 30.9% of ERV rated A or B.

(2) Energy consumption / intensity

For the period to 31 March 2023, Energy Consumption Intensity was 0.000275 GWh / m2 (GIA).

(3) GHG emissions / carbon footprint

For the period to 31 March 2023, GHG emissions were as follows:

tCO2e (Scope 1)	tCO2e (Scope 2)	tCO2e (Scope 3)	tCO2e (Scopes 1-3)
3,545	4,457	28,988	36,990

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

N/A – the Fund does not make sustainable investments

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

N/A

How were the indicators for adverse impacts on sustainability factors taken into account?

N/A

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

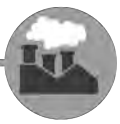
N/A

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

The statement above is prescribed by Article 6 of the EU Taxonomy. For the avoidance of doubt, the Investment Advisor does not currently take into account the EU criteria for environmentally sustainable economic activities for any of its investments. See below regarding Taxonomy-alignment.



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Advisor considers the principle adverse impact on sustainability factors throughout the lifecycle of the Fund's investments. The below table summarises the mandatory and optional principal adverse impacts on sustainability factors in relation to the Fund, as at 31 March 2024 and 31 March 2023 for ease of comparison.

PAI Indicator	Description	Calculation	Output (March 2024)	Output (March 2023)
Mandatory				
1.17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels. Extent to which physical assets have exposure to occupiers involved in the extraction, storage, transport or manufacture of fossil fuels, through leasing contracts and present these in terms of proportions of the total net lettable area and total gross asset value of the fund.	Proportions of the total net lettable area and total gross asset value of the fund Exposed to Fossil Fuel related occupiers Expressed as weighted Average by NLA and GAV	0.0%	0.0%
1.18. Exposure to energy-inefficient real estate assets	The firm monitors and discloses portfolio distribution to different energy performance certificate ratings at demise level and by floor area and rental value.The firm aims to increase the proportion of higher rated assets over time through thoughtful acquisition and repositioning of existing stock exploiting conventional market opportunities as a primary intervention strategy.	((value of real estate assets built before 31/12/2020 with EPC of C or below) + (value of real estate assets built after 31/12/2020 with PED below NZEB in Directive 2010/31/EU))/Value of real estate assets required to abide by EPC and NZEB rules Expressed as weighted average by NLA and ERV	72.0% (by Net Lettable Area) 67.1% (by ERV)	72.4% (by Net Lettable Area) 69.7% (by ERV)
Optional				
2.18 GHG emissions (total absolute greenhouse gas emissions associated with the portfolio)	Scope 1 (on Balance Sheet) GHG emissions generated by real estate assets	The indicators will be applied at a whole building level irrespective of the specific circumstances surrounding operational control at individual property assets. Emissions will be determined and reported both at an absolute level and on a	4,278 tCO2e	3,545 tCO2e
	Scope 2 (Property Value) GHG emissions generated by real estate assets		3,733 tCO2e	4,457 tCO2e
	Scope 3 (Whole Building Carbon Emissions by Scope) GHG emissions generated by real estate assets		12,317 tCO2e	28,988 tCO2e

	Total GHG (Scopes 1-3) emissions generated by real estate assets	like- for-like basis to recognise the fluid nature of property investment and trading activities. Scope 3 emissions generated by building occupiers may need to be estimated in the absence of underlying data being provided. Emissions will also be presented as intensities using floor area as the denominator to allow for deeper comparison particularly between different property sectors.	20,317 tCO2e	36,990 tCO2e
2.19 Energy consumption intensity	Energy consumption of owned real estate assets per square meter (ratio of energy consumption per square metre of gross internal area (GIA) to the total energy consumption of the portfolio)	total energy equivalent consumption in GWh / total floor area Expressed as weighted average by NLA	0.000185 GWh / m2 (GIA)	0.000275 GWh / m2 (GIA)

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 12 months ending 31 March 2024

Largest investments	Sector	% Assets	Country
Croydon, 19 Commerce Way	Industrial / Warehouse	5	*UK*
Spitfire Retail Park	Retail Warehouse	3.3	*UK*
London W1, 46 Foley Street	Town Centre Offices	2.8	*UK*
Hampton, Kempton Gate	Industrial / Warehouse	2.3	*UK*
York, Foss Islands Retail Park	Retail Warehouse	2.2	*UK*
High Wycombe, Stirling Road	Industrial / Warehouse	2.1	*UK*
Cardiff, Newport Road	Retail Warehouse	2.1	*UK*
Coventry, Skydome	Miscellaneous	2	*UK*
Selby, Three Lakes Retail Park	Town Centre Offices	2	*UK*
Rugby, Swift Point	Industrial / Warehouse	2	*UK*

Source: Columbia Threadneedle Investments, 31 March 2024. % Property Assets refers to the Fund's directly held property excluding indirect investments and cash

What was the proportion of sustainability-related investments?

The Fund did not make sustainability-related investments (0%).

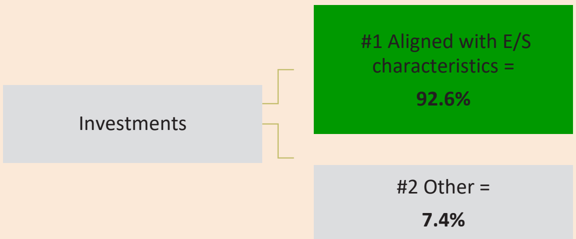
Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

The Investment Advisor typically operates a cash liquidity corridor between **3-10**% and therefore the Fund is typically invested **90-97**% in property assets, **100**% of which contribute to attaining the Fund's Environmental Characteristics.

Therefore, the minimum proportion of the investments of the financial product used to meet the Environmental Characteristics promoted by the financial product in accordance with the binding elements of the investment strategy is **90**%.

As at 31 March 2024 the Fund held a cash weighing of **10.7**%, and an allocation to sustainability-related investments of **89.3**%. However, following settlement of redemptions post-31 March 2024 the Fund's cash position reduced to **7.4**% therefore assets aligned with E/S Characteristics increased to **92.6**%.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

In which economic sectors were the investments made?

Real estate and cash

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Out of the percentage of investments that are aligned with E/S characteristics, 0% are currently Taxonomy aligned.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

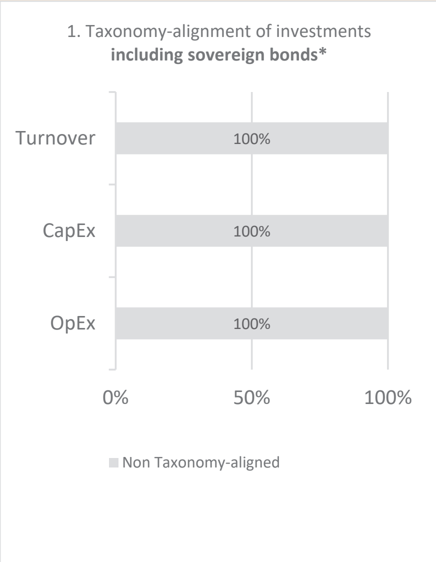
☐ Yes:

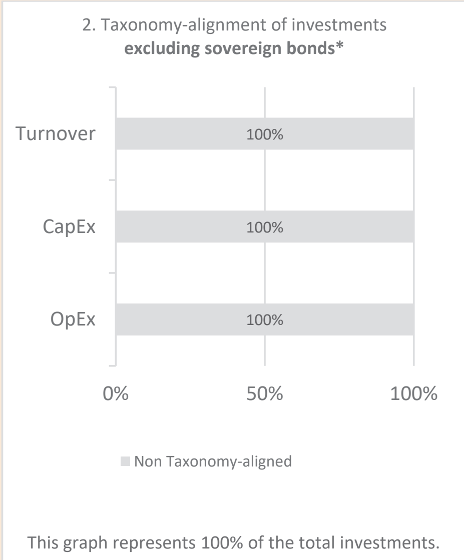
☐ In fossil gas ☐ In nuclear energy

☒ No

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





* *For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures.*

What was the share of investments made in transitional and enabling activities?

N/A

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

N/A

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[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The Fund did not make any sustainable investments with an environmental objective not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

The Fund did not make any socially sustainable investments.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Cash held to manage Fund liquidity. Environmental or social safeguards not applicable.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The fund completed **19** works projects in the year ending 31 March 2024, with **79.4**% of projects by value delivering EPC 'A' or 'B' ratings. Project capital expenditure investment increased to £**17.2** million over the period (from £13.6 million) representing a **26.2**% increase on the capital committed to works projects in the year ending 31 March 2023.

How did this financial product perform compared to the reference benchmark?

N/A – the Fund does not have a formal reference benchmark

While not a formal reference benchmark, the Fund has participated in Global Real Estate Sustainability Benchmark (GRESB) on an annual basis since 2011. GRESB's annual Real Estate Assessment assesses scores and ranks each Fund against a comprehensive set of criteria, including environmental, social and governance criteria in comparison to other funds and assets in the peer group and the wider GRESB Real Estate universe. The GRESB assessment covers the key ESG considerations relative to the real estate industry and is well aligned to the principal adverse sustainability impacts under the SFDR.

Based on data to 31 December 2022, the Fund achieved a GRESB score of 76/100, adding 1 point to its score the previous year, ranking the Fund 48th within its peer group of 113 funds, placing it ahead of the peer average score of 73.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***

N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A