THREADNEEDLE PROPERTY UNIT TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 MARCH 2022

Tebay Retail Park, Bromborough

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

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PORTFOLIO HIGHLIGHTS

NAV £1.6 billion

168 properties

Average lot size £8.6 million

723 tenancies

Rent roll £74.4 million p.a.

%NIY

Net Initial Yield 4.8% (4.1%)

WAULT[1] 4.6 years (6.6 years)

%EY

Equivalent Yield 6.0% (5.3%)

Vacancy rate 6.9% (9.8%*)

Total Return 21.7% (+23.1%)

Cash 6.2% (4.6%)

GRESB Rating 75/100

[1] Weighted Average Unexpired Lease Term.

Notes: all figures above as at 31/03/2022. Comparative figures as at 31/03/2021 on page 9. Figures in brackets are the Fund's relative performance metrics against its MSCI/AREF UK All Balanced Property Fund Index benchmark. Figure referenced * from MSCI UK Monthly All Property Index as not referenced in benchmark. Total return is expressed 12-months net NAV to NAV. Cash is expressed as % Net Debt (AREF methodology). The Fund uses Alternative Performance Measures ("APMs"), financial measures which are not specified under UK GAAP, to monitor and report on its performance in order to improve the transparency of published results. GRESB is the Global Real Estate Sustainability Benchmark.

Key features

Threadneedle Property Unit Trust (the 'Fund', 'Trust' or 'TPUT') is an unclassified open-ended unit trust originally established in 1967. The Fund has been domiciled in Jersey since 2002.

The objective of the Fund is to provide indirect investment exposure to a diversified portfolio of property assets in the United Kingdom. Unitholders have a right to the income of the Fund, which is generally allocated monthly and paid at the end of each quarter.

As Investment Advisor to the Fund, Columbia Threadneedle Investments[1] follows a longstanding consistent investment approach to deliver long term outperformance against the Fund's MSCI/AREF UK All Balanced Property Fund Index benchmark, which can be summarised as follows:

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.

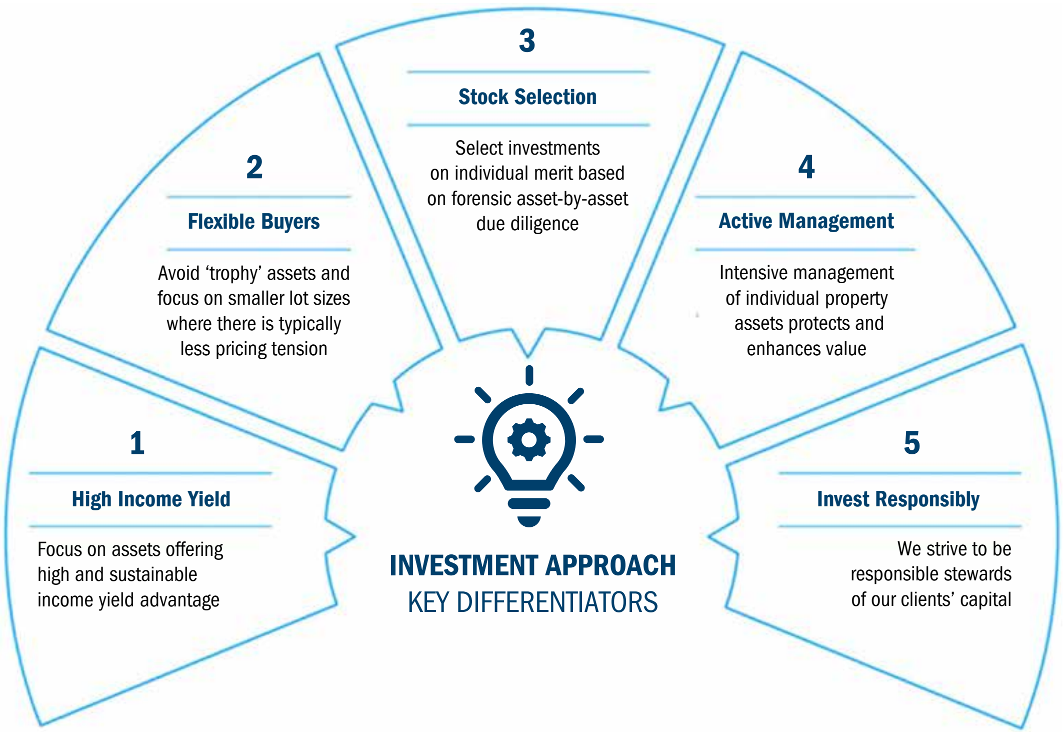
3. Stock selection is key
We believe selecting properties on individual merit is a key driver of long-term performance. This approach is supported by forensic asset-by-asset due diligence.

4. Pro-active asset management unlocks value
Intensive management of individual property assets protects and enhances value. We work hard 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' capital and the Fund is managed in accordance with our longstanding Environmental, social and Governance ("ESG") principles. 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 impact alongside financial performance.

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

Consistent 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

Solent Gate, Fareham

Chairperson's Statement

While the year to 31st March 2021 was characterised by unprecedented volatility, the twelve months since have witnessed wholesale recovery, of both the economy and the real estate market, as both have adjusted to the effects of Covid-19.

Before summarising the implications of these trends for you as investors in Threadneedle Property Unit Trust, it is appropriate for me to first extend my thanks to Richard Prosser following his retirement from the Board with effect from 30th April 2022. Richard was the first Chair of the Board, assuming the role in March 2002 and holding the position for twenty years, during which time the NAV of the fund increased from £108M to £1.6BN and delivered annualised net returns of 8.2% to investors.

By way of introduction, I have worked in the offshore financial services sector since 1995, having qualified as a Jersey Advocate with Ogier. I joined the Board with effect from 24th March 2022, and welcome Isabel Robins with effect from 29th March 2022. Isabel is a Chartered Surveyor and has worked in the real estate and financial services industry since 1991, initially in London before moving to Jersey in 1998. My and Isabel's appointment to the Board offer significant and complimentary experience in UK real estate investment and fund management, and we look forward to working with the other Board members, and the Investment Advisor, to ensure the fund continues to deliver for its investors in the years to come.

Turning back to events of the past twelve months: with the relaxation of Covid-19 restrictions for much of 2021, UK Gross Domestic Product ("GDP") grew by a record 7.5%, exceeding most mainstream forecasts and representing the highest rate of growth since World War II. As at February 2022, GDP is 1.5% above its pre-pandemic level, which provides a salient indication of the scale of recovery throughout 2021, especially considering the socio-economic disruption caused by the Omicron wave in the latter part of the period.

While the direct impacts of Covid-19 on the economy have reduced as a result of the UK's successful vaccination rollout, the economy continues its adjustment to a post-Covid and post-Brexit world, with rising inflation exacerbated by the outbreak of war in Ukraine and the subsequent rise in global commodity prices. Consumer Price Index ("CPI") inflation reached a 30-year high of 7.0% in March 2022 and is forecasted to rise further in 2022. In response to inflationary pressures, the interest Base Rate has increased to 0.75% in March 2022, with further incremental rises anticipated.

The UK real estate market, and the Fund, have benefitted from the reopening of the economy, and have experienced significant capital value growth over the year. At market level, capital growth totalled 18.0%, led by a significant weight of capital targeting a thriving industrial market, and a pronounced recovery in retail warehouse yield pricing. Office performance has perhaps surprised on the upside, with commentators fears of rental and capital falls proving unfounded. The occupational markets continue to perform well, recording income returns of 5.1% and delivering rental value growth for the year across all sectors of 3.8% as at 31 March 2022, up from -2.4% the previous year.

ESG considerations have rightly come to the forefront of investor and manager decision making over the past 18 months, and I and the Board are pleased to see the Investment Advisor continue to manage the fund in accordance with its longstanding principles as a Responsible Business and a Responsible Investor. The Fund's active management bias should give it a competitive advantage in an environment where building improvements are required to decarbonise the portfolio and the economy more generally.

In closing, I am pleased to report the Fund delivered a net total return to investors of 21.7% over the financial year, which while marginally below its Benchmark represents its best financial performance in absolute terms since 1994. The Fund remains highly diversified, strategically weighted, and continues to benefit from a high- and sustainable-income yield advantage.

Key Performance Indicators

The Manager considers the Fund's financial Key Performance Indicators to be:

- NAV performance; and
- Distribution of investment income

in both cases to ensure positive total return performance in relation to the Fund's Benchmark.

The Fund has a longstanding track record of delivering positive environmental and social outcomes alongside financial performance, as measured directly and by the Global Real Estate Sustainability Benchmark (GRESB). The Manager is currently working with the Investment Advisor to determine appropriate ESG Key Performance Indicators ("KPI") that are capable of being formalised within the appropriate Fund literature. Further information on the Fund's Responsible Investment approach and activities can be read on pages 63 to 68.

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 2022, 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 can be read on pages 63 to 68.

Natalie Sullivan, Advocate, LLB (Hons), Dip LP, NP
Chairperson of the Board of the Manager
30 June 2022

INVESTMENT ADVISOR'S REPORT

Pioneers Industrial Estate, Croydon

At a glance

Portfolio Highlights*	31 March 2022	31 March 2021
Net Asset Value £	1,574,827,738	1,385,851,840
Leverage	0.0%	0.0%
Capital Cash £m	104.1	149.2
Cash %	6.6%	10.3%
Net Initial Yield	4.8%	5.8%
Equivalent Yield	6.0%	6.9%
Yield on NAV Price (Distribution Yield)	3.8%	4.2%
Number of Properties	168	190
Average Lot Size £m	8.6	6.7
Rent Roll £m p.a	74.4	77.8
Number of Tenancies	723	788
Vacancy Rate %	6.9%	7.9%
WAULT	4.6 years	4.7 years
GRESB Rating	75/100	67/100

Fund Performance* (12 month total return)	31 March 2022	31 March 2021
Threadneedle Property Unit Trust	21.7%	2.0%
MSCI/AREF UK All Balanced Property Fund Index	23.1%	2.5%
Total Return versus Benchmark	-1.4%	-0.5%

* Data contained in tables is unaudited.

Market context:
Following the unprecedented challenges of 2020, the UK commercial property market demonstrated an exceptional recovery, despite the continuation of the Covid-19 pandemic in the form of evolving mutations and socio-economic restrictions. Capital values trended at record positive levels, driven by sustained performance in the Industrial sector and the resurgence of the Retail Warehouse sector. Total returns as measured by the MSCI UK Monthly Index were 23.9% over the 12 months ended 31 March 2022.

Portfolio strategy:
As Investment Advisor to the Fund, we stock pick assets offering high, sustainable income yields and proactively manage those assets to drive rental growth. 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 sectors we have a high conviction view of, with a bias towards industrial and logistics and retail warehousing.

Responsible Investment (ESG):
The active management bias of the Fund provides the best potential to deliver positive environmental and social outcomes, distributed throughout the United Kingdom, alongside financial performance. In recognition of this, the Fund achieved a GRESB score of 75 / 100 in 2021, ranking it 25th within its peer group of 102 funds. The Fund continues to monitor Energy Performance Certificates ("EPC"), energy consumption, Greenhouse Gas emissions and water / waste data, and over the latter part of the financial year undertook significant work on its Net Zero carbon pathway.

Activity:
The Fund sold 31 assets during the year generating gross sales receipts of £104.4m. Sales were focused on high street retail assets and offices, as part of continual efforts to maintain a balanced risk profile within the Fund. The Fund part re-invested the proceeds of sales into selective acquisitions, all consistent with the Fund's investment philosophy of acquiring sustainable higher income producing assets that provide scope for active management to drive performance. The Fund completed 162 lettings and lease renewals, securing rent of £13.7m p.a. and settled 39 rent reviews achieving an uplift of £0.34m p.a. Rent collection improved across the year in line with reopening of the economy.

Performance:
The Fund generated a total return of 21.7% in the 12 months ending 31 March 2022, representing the highest absolute total return since September 1994, which reflects the attractive characteristics of the Fund with high relative income yields, significant portfolio diversification and the potential to add value through proactive asset management. The Fund continues to deliver a high and sustainable distribution yield of 3.8%, significantly ahead of its peer average of 2.9%.

Outlook:
Whilst geo-political events and inflationary pressures continue to impact upon global economies, the correlated nature of UK real estate rental income to inflation, and the present weight of investment capital targeting the sector, is likely to continue to mitigate any short-term macroeconomic headwinds.

The Fund is well positioned to weather any macro volatility through its highly diversified portfolio, and to capitalise on socio-economic trends through its stock selection and active management bias.

We continue to work with the Manager to orientate the Fund to ensure it is able to mitigate risks and capitalise on opportunities which are expected to arise as a result of the carbon-oriented regulatory environment and corresponding market dynamics.

James Coke
Fund Manager, Threadneedle Property Unit Trust

Market context & outlook

UK macroeconomic viewpoint

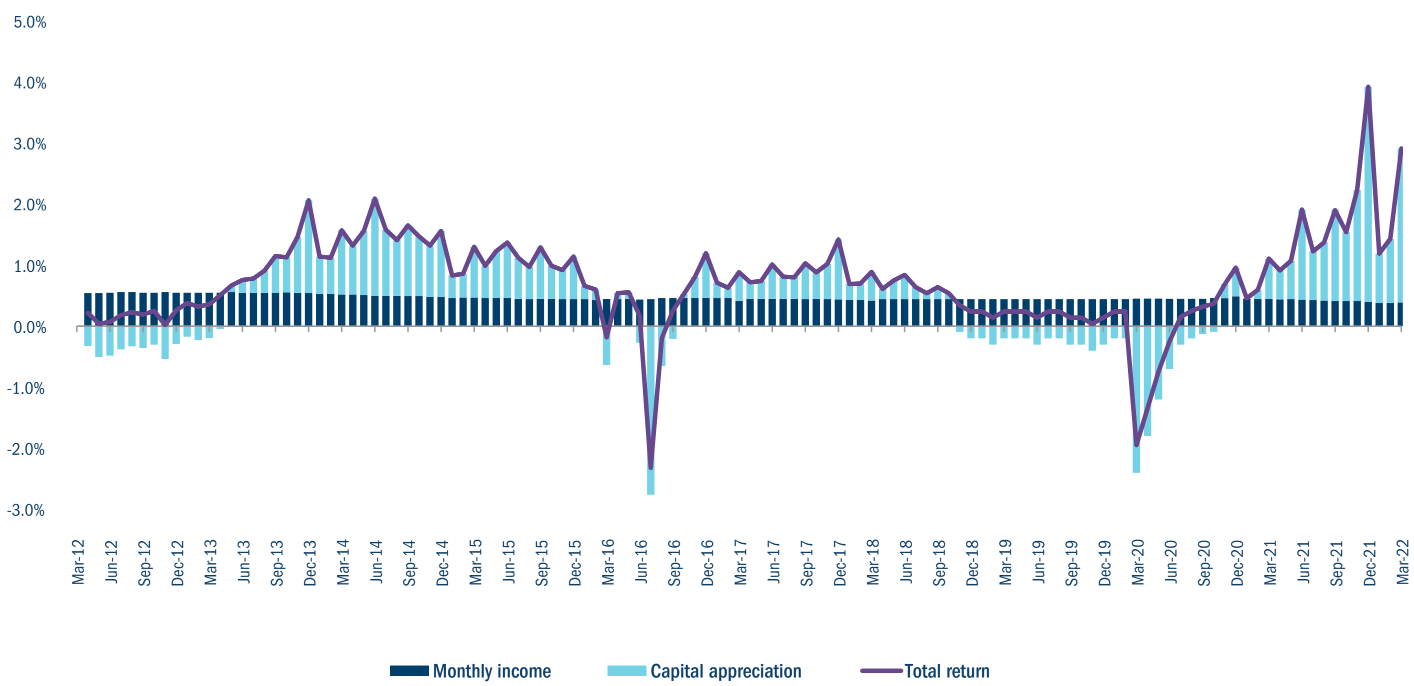
With the relaxation of Covid-19 restrictions for much of 2021, UK GDP grew by a record 7.5% according to Office of National Statistics ("ONS") statistics, exceeding most mainstream forecasts and representing the highest rate of growth since WWII. As at February 2022, monthly GDP is now 1.5% above its pre-pandemic level, which provides a salient indication of the scale of recovery throughout 2021 especially when considering the socio-economic disruption of the Omicron wave. While the impacts of Covid-19 on the economy have reduced as a result of the UK's successful vaccination rollout, the outbreak of war in Ukraine and the subsequent rise in global commodity prices has placed further volatility upon global markets. CPI inflation reached a 30-year high of 7.0% in March 2022 and is forecasted to rise further in 2022. In response to inflationary pressures, the interest Base Rate has increased to 0.75% in March 2022, with further incremental rises anticipated, although likely to be relatively modest to mitigate against the risk of stalling the economy. Government fiscal spending, however, has continued at substantial levels to support the economy with the total spend for 2020/21 being circa £1.67bn higher than originally budgeted pre-pandemic. In addition, the Treasury has committed a further £22bn this financial year to help absorb some of the cost-of-living pressures.

Despite early fears of mass-unemployment at the outset of the pandemic, unemployment has remained at low levels, currently at 3.8%, which represents a salient return to its pre-pandemic figure. Labour demand has continued to outpace supply, with job vacancies reaching a record high of 1.29 million, which may act as a constraint on growth. Household consumption served as the primary source of GDP expenditure throughout 2021, accounting for 59.0%, with spending increasing by 0.5% in Q4 2021. Growth in average total weekly earnings in the three months to February 2022 reached 5.4%; however, when accounting for high inflation the figure reduces to 0.4%. In a sign of rising confidence among the business community, the number of employees on UK company payrolls increased by 35,000 to a record 29.6 million. With Brexit deadlock now resolved and government pursuing a "Living with Covid" strategy, the outlook for business investment is increasingly positive, with considerable scope for further corporate investment and thus injecting a renewed dynamism into the economy.

UK Commercial Property

With this context, the MSCI UK Monthly Index recorded a total return of 23.9% in the 12 months to 31 March 2022, which represents an exceptional recovery from the -0.8% in 2020 and saliently the highest 12-month returns since September 1994. Capital growth formed the core component of the total return at 18%, driven by the acceleration of industrial values and a resurgence in the retail sector. Total investment volumes for the 2021 calendar year reached £56.9bn, up 21% on the £47bn transacted in 2020 and 8.5% above the ten-year average. This represents the highest yearly volume since 2018, reflective of the sheer weight of capital attracted to UK real estate as high-performing asset class.

MSCI UK Monthly Index All Property Returns to 31 March 2022



The occupational markets responded positively to the wider economic recovery, with rental value growth for the year across all sectors increasing to 3.8% as at 31 March 2022, up from -2.4% recorded the previous year. The industrial sector was the standout performer delivering 11.4% in the year, as the lack of supply and increasing occupier demand serving as a catalyst for rental growth. In turn, the strong rental growth has driven the capital performance outlined above as investors seek to capture the reversionary potentials.

The office sector has recovered well from the negative rental growth of -0.5% the previous year, delivering modest annual growth of 1.2%, despite the impact of the Plan B working from home government directive and the resulting occupational uncertainly. Whilst changes in shopping behaviours have contributed to a structural decline in retail activity, rental growth improved throughout the year to -1.8% up from -8.7% the previous year.

The Retail Warehouse recovery

A key theme for 2021 has been the resurgence of the out-of-town retail warehouse sector, which has seen renewed investor confidence generate capital returns of 24.5% for the year ending 31 March 2022. Evidently the sector has proven more resilient than the high street over the course of the pandemic. This is in part due to recognition of the subsector's robust occupational foundations, with tenants benefiting from reduced competition, online resilience and in many instances, online synergies – for example, "click and collect". In addition, the open nature of retail parks is often highly accessible for the consumer in terms of parking and road access. Investment volumes totalled, £2.98bn for 2021 which represents a circa 38% increase on the 5 yearly sector average and the highest volume traded in 5 years. As a result of the significant investment into the sector, yields contracted sharply throughout the year as investor appetite increased; however, the sector remains an attractive as an income-led proposition.

The Industrial surge continues

The industrial market continues to deliver record levels of growth with total returns reaching 42.3% in the year ending 31 March 2022, saliently the highest total return since 1988. The impact of the pandemic served to accelerate pre-existing structural trends, which in combination with the wider economic recovery, has led to sustained occupier and investor demand. The scale of demand is most evidently reflected in the 2021 occupier take-up statistics, which hit a new record of 78m sq. ft for the calendar year. Retail Economics have forecasted the proportion of non-food online sales to increase from an estimated 37% in 2021 to 49.7% in 2025, which in turn would indicate further high levels of occupier demand, complemented by the emergence of a new occupier base in the form of "dark kitchens" and grocery delivery services. The impact of the structural supply/demand imbalances has led to rental growth of 11.4% over the past 12 months. Unsurprisingly, investor sentiment has remained very positive towards the sector, with investment volumes reaching a record high of £15.2bn in 2021, almost doubling the previous record in 2018 and accounting for circa 27% of the total All-Property volume. Yields continue to compress across the sector, as a consequence of the sheer weight of capital seeking to capture the reversionary potentials. Given that industrials account for more than 40% of the index composition, this has a disproportionately positive impact at market level.

Returns

On an annualised basis, All Property returns delivered an exceptional 23.9% at the end of Q1 2022, driven by significant capital growth of 18.0% and a consistent income return of 5.1%. The sector performance is illustrated by the below chart:

	Retail	Office	Industrial	All property
Total return	20.8%	6.7%	42.3%	23.9%
Income return	7.0%	4.8%	4.2%	5.1%
Capital growth	13.0%	1.8%	36.8%	18.0%
Rental value growth	-1.8%	1.2%	11.4%	3.8%
Yield impact	-14.3%	-1.8%	-19.9%	-13.3%

MSCI UK Monthly Index Annualised Sector Returns to 31 March 2022

Annual total returns to 31 March 2022 of 23.9% represent the highest since July 2010, driven by significant capital growth in industrial and retail warehouses.

Outlook

It is likely the macro headwinds of rising inflation, and the corresponding monetary policy response, will continue to build over the three remaining quarters of 2022. While we are yet to see evidence of this affecting pricing or transactional volumes, sentiment is trending more neutral as investors and occupiers alike begin to factor in supply side constraints and their implications on business decisions.

The historically strong correlation between property returns and inflation, and the relatively high income return derived from the asset class, should maintain its appeal to investors, and positive momentum, while slowing, should ensure healthy returns are maintained through the remainder of 2022.

ESG factors will rightly continue to influence investment decisions. Investment approaches are split broadly between those passively buying best-in-class, and those willing to actively manage portfolios to deliver building improvements. Prevailing pricing is likely to reward the latter more than the former, while the middle ground gets increasingly squeezed and at risk of stranding.

RESPONSIBLE INVESTMENT UPDATE

Skydome, Coventry

Key principles

Investing responsibly has been a core part of the Trust'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.

Since 2018 the Investment Advisor has implemented multiple initiatives aimed at enshrining these principles within business operations. The Investment Advisor and the Manager are committed to the principles of responsible investment and will continue to implement positive change to ensure sustainability objectives are fully aligned with financial objectives.

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

Key initiatives

Policy Statement

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

Governance

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

Environmental

- GRESB participation since 2011 (TPUT)
- Sustainable Development Goals ("SDGs") provide framework to independently monitor environmental performance
- On-going engagement with largest tenants to improve FRI data sharing
- Physical Risk Screening Assessments completed in November 2021, complementing prior workstreams

Net Zero

- UKRE Net Zero Pathway published August 2021
- Fund Net Zero pathways published October 2021
- Fund Net Zero sensitivity analysis completed Q1 22
- Asset level Net Zero Carbon audits and Sustainability reports to be completed through 2022
- Fund targets to be set during 2022

Social

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

Reporting

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

Source: Columbia Threadneedle Investments, as at 31 March 2022. *Note, not all regulations are applicable to all UK Real Estate strategies. Material is illustrative only. Sustainability risks are integrated into the Fund's investment decisions making process for financial Risk Management purposes only. The decision to invest in the promoted fund should also take into account all the characteristics or objectives of the promoted fund as described in its prospectus. SECR = Streamlined Energy and Carbon Reporting; SFDR = Sustainable Finance Disclosure Regulation; TCFD = Task Force on Climate related Disclosures.

UN Sustainable Development Goals

In 2020 the Investment Advisor committed to align its strategic UK real estate sustainability objectives to the UN Sustainable Development Goals (SDGs) where it was appropriate to do so, through our ESG Policy Statement. These are set out in more detail on page 63.

Policy Statement SDG	Portfolio implementation	Verification
Build resilient infrastructure	Improve build quality and reduce environmental impact by ensuring refurbishments are undertaken in accordance with Refurbishment Guide	Ensure buildings comply with MEES*. Monitor number and impact of refurbishments via EPC ratings
Energy	Monitor energy consumption and target year on year reduction. Reduce gas consumption over time. Install smart meters on landlord controlled assets	SIERA database tracks energy (electricity and gas) consumption, and % smart meters on landlord-controlled assets
Carbon & Climate	Monitor GHG** emissions and target year on year reduction. Monitor and report flood risk annually	SIERA database tracks GHG emissions on landlord-controlled assets. Zurich provides flood risk data which is reviewed via Horizon
Water & Waste	Monitor water & waste consumption and target year on year reduction and increase recycling rates. Install smart meters on landlord controlled assets	SIERA database monitors waste & water consumption and % smart meters on landlord-controlled assets

Source: Columbia Threadneedle Investments, as at 31 December 2021. UN logos: Use does not imply UN endorsement of this fund. Use for promotion of the SDGs. The mention of any specific shares or bonds should not be taken as a recommendation to deal. All intellectual property rights in the brands and logos set out in this slide are reserved by respective owners. * MEES = Minimum Energy Efficiency Standards. ** GHG = Green House Gas

Portfolio monitoring

In 2021 a Sustainability Dashboard was introduced to track progress against the core metrics set out in the sustainability objectives and to enable the Fund to report directly to investors in a robust, transparent and comparable manner.

The Sustainability Dashboard is included as standard within the Fund Quarterly Report and summarises performance against the quantitative sustainability objectives set out above, being:

- EPC coverage, rating distribution and impact of refurbishments
- Energy consumption (Like for Like)
- Greenhouse gas (GHG) emissions / carbon intensity (Like for Like)
- Water and waste coverage
- Climate resilience

The Fund will report progress against these objectives on receipt of data from its tenants, mobilized annually, adjusted to account for its Net Zero pathway target once published.

The Manager is currently working with the Investment Advisor to determine which, if any, of the above sustainability objectives are appropriate ESG Key Performance Indicators that are capable of being formalised within the Fund literature.

Sustainability Dashboard

Energy consumption	
Key performance metrics	
Whole portfolio coverage	60.2%**
Energy consumption L-f-L / Y-on-Y	-21.9%*

Greenhouse gas emissions	
Key performance metrics	
Whole portfolio coverage	60.2%**
GHG emissions L-f-L / Y-on-Y	-27.8%*

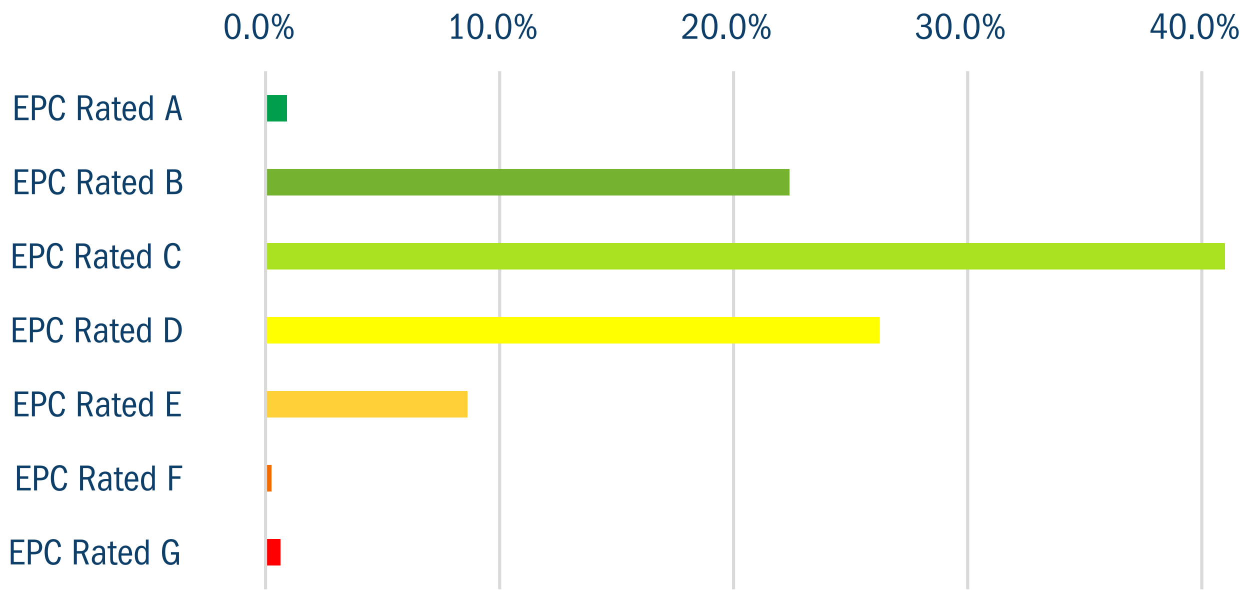
Water & Waste	
Key performance metrics	
Water whole portfolio coverage	24.5%*
Waste whole portfolio coverage	20.9%*
Water and waste consumption	TBC

Climate risk resilience	
Key performance metrics	
Flood risk whole portfolio coverage	100%
High / extreme risk assets (portfolio value)	3.1%
Physical Risk Screening coverage	100%

Source: Columbia Threadneedle Investments, as at 31 March 2022 with exceptions: Data marked * denotes as at 31 December 2020. Data marked ** denotes 12-month coverage through the period ending 31 March 2021. NOTE: ALL DATA TO BE RECONCILED ONCE ANNUAL TENANT DATA AVAILABLE (anticipated during Q2 2022). Sustainability risks are integrated into the Fund's investment decisions making process for financial Risk Management purposes only. The decision to invest in the promoted fund should also take into account all the characteristics or objectives of the promoted fund as described in its prospectus.

Energy Performance Certificates (EPCs)

While not a measure of actual energy performance, EPCs continue to provide a useful proxy of energy performance potential, and therefore 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 following chart illustrates the distribution of EPC ratings across the portfolio as at 31 March 2022. Coverage of EPCs was 97.8%, a significant improvement on twelve months prior.



Source: Columbia Threadneedle Investments, as at 31 March 2022.

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. As at 31 March 2022 the Fund owns three properties which have units rated EPC 'F'; two are located in Scotland which is subject to differing rating systems and regulations, and one is being refurbished to EPC 'A' specification. One property has units rated EPC 'G', this is also located in Scotland and is subject to planned refurbishment in 2022.

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. These statutory targets are aligned to the Investment Advisor's Refurbishment Guide.

Energy consumption

Under the SECR reporting framework methodology, overall energy consumption decreased by 2.2% on a like-for-like basis between 1st January 2021 to 31st December 2021. Like-for-like electricity consumption increased by 2.5% whilst fuel (gas) consumption reduced by 9.2%.

Greenhouse gas (GHG) emissions

Overall greenhouse gas (GHG) emissions decreased by 7.7% on a like-for-like basis between 1st January 2021 to 31st December 2021. Like-for-like Scope 1 (gas) emissions decreased by 9.7% and Scope 2 (electricity) emissions decreased by 6.6%.

Delivering sustainable outcomes: Skydome, Coventry

The property comprises a 161,900 sq. ft. leisure complex which is the Fund's highest energy consuming asset. Sustainability audits have been undertaken since 2018, resulting in increased awareness of the required energy action plan to reduce consumption and emissions, resulting in the following actions being implemented:

- Capex of £1.4 million allocated in 2021 to replace legacy boilers, upgrade and improve the BMC and replace the roof (50% of which is service charge recoverable)
- New energy efficient boilers have been installed, resulting in energy consumption being reduced by 25% against preceding average use
- New 417kWp photovoltaic (PV) system using high wattage panels have been installed on the roof, completing in February 2022, which are forecast to supply power equivalent to circa 10.8% of current electricity usage, reducing demand on the Grid
- Phase 2 works comprising additional PV panels and upgrade of AHUs being considered for late 2022 or early 2023 if current encouraging energy impact is sustained

Outcomes:	Financial	50% of the cost of replacing the boilers and roof covering is being recovered through the Service Charge. PV panels forecast to generate annualised Internal Rate of Return in excess of 15%
	Environmental	New boilers have reduced energy consumption by 25%. New PV panels generate an additional 10.8% of current electricity usage
	Social	Greener energy benefits all users. Additional on-going projects

Climate risk resilience

The Fund monitors property flood risk on an annual basis as a proxy for exposure to the effects of global warming. For the year ended 31 March 2022, the fund had five assets considered to represent a High or Extreme risk of flooding, representing 3.1% of portfolio value. This represents an improvement on the same period ending 31st March 2021 when the Fund had 10 assets (reflecting 3.4% of portfolio value) considered to represent a High or Extreme risk of flooding.

The Investment Advisor commissioned EVORA to undertake a more detailed Physical Climate Risk Screening Analysis in November 2021, based on data provided by Moody's ESG Solutions.

Moody's methodology characterizes physical climate risk through exposure scores for six climate hazards that are important drivers of business risk: floods, heat stress, hurricanes & typhoons, sea level rise, water stress and wildfires. A total of 175 assets were screened for physical risk exposure on the Moody's platform. EVORA have analysed the results across the fund and determined key findings:

- A majority (71%) of properties in the portfolio (124 assets) have a Medium exposure to Water Stress, covering roughly 70% NAV. This result is roughly in line with average exposure in the UK (and, for context, the United States and China), according to WRI Aqueduct data.[2]
- Flooding is the second most common hazard (69 assets, 39% of portfolio or 36% GAV), and also contains the highest number of Red Flags (20 assets, 10% GAV) for any hazard. The South East has the largest number of assets exposed to Floods, followed by the South West and London. However, it should be noted the Moody's methodology is not as accurate as the analysis undertaken by Columbia Threadneedle Investments and therefore that methodology and risk rating (as set out above) will continue to be used in preference to the Moody's output.
- Sea Level Rise is the third most occurring hazard, with 5% (9 assets, 5% GAV) of the portfolio exposed. The small number of exposed assets is due to the geographic cut-off applied to this hazard, which ignores assets more than 5km inland. Sea Level Rise is a Red Flag risk for assets in the South-East and East regions, and Wales. One asset in each of Yorkshire & Humberside, North-West & Merseyside, and Scotland have Medium exposure to the hazard.

Measures are in place at property level to monitor and where appropriate mitigate the risks identified in these analyses.

GRESB ★★★☆☆ 2021

[2] WRI Aqueduct Water Stress by Country.
https://www.wri.org/resources/charts-graphs/water-stress-country

GRESB

2021 marked the tenth year of the Fund's submission to GRESB, and in recognition of the initiatives put in place, we are pleased to report a score of 75/100, ranking the fund 25th within its peer group of 102 funds, placing it within the top quartile of performance, significantly ahead of the peer average score of 69.

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, as opposed to certifying them.

Governance continues to be an area in which the fund excels, scoring full marks (30/30) in the most recent submission.

Net Zero

Columbia Threadneedle Investments published its UK Real Estate Net Zero Strategy & Pathway in August 2021, setting out the scope and scale of its corporate commitment to achieve Net Zero in line with or ahead of the statutory deadline of 2050.

The Scope of this commitment is far reaching, and encompasses corporate activities, developments, our investment portfolios and activities controlled by our occupiers. Driving change through the supply chain requires effective occupier and supplier engagement. Unilateral action has been underway since 2019, with mixed results (e.g., tenant engagement survey), however corporate attitudes are improving and data coverage is increasing as a consequence. Current initiatives underway include our Stewardship Code for contractors, and Green Lease clauses which we encourage our occupiers to adopt.

Fund pathway

The Fund has commissioned EVORA to undertake a Pathway analysis on its investment portfolio, which was completed in October 2021, subject to sensitivity analysis which was completed in February 2022.

The objective of the study was to understand baseline and business-as-usual carbon emissions, to create a substantiated energy and carbon reduction target in alignment with science-based targets, and to provide an indication of the capital injection necessary to achieve the target. The objective of the sensitivity analysis was to incorporate the financial cost of offsetting and to determine the whole cost of three modelled pathways, achieving net zero by 2035, by 2040 and by 2050.

It is important to understand the context of this work and the inherent uncertainty from undertaking a high-level approach. The aim of the project is to set initial goals and identify clear next steps to progress towards net zero. Further work will be needed to build upon these initial estimates and refine assumptions.

Where whole building energy consumption data was unavailable for the asset, energy consumption was estimated based on typical consumption for similar assets. The analysis was undertaken on 219 assets within the portfolio as at 31 December 2019. An analysis of the data quality shows that aside from whole building meters, there is limited tenant energy consumption collected; the largest 30 assets have been assessed to have whole building data and in total 38 assets have whole building data, representing 26% of the total fund GIA as at 31 December 2019. The energy consumption of the remaining assets without whole building data were estimated using benchmark data.

The estimated energy consumption was adjusted based on the EPC rating of the asset. Using this methodology, the Fund's total energy consumption is estimated to be 174,554 MWh (Mega Watts per Hour).

The specific interventions required to achieve net zero carbon and science-based targets for the Fund follow an order of on-site interventions known as the ‘energy hierarchy’. The interventions in their preferred order include:

1 – Quick Wins, including actions such as monitoring, tenant engagement, maintenance items and small control adjustments,

2 – Deep retrofits, including actions such as lighting improvements, major BMS upgrades, building fabric improvements, heat recovery and replacement of major plant reaching end of life,

3 – Electrification of heat, primarily via heat pumps, resulting in the elimination of gas from the portfolio, and

4 – Renewable energy generation, primarily from rooftop photovoltaics.

The five different scenarios for the model broadly follow this hierarchy, with discrete scenarios modelled including a baseline (‘frozen’ portfolio accounting for changes to energy pricing and grid decarbonisation), a business-as-usual scenario accounting for anticipated acquisitions and disposals, and then sequential modelling accounting cumulatively for each of the above four interventions.

It is important to note these interventions have been modelled sequentially. For example, the model assumes quick wins are implemented between 2022 and 2025, and that renewable energy strategies are implemented from 2030. The reality is that these measures will be implemented alongside one another as part of the specification envisaged by the Refurbishment Guide. Technological improvements are anticipated to drive further financial and implementational efficiencies over time.

After exhausting these on-site interventions at the asset, off-site renewable energy may be prioritised, and as a last resort carbon offsets may be procured against any remaining residual carbon emissions. At or in advance of that point (anticipated to occur in circa 2037 based on the modelling undertaken by EVORA) the Fund may decide whether to offset to the emissions level required by the Carbon Risk Real Estate Monitor ("CRREM") science-based target or offset to net zero.

Carbon offsets are considered as a last resort, only after all the interventions have been exhausted; the impact of residual emissions is neutralised by permanently removing an equivalent volume of CO2. Carbon offsetting costs of residual emissions are estimated using UK CRREM carbon cost that are broadly equivalent to current market values for reputable carbon offset providers (£39/tonne). In 2040 carbon costs are estimated to increase to £95/tonne, a 144% increase in the present value.

Key findings

The modelled pathways showed that as the target year is postponed, the offsetting costs rise to align with the science-based target trajectory. In like-for-like monetary terms, EVORA estimate the financial cost of achieving net zero to be £106.7M under the 2035 pathway, rising to £107.4M under the 2040 pathway and £120.0M under the 2050 pathway. When the anticipated cost of offsetting is considered, the results of the analysis reveal a clear alignment between financial and environmental best practice.

Under the 2040 pathway, EVORA estimate the capital cost required to deliver net zero to be circa £96.7M, equivalent to circa £5.4M annually between 2022 and 2040. By way of context, over the five calendar years 2017-2021 the Fund completed 128 building projects investing an average of £8.7M annually in building improvements. While these figures are not directly comparable, with the latter encompassing works not envisaged in the EVORA study and also including professional fees, they do provide a useful illustration that the scale of the work required is comfortably within the capabilities of the fund management team.

In anticipation of an increasing commercial imperative to act sooner rather than later (to avoid asset stranding or incurring a ‘grey discount’, and to benefit from a ‘green premium’ associated with best-in-class assets), the Fund has committed capital estimated at £14.6M in 2022 to accelerate refurbishment works, consistent with the core principles set out above.

The Regulatory environment

Streamlined Energy and Carbon Reporting (SECR)

Under this legislation all UK quoted companies, “large” unquoted companies and LLPs are required to report their UK energy use, associated Scope 1 (gas) & 2 (electricity) 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. Whilst reporting for a Jersey Trust is discretionary, full details of the Fund’s Responsible Investment approach and performance are set out on pages 63 to 68.

SFDR / SDR

Sustainability factors have been integrated into investment processes from March 2021 and as stated above, the Fund is already undertaking and reporting activities which deliver positive environmental and social outcomes. TPUT Lux feeder currently reports under Article 6 of the EU Sustainable Finance Disclosure Regulations (“SFDR”), however the Manager and the Investment Advisor share an ambition to report under Article 8 (and equivalent UK and Jersey regulations) subject to approvals, to align with portfolio activities, during 2022.

In addition to the EU’s SFDR, the fund is also tracking developments in the UK and the coming into force of the UK’s Sustainability Disclosure Requirements (the “**SDR**”). The SDR is currently in discussion paper form and the FCA is aiming to publish draft rules and to issue a consultation on the draft rules by the end of July 2022 with the final rules expected by the end of 2022. Under the SDR, asset managers and asset owners will be required to report on their sustainability risks, opportunities and impacts. While the FCA will be taking into account the requirements under the SFDR and other international sustainability standards when drafting the SDR rules, we are expecting there to be divergences. The fund is closely monitoring the developments to the SDR regime so that it can ensure that it is able to efficiently and effectively comply with the SDR when the rules come into effect.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

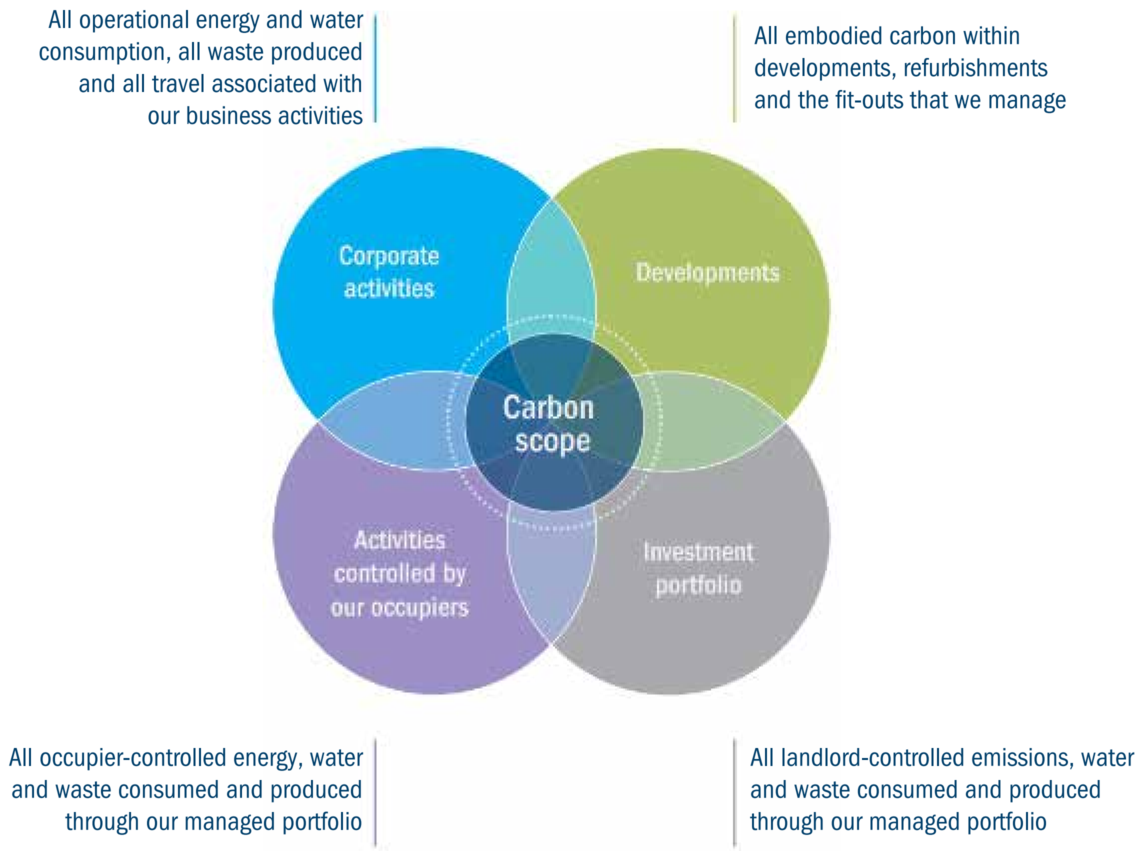
Taxonomy

Alignment with the EU Taxonomy is to be determined on conclusion of the ongoing SFDR workstream.

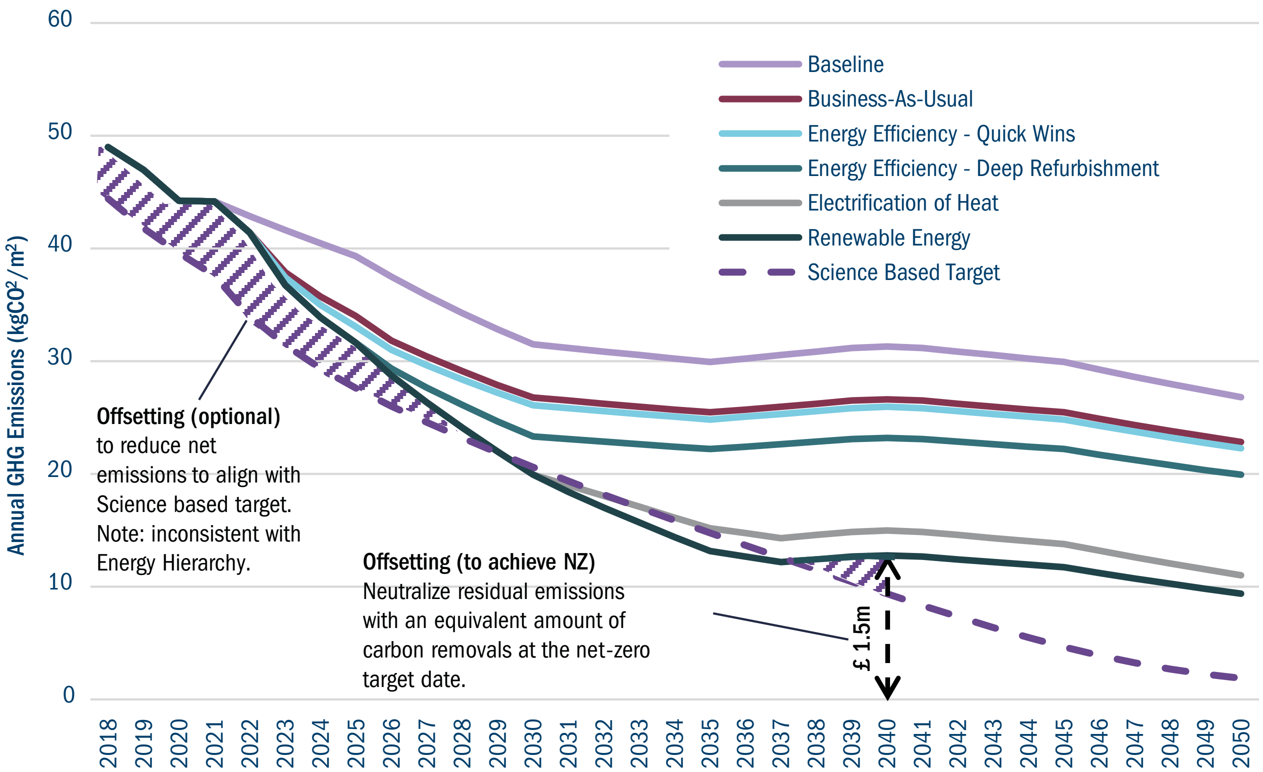
Taskforce for Climate Financial Disclosure (TCFD)

Reporting in accordance with the TCFD recommendations undertaken as part of Columbia Threadneedle Investments' corporate disclosures, due by June 2023. Most portfolio level data is already being measured as part of existing initiatives, and corporate reports will be accompanied by Fund-level disclosures. Portfolio level reports will focus on exposure to Climate Related Risks and Opportunities (CRRO). Carbon metrics are available on request if needed by investors ahead of this timeline.

Columbia Threadneedle Investments UK Real Estate Net Zero (NZ) carbon commitment scope



Threadneedle Property Unit Trust Net Zero annual carbon intensity pathway



Source: Columbia Threadneedle Investments UK Real Estate Net Zero Strategy & Pathway, as at August 2021, and EVORA Net Zero Target & Sensitivity Analysis, Threadneedle Property Unit Trust, as at 31 March 2022. Sustainability risks are integrated into the fund's investment decisions making process for financial Risk Management purposes only. The decision to invest in the promoted fund should also consider all the characteristics or objectives of the promoted fund as described in its prospectus.

PORTFOLIO ACTIVITY

5 purchases:
£35.3 million

The Range, Clacton-on-Sea

31 sales:
£104.4 million


AC Court, Thames Ditton

Net investor flows
-£44.3 million

Solent Gate, Fareham

162 lettings / renewals generating rent of £13.7 million p.a.


Southwood, Farnborough

39 rent reviews:
Uplift secured
£0.34 million p.a.


Hallens Drive, Wednesbury

6 out of 80
tenant break options exercised
(92.5% retention)

90.7% of rent collected within 28 days of the Quarter Day

Source: Columbia Threadneedle Investments, based on 12 months to 31st March 2022.
Comparative figures for the above Portfolio Activity can be found on page 21.

Portfolio Activity

	31 March 2022	31 March 2021
Number of Purchase	5	-
Purchase £m	35.3	-
Number of Sales	31	28
Sales £m	104.4	91.7
Net Investor Flows £m	(44.3)	(84.0)
Lettings/ Renewals	162	96
Lettings/ Renewals £m p.a	13.7	7.3
Rent Reviews	39	42
Rent Reviews £m p.a	0.3	1.0
Break Options Exercised	06/80	13/94
Average Rent Collected within 28 days of each Quarter Day	90.7%	78.2%

Investor flows
The Fund settled £123.2M of redemptions over the course of the year, against which new units to the value of £78.9M were issued, resulting in net flows of -£44.3M.

Investment transactions
The Fund recorded 5 purchases totalling £35.3m and completed 31 sales totalling £104.4m over the course of the year. As a result of this investment activity cash increased to 6.6% (prior to dealing on 31 March 2022).

Highlights included:

Purchases

ACI House, 55/57 Clarendon Road, Watford

The property comprises a 48,176 sq. ft office arranged over ground and four upper floors with well-configured open floorplates, prominently located on Clarendon Road, which serves as Watford's premier town centre office district. Watford is a leading South East office sub-market which attracts high calibre occupiers including TK Maxx, Ralph Lauren, PWC and ASOS. The property is let in its entirety to ACI Worldwide (EMEA) Limited until 18 December 2023, at a passing rent of £1,020,000 p.a. equating to a low passing rent of £20.75 psf. The rent is highly reversionary with prime rents on the Clarendon Road achieving £37.00 psf in 2021 and forecasted to grow further due to a critical shortage of quality Grade A accommodation within the locality.

The Fund intends to undertake a comprehensive refurbishment and reposition the building to capitalise on a changed occupying dynamic, by providing best-in-class sustainable accommodation that is amenity rich and aligned to modern occupier demands of flexible working, staff wellness and strong ESG credentials; whilst capturing an anticipated step change in rental values.

The property was acquired in March 2022 for a purchase price of £13.65m which reflects a net initial yield of 7.0%.

The Range, Valleybridge Road, Clacton-on-Sea
The property comprises a purpose-built standalone retail warehouse which is occupied on a Full Repairing and Insuring lease by CDS (Superstores International) Limited, trading as The Range, located in the Essex coastal town of Clacton-on-Sea. The building provides ground floor sales accommodation of 26,445 sq. ft, in addition to a mezzanine level totalling 14,754 sq. ft which provides sales and ancillary space. The property sits on a 1.65-acre site area, reflecting a 39% site cover and benefits from an internal and external garden centre with a car park to front of the property providing 110 car parking spaces at an institutionally accepted ratio of 1:255 sq. ft.

The property is let for term certain of 8.5 years with the passing of £338,400p.a. reflecting £11.79psf, against the prevailing ERV of £11.00psf. The property benefited from a positive tenant audit, with The Range confirming a theoretically consideration of agreeing a new 15-year term certain, subject to a rental incentive. The Fund acquired the property in January 2022 for £5.08m reflecting a net initial yield of 6.2% and a capital value of £192psf.

Crucible Business Park, Woodbury Lane, Worcester
The property comprises a freehold multi-let industrial estate totalling 159,910 sq. ft on a 9-acre site with low coverage of 40%, strategically located just 1 mile from Junction 7 of the M5 motorway and immediately adjacent the newly built Worcester Parkway rail station. The property is multi-let to five tenants with a WAULT to expiry of 7.2 years and 5.2 years to break, with one vacant unit, producing an annual rent of £525,497.50 reflecting a low average

passing rent of £4.03 psf on the let accommodation. The ERV's range from £6psf - £8.25psf depending on unit size, thus providing a reversionary rental tone. In addition, the vacant unit offers the Fund opportunity to capture a higher rental tone for the estate through undertaking a comprehensive ESG-led refurbishment and securing a new letting. Further asset management initiatives include actioning rent reviews, removing the break clauses, reconfiguring the estate traffic flow, and regearing leases at a higher rental tone.

The Fund acquired the property in December 2021 for a net purchase price of £9.39m which reflects a net initial yield of 5.2% and a capital value of £59psf.

Swift 34, Rugby, Warwickshire
The property comprises a newly refurbished, modern industrial/ distribution unit, extending to 33,753 sq. ft and let to Resource Secure Recovery Limited on a new 10-year lease. Swift 34 is directly adjacent to the Fund's existing holding at Unit C Swift Point, and the freehold titles directly adjoin. Adding Swift 34 to the fund's ownership will create a large single ownership (lot size c£20.8m) let to two tenants resulting in an anticipated valuation uplift.

The property benefits from a high specification (EPC B rated) and as such let very quickly post refurbishment. The property is let in its entirety to Resource Secure Recovery Limited by way of a 10-year FRI lease from 3rd September 2021, subject to 5 yearly, upward only, open market reviews with an unexpired term of 9.75 years. The passing rent of £255,000p.a. reflects £7.55psf with comparable newly refurbished properties quoting £7.75psf at the point of completion. The tenant operates a waste reduction and recycling business which further enhances the buildings ESG credentials.

The Fund acquired the property in December 2021 for £4.92m reflecting a net initial yield of 4.9% and a capital value of £145psf. The acquisition capitalises on the discount available in the market for smaller lot sizes, which are seeing less widespread competition than lots of £10m +, coupled with the ability to scale up the Fund's ownership in this prime location.

Unit 13 Orion Park, University Way, Crewe
The property comprises a detached distribution warehouse located in Crewe on the established Orion Park industrial estate, adjacent to the Fund's existing ownership of Units 4-10. Orion Park is strategically located off University Way and benefits from immediate access to Junction 16 of the M6 motorway. Constructed in 2005, the property extends to 25,436 sq. ft. on a site of circa 1.27 acres (site cover c44%). The property is single let to Higham and Higham Ltd on FRI terms from 11 July 2011 expiring 10 July 2031. The tenant has an option to break on 11 July 2026, subject to 12 months' written notice. The passing rent is low at £130,136 pa reflecting £5.11 psf against the prevailing ERV of £165,334p.a. (£6.50psf). There is an upwards only open market value rent review on 11 July 2026. The Fund had recently achieved rents of £7psf on its existing holding, proving scope to capture additional rental growth.

The Fund engineered an off-market transaction to avoid competitive bidding and acquired the property in August 2021 for £2.32m which reflects a net initial yield of 5.2% and reversionary yield of 6.6%. The capital value per sq. ft reflects £91psf. The capital value and reversionary potential of this asset represents a discount to the prevailing valuation of the fund's existing holding and CBRE Limited (the Fund's valuer) have confirmed the combined holding will be valued at circa £10.475m on completion, generating marriage value uplift of c.10%.

Sales

Springfield Road Industrial Estate, Hayes

The property comprises a multi-let industrial estate of 5 units extending to 76,643 sq. ft. across a 3.6-acre site. The property is fully let to four tenants, providing a total passing rent of £819,429 per annum reflecting £10.69 per sq. ft. with a WAULT of 5.6 years to expiry and 4.0 years to break. The rental profile is considered reversionary with the fund's valuers estimating the ERV at £1,017,921 p.a. / £13.28 per sq. ft.

Following a targeted marketing campaign, the Fund capitalised on a highly liquid and competitive capital environment and secured a sale price of £32m which reflects a net initial yield of 2.4%, c.38% above the latest independent valuation and 260% above the purchase price in 2011. The sale rationale reflects an opportunistic decision to monetise profit on the prevailing valuation, through capitalising on significant market momentum.

19 New Row, Covent Garden
The property comprises a freehold restaurant situated in Covent Garden, London extending to 1,443 sq. ft across ground and basement with residential the upper parts sold off on long-leaseholds. The restaurant is let on a 10-year lease to DGMP UK Limited t/a Benito's Hat from June 2020. There are tenant only breaks in year four and year seven of the lease. The tenant is paying a rent of £80,000 p.a. against the prevailing ERV of £90,000 p.a. The upper parts comprise of three flats which have all been sold off on long leases expiring in 2978. The flats each produce a ground rent of £100 p.a.

Following a comprehensive marketing campaign and competitive bidding process, terms have been agreed with Shaftesbury Covent Garden Ltd at a sale price of £2m reflecting a net initial yield of 3.7%. A sale at this level represents a 14.2% premium to the latest independent valuation. The purchaser, Shaftesbury, are significant landowner within the area and therefore deemed to be a special purchaser paying a premium price.

AC Court, Thames Ditton

AC Court comprises 8 office units across three self-contained blocks surrounding the central courtyard and totalling 30,556 sq. ft of office accommodation. The property is multi-let to four tenants with three vacant suites, although the Fund has terms agreed to let the vacant Unit 4 ground floor suite. The current passing rent totals £620,083 p.a. equating to £29.08 per sq. ft on the let accommodation.

The ERV fully let and post refurbishment capital expenditure reflects £31 per sq. ft (£947,236 p.a.). In consideration of the vacancy and legislative changes to permitted development rights (PDR), the Fund strategically applied to convert the property under PDR to provide 51 residential units.

The Fund has held a 30% vacancy rate since Q3 2018 with associated void costs, as the property has struggled to let in what is a constrained occupational market of small tenants looking for the highest quality space in the London suburbs.

Following a targeted marketing campaign, the Fund has agreed terms to sell the property to a prominent greater London residential developer at a sale price of £10,200,000 which reflects a net initial yield of 5.7%. The sale represents a 7.3% premium to the latest independent valuation.

Meadowlands Retail Park, March

The property comprises a retail warehousing park arranged as a single terrace, with one standalone retail unit located at the opposite side of the site. March Retail Park effectively forms the only retail warehouse park for the town. The Park fronts the A141 and Peas Hill Roundabout, which is the main route and connects to Cambridge and Peterborough via the A1(M). The fund's agent has advised that if given the option most retailers would relocate to March's nearest competitor town Peterborough, due to the larger catchment.

The property is fully let, however, only one of the five tenants (Halfords) is deemed low risk, with 55% of the income from tenants of significant risk. The rental profile is over-rented producing a total rent of £287,744 per annum with an average rent of £9.28 per sq. ft, against the prevailing ERV of £229,426 p.a. Following an extensive marketing campaign, the Fund agreed terms to sell the property for £3,181,753 reflecting an equivalent yield of 6.8%. A sale at this level reflects a premium to the latest independent valuation of 12.2%.

Rath House, Slough

The property comprises a self-contained office building totalling 13,947 sq. ft on 0.3-acre site area, arranged over ground and two upper floors with 56 car parking spaces providing a car parking ratio of 1:249 sq. ft. The property is located in the Thames Valley town of Slough situated on Uxbridge Road, within a 15-minute walk of the train station. The location falls outside of the town's core office district.

The property is single let to QA Limited on a Full Repairing and Insuring ("FRI") lease expiring 25th December 2029 and is subject to a tenant break option on 24th December 2024 (on 9 months' written notice), therefore providing a short term certain of 3.5 years. The lease is currently passing off £265,000 per annum reflecting £19.33 per sq. ft (assuming half rate on the reception area) which is considered rack-rented following a rent increase at the 2019 outstanding review from £258,000 p.a.

Following an extensive marketing campaign and competitive bidding, the fund agreed a sale at £3,525,000, reflecting an NIY of 7.00%, and a capital value of £253 per sq. ft. A sale at this level represents a 5.2% premium to the most recent independent valuation. The sale also assists with the funds strategy of reducing its overweight sector exposure to South East offices.

37-39 Broad Walk, Harlow

The property comprises two self-contained retail units arranged over ground, first and part second floors totalling 54,257 sq. ft. The ground floor accommodation provides customer shopping facilities and a walled and gated rear goods yard. The first floor and part second floor accommodation provides ancillary retail facilities and storage accommodation. The site extends to 1.15 acres (0.47 hectares) equating to a site coverage of 76%.

The property is multi-let to 2 tenants on 2 individual leases producing a total contracted rent of £318,250 per annum. The WAULT is 16.0 years to expiry.

The property was sold for £2,600,000 reflecting a net initial yield of 11.5%. The sale should be considered in line with Fund strategy of reducing exposure to the structurally challenged Retail sector.

Dales Manor Business Park, Sawston

The property comprises a freehold multi-let industrial and office estate totalling 9 units let to 5 tenants with 2 vacant units, totalling 42,966 sq. ft on an 8-acre site with 19.5% site cover. Located off Babraham Road at Sawston, the property is 7 miles south of Cambridge City Centre and the park is well positioned close to the A1307 for easy access both to Cambridge and to both Junction 10 of the M11 and Junction 11 of the A11.

The passing rent totals £205,075 p.a. on the let accommodation reflecting £7.70psf, which is considered marginally over-rented against the prevailing ERV of £7.34psf. The fund received an offer on the vacant unit H1-H2 equivalent to £6.75psf; however, the letting has since been paused due to the tenant's funding difficulties. The fund engineered an off-market sale to a special purchaser who had recently acquired an adjoining estate.

The sale price of £5,800,000 reflected a net initial yield of 3.3% and capital value of £135psf. A sale at this level represents a 7.4% premium to most recent independent valuation.

Royal London Buildings, Bristol

The property is a mixed-use office and retail asset in Bristol city centre comprising one self-contained ground floor retail unit and a separately accessed multi-let office arranged over basement, ground and six upper floors extending to 26,009 sq. ft (NIA). The property is located on a corner position at the junction between Baldwin Street and Queen Charlotte Street, which is outside of the core city centre office district.

The property is multi-let to 10 tenants. The total passing rent (including vendor guarantees) is £456,675 p.a. reflecting an average rent on the office space of £19.11psf. The ground floor retail unit is single let to Pret A Manger (Europe) Limited at a passing rent of £12.76 psf. The contractual passing rent on the let accommodation is £409,441p.a. The estimated rental value fully let reflects £450,936 p.a. The property has a vacancy rate of 8.5% consisting of 4 office suites with a short WAULT profile on the let accommodation of 2.7 years to break and 3.5 years to expiry. The fund has been advised through a PPM report and a vendor building survey that significant capex is required to maintain the servicing of the common parts, including works to the lift, plant, and roof. The estimated sum of these works is £722,250, of which the Fund is unable to fully recover via the service charge due to current voids and service charge caps.

Following a selective marketing campaign, the Fund sold the property for £6,000,000 which reflects a net initial yield of 7.1% on the gross rental income. The net sale price represented a premium of 8.6% to the latest independent valuation.

ASDA, 215 Brixham Road, Paignton

The property comprises a 23,815 sq. ft supermarket which incorporates 97 customer car parking spaces, located in the seaside town of Paignton. The property is let in its entirety to Asda Stores Limited for 20 years from June 2012, providing an unexpired term of 11 years. The passing rent totals £471,351 p.a. which reflects £19.79psf and is considered over-rented against the prevailing ERV of £432,400 p.a. The lease provides for five yearly Retail Price Index ("RPI") linked rent reviews capped at 3% or open market value, whichever is highest.

The Fund agreed a sale price of £8,500,000 which reflects a net initial yield of 5.2%. The sale should be considered within the wider context of the Fund reducing expose to the structurally challenged retail sector.

Co-Operative, Barras Street, Liskeard

The property comprises a convenience store totalling 1,001.7 sq. m (10,782 sq. ft), arranged over ground and first floors. The ground floor accommodation provides customer shopping facilities with a second customer entrance to the rear of the building providing direct access to a long stay car park. The first-floor accommodation provides ancillary storage facilities. The site extends to 0.29 acres (0.117 hectares).

The property is held on a lease to The Co-Operative Group Limited on a term of 25.6 years from 07/09/2009 thus having 14.0 years unexpired; producing a contracted rent of £148,868.59 per annum which is considered over-rented against the prevailing ERV of £105,100p.a. Terms were agreed at a sale price of £2,225,000 which reflects a net initial yield of 6.3% and premium to valuation of 5.9%.

Mercedes Dealership, Ampthill Road, Bedford

The property provides a purpose-built car dealership facility, currently trading with the Mercedes-Benz franchise, located on Ampthill Road to the south of Bedford town centre. The property extends to approximately 23,843 sq. ft, on a site of 1.8 acres providing a site coverage of 30%.

The property is let to Cruickshank Motors Limited, guaranteed by Sytner Group Limited, on a lease expiring 28 June 2027. The current passing rent is £277,500 per annum, with a fixed rental increase taking the rent to £300,000 per annum on 29 June 2022. The property is considered over-rented by circa 28% with an estimated rental value of £215,400p.a. The Funds agent has advised the property is not suitable for the current brand, being an "older-style" Mercedes dealership which the manufacturer would not build and occupy today; therefore, presenting a void risk at lease expiry to the fund. The Fund agreed a sale price of £4,150,000 which reflects a net initial yield of 6.2% and 3.75% above the most recent independent valuation.

Asset Management

During the year, the Fund concluded 162 lettings and lease renewals, securing income of £13.7 million p.a. and representing a significant increase in value and volume of the preceding twelve months. The Fund concluded 39 rent reviews securing a rental uplift of £0.34m p.a. and continued its high incidence of tenant retention with 92.5% of tenants choosing not to exercise break options. Asset management highlights include:

Avon House, London, W4

The property comprises a 33,000 sq. ft office located within Kensington Village. The property was let in its entirety to WeWork who vacated ahead of their lease expiry which provided an opportunity for the Fund to generate a surrender premium of £2.6m plus the benefit of retaining the fixtures and fittings for re-use, estimated at approximately £2.1m. A new letting was subsequently agreed with IWG on a 10-year management agreement at a rent reflecting 85% of net occupational revenues. As part of the agreement, the tenant is to cover the initial capex costs of £745,000 which is to be deducted from the revenue over the term. The guaranteed revenue equates to £20psf from month 25, with a landlord break option if the average revenue is less than £42.50psf.

Bristol Student Portfolio

The Fund has agreed a letting to a student housing operator, GSHWI, on a 20-year term across several of the fund's Bristol assets. The letting provides a base rent of £438,768 p.a. in year 1 rising to £1m by year 5, with a turnover top up to 75% of net revenue. The Fund will provide a landlord capital contribution towards building improvements capped at approximately £3.1m, less dilapidations (approximately £1m). The valuation uplift is anticipated at approximately 80% once works are completed.

Skydome, Coventry

A 161,900 sq. ft leisure complex in Coventry. Following a review of the energy data and sustainability audits undertaken since 2018, the property is the Fund's highest energy consuming asset. The Fund allocated £1.4m of capex to replace legacy boilers, upgrade and improve the BMC and replace the roof. The new energy efficient boilers have reduced energy consumption by 25% against the preceding average use. A new 417kWp photovoltaic (PV) system using high wattage panels has been installed on the roof, which supply power equivalent to approximately 10.8% of current electricity usage and subsequently reducing demand on the Grid. 50% of the cost of replacing the boilers and roof covering is being recovered through the S/C. The PV panels forecast to generate annualised IRR in excess of 15%.

Unit 1 Foss Islands Retail Park, York

The property comprises an 87,500 sq. ft retail warehouse in York. After taking back vacant possession, the Fund negotiated a c.£100,000 dilapidations settlement and completed a new letting with Iceland Foods Ltd (t/a Food Warehouse) for a 10-year term. The headline rent of £270,000 p.a. reflected a 5.7% increase to the prevailing ERV. A capital contribution of £815,000 was provided to account for repairs, reinstatement, enabling works and tenant incentive. The letting delivered a subsequent capital value uplift of 9% over Q2 2021.

Unit 7 Crow Lane Industrial Estate, Northampton

A 55,780 sq. ft multi-let industrial estate, with one sole vacant unit of 28,700 sq. ft. The Fund undertook a comprehensive refurbishment of the property, achieving an EPC B rating and successfully re-let the property in its entirety at a headline rent of £180,000 p.a. reflecting £6.30psf. The achieved rent represents a 7.3% increase on the prevailing ERV, and the property is now fully let with three new reversionary leases also commencing in March 2021. A capital uplift of + 18.6% over Q2 2021 was secured because of the asset management initiatives.

Units 4,7 & 8 Commerce Park, Croydon

The property comprises a 138,000 sq. ft London industrial estate comprising 12 modern warehouse units. The previous lease to units 7 & 8 (20,208 sq. ft) expired in August 2020 and the property was fully refurbished to a high specification to achieve an EPC B rating. The tenant of unit 4 (9,684 sq. ft) exercised their break option and undertook most of their dilapidation work prior to expiry. All three unit were subsequently re-let to Inspiration Healthcare on a new 20-year lease (tenant breaks at 10&15 years) at a rent totalling £433,000 p.a. reflecting £14.50psf. A capital value uplift of c.10% was secured on completion of the lease.

Unit E Swift Park, Rugby

The property comprises a 94,280 sq. ft industrial unit let to Volvo Group who have been in occupation of the premises since the early 1990s with their most recent lease expiring in June 2021. The Fund engineered a new 5-year lease renewal with security of tenure excluded, at a rent reflecting c.£5.50psf. The ancillary areas were able to be rentalised as they were constructed over 21 years previously. A capital uplift of 30% was secured on completion of the renewal.

B&Q, Bessingby Road, Bridlington

The property comprises a stand-alone retail warehouse unit totalling 28,041 sq. ft in Bridlington let in its entirety to B&Q. The Fund engineered a reversionary lease expiring 31 May 2032 subject to a tenant only break option on 1st June 2027, with a 6-month break penalty. The headline rent agreed of £332,760p.a. reflects £11.87psf, which represents a c.22% increase to the prevailing ERV. Completion of the reversionary lease delivered a 24.5% capital value uplift and a running yield of 6.75% on expiry of the rent-free period.

Southwood, Farnborough

The property comprises a 32,444 sq. ft industrial unit located at junction 4a of the M3. The property is let in its entirety to ITW Ltd (Loma Systems) who have been in occupation of the premises for c.35 years on a lease expiring June 2021. The tenant continued to pay the prior passing rent of £287,500 per annum (£8.85 per sq. ft) while holding over inside the Act while negotiations continued. The Fund agreed a lease renewal on the basis of a 10-year lease with a break in the 5th year at a rent of £339,925, reflecting £10.50psf which represents a rental uplift of +18.6% and resulting in a capital uplift of 33%.

Unit 1, Fulwood 28, Huthwaite

An 81,000 sq. ft distribution unit located 1.5 miles from junction 28 of the M1 in Huthwaite. The property had been previously leased in its entirety at c.£5.50psf until September 2021. The Fund considered a full refurbishment of the premises but was able to engineer a letting of the whole in its existing condition to the Symphony Group Plc. The tenant took a 10-year lease with a 5th year break option and an initial six months' rent free, plus a further three if the break option is not exercised. The rent agreed reflects £6psf which generated a 42% capital uplift since October 2021.

65 High Street, Egham

The property comprises a newly refurbished South East town centre office building, benefiting from an EPC B totalling 11,500 sq. ft. Following completion of the refurbishment works, the Fund secured a new letting to CHG Meridian on the second floor extending to 4,700 sq. ft, which completed the building leasing campaign. The new 10-year lease (break at year 5) was agreed at a headline rent of £149,203p.a. reflecting £31.75psf, c.2.3% above the ERV. The letting delivered a 11.25% capital uplift on completion.

Warwick House, London SW1

The property comprises a refurbished office located in the vibrant Victoria submarket totalling 21,818 sq. ft. Following the refurbishment of the lower ground and ground floors, a successful letting for a new 10-year lease (break at year 5) was agreed to Hubflow. Prior to the letting, tenant space was taken back in the building to create a better toilet provision for common use within the building. In addition, improvements to the showers and bike racks were undertaken to enhance the buildings amenity provision. An average headline rent of £122,607p.a. was achieved, which represents a marginal increase to ERV.

One Abbey View, St Albans

The property comprises a 21,250 sq. ft office constructed in 1990. The Fund undertook a £2.9m asset refurbishment project, designed to optimise the whole carbon intensity over the whole design life. The project has been designed and procured with 'E' and 'S' factors at the heart of the decision-making process. The building is anticipated to deliver significant cost savings and wellness benefits to occupiers. The Fund has secured a potential letting under offer to a 'blue chip' covenant at £38.50psf. The refurbishment project will generate a c.28% rental uplift on the pre-refurbishment ERV (£30psf to £38.50psf). The Fund intends to pilot the project for TOMs social value framework.

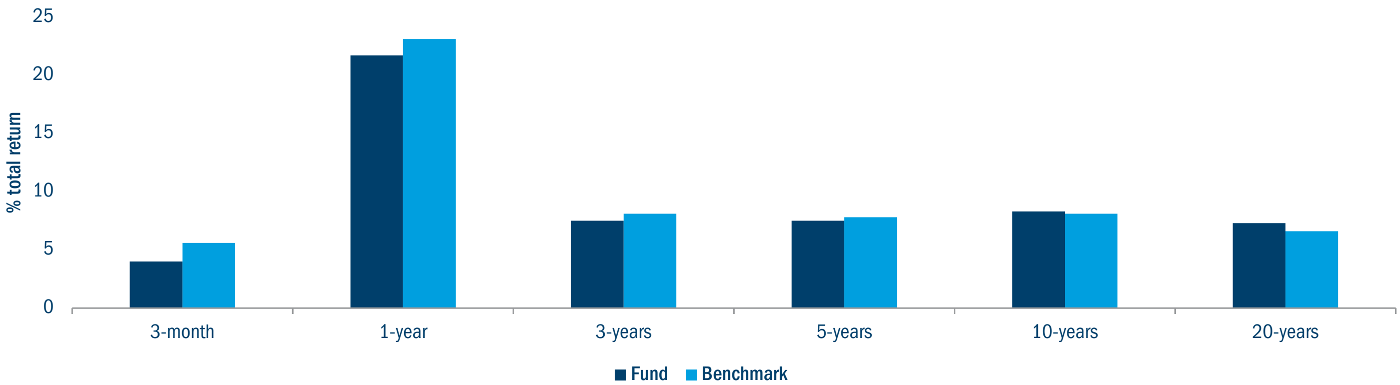
Performance

As Investment Advisor to the Fund, Columbia Threadneedle Investments follows a longstanding consistent investment approach to deliver long term 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 performance for the year ending 31 March 2022 (21.7% Total Return) represents the highest total return of the fund since September 1994 and reflects the attractive characteristics of the Fund with high relative income yields, significant portfolio diversification and the potential to add value through proactive asset management. The Fund's total returns continue to be supported by a high relative distribution yield of 3.8%, 31% above the benchmark level of 2.9% as of 31 March 2022. Past performance is not a reliable guide to future results.

Relative income yields

	Fund %	Benchmark %	Relative %
Net Initial Yield	4.8	4.1	+0.7
Equivalent Yield	6.0	5.3	+0.7
Distribution Yield	3.8	2.9	+0.9



Total return (Net of fees)	1 Year %	3 Years %	5 Years %	10 Years %	20 Years %
Threadneedle Property Unit Trust	21.7	7.5	7.5	8.3	7.3
MSCI / AREF UK QPFI	23.1	8.1	7.8	8.1	6.6
Relative Performance	-1.1	-0.6	-0.3	+0.2	+0.7

Sector Analysis

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 2022.

12 months to	Total Return %			Income Return %			Capital Return %		
31 March 2022	Portfolio	Index	Rel	Portfolio	Index	Rel	Portfolio	Index	Rel
Retail	33.8	20.5	+11.0	8.2	7.0	+1.1	23.9	12.7	+9.9
Office	3.0	7.2	-3.9	5.6	4.5	+1.0	-2.4	2.5	-4.8
Industrial	40.2	42.8	-1.8	5.0	4.1	+0.8	33.7	37.3	-2.6
Other	20.0	9.9	+9.2	9.0	4.9	+3.9	10.2	4.8	+5.2
Total	**25.9**	**23.8**	**+1.7**	**6.0**	**4.9**	**+1.0**	**18.9**	**18.1**	**+0.7**

During the 12 months ending 31 March 2022, the Fund's directly held property assets generated relative total returns +1.7% against the broader property market (as represented by the MSCI UK Monthly index). This was achieved through a positive relative income return of +1.0% and positive capital value growth of +0.7%. The fund's retail assets performed better than the wider market by +11.0%, delivering a total return of 33.8% driven by Retail Warehouse capital appreciation of 31.0%. Offices, however, underperformed by 3.9% relative to market, producing a total return of 3.0%. The Fund has taken a pro-active approach to capital expenditure required to retain and enhance the long-term value of its office portfolio which is reflected in these figures. The Fund's Industrial assets, while delivering total returns over 40.2%, marginally underperformed the market by -1.8%. Anecdotal evidence suggests this disparity is at least partly because of transactional evidence favouring greater yield compression on recorded a total return of 20.0% (+9.2% against benchmark) because of both income and capital outperformance. (Source: MSCI, TPUT directly held assets compared to the MSCI UK Monthly Property index – March 2022).

PORTFOLIO CHARACTERISTICS

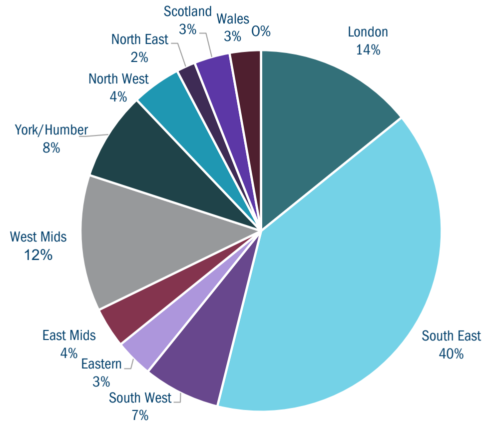
Wickes, Cannock

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 strategically positioned to reflect the Investment Advisor's views on prevailing market conditions at sector and geographical levels.

Property Portfolio Geographic Weightings



The Fund benefits from the following sector positioning:

- Overweight Industrial – because of strategic sales in other sectors (and the sector's capital appreciation over the period) and selective industrial purchases, the Fund's exposure to the industrial / warehouse sector has increased over the course of the year. 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

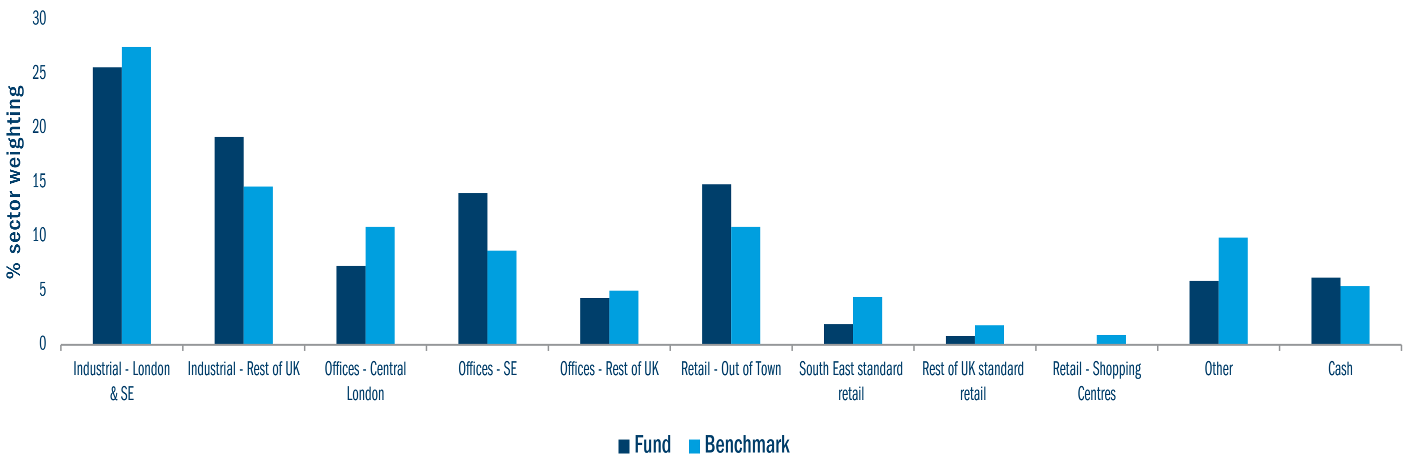
- Overweight Offices – the Fund continues to believe in the long-term viability of the office sector, despite the acceleration of flexible working practices, as occupiers begin to prioritise "best in class" accommodation as well as ESG and wellness factors. Consistent with its investment philosophy centred on high and sustainable yields, the Fund is underweight Central London offices but overweight to other town centres

- Underweight High Street Retail – the Fund continues to reduce its exposure to the High Street, including by taking advantage of demand from private auction buyers, as it views the sector as being particularly exposed to further rental and capital value declines. The Fund has no exposure to shopping centres

- Underweight 'Other' – the Fund maintains its underweight position to the leisure, hotel, student housing and other Miscellaneous sectors, choosing to focus instead on more traditional sectors

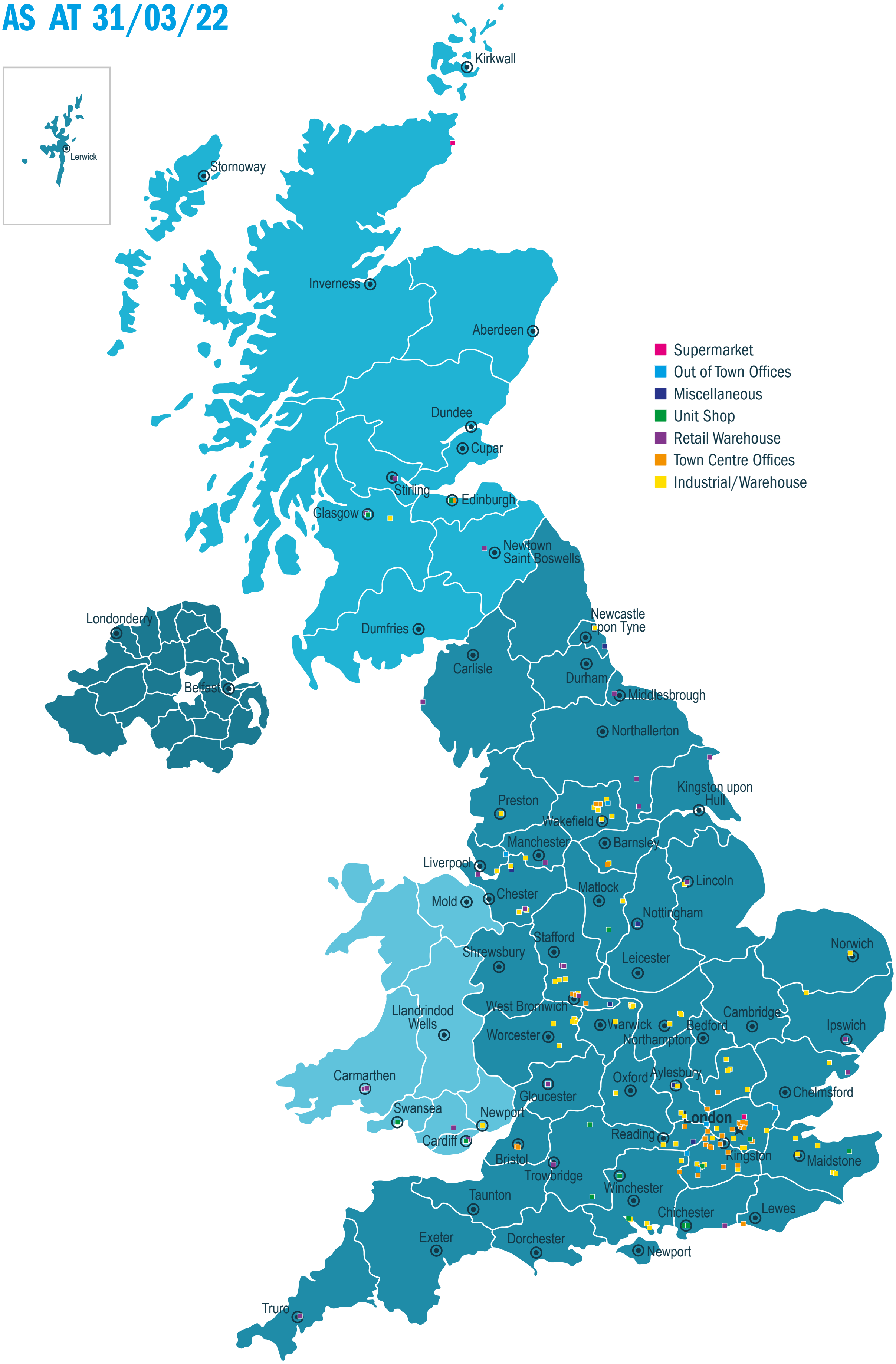
- Overweight Retail Warehousing – the Fund maintains an overweight position to retail warehouse parks. The Fund's assets in this sector are typically convenience / discount- led schemes let at low rents to tenants known to trade well. The Fund continues to believe in the long-term occupational viability 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

Fund Sector Weightings



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

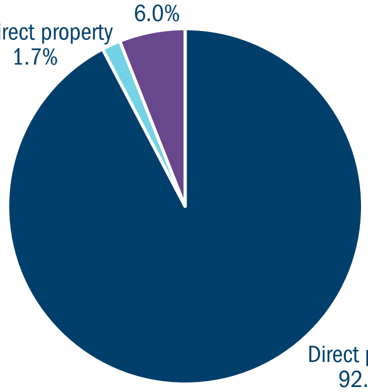
GEOGRAPHICAL DISTRIBUTION OF ASSETS
AS AT 31/03/22



Fund composition

Portfolio makeup

Direct Property Exposure	£1,444.9m
Indirect Property Exposure	£26.1m
Capital Cash	£104.1m
Number of properties	168
Average lot size	£8.6m
Total number of tenancies	723



The Fund's principal holdings continue to be directly held property assets, which account for 92.3% of its assets. The Fund continues to hold an indirect exposure to the Threadneedle Carbon Neutral RE Trust ('TCNRET') (accounting for 1.7% of the Fund's assets) which is mandated to invest in properties requiring high impact refurbishment, delivering best in class accommodation. The TCNRET currently owns six offices located in Central London and Hammersmith, Twickenham, Wimbledon, and Richmond, complimenting TPUT's directly held investments.

The Fund continues to maintain a robust liquidity position with capital cash of £104.1m equivalent to 6.6% of NAV (net 6.2%). 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 18.7% and 17.7% of capital value and passing rent respectively.

Top 10 largest direct property holdings

Property	Sector	Valuation Range (£m)	% of value*
Croydon, 19 Commerce Way	Industrial / Warehouse	50-100	4.3
Trowbridge, Trowbridge & Spitfire Retail Park	Retail Warehouse	25-50	2.1
London W1, 46 Foley Street	Town Centre Offices	25-50	2.0
Hampton, Kempton Gate	Industrial / Warehouse	10-25	1.7
York, Foss Islands Retail Park	Retail Warehouse	10-25	1.6
Rugby, Swift Point	Industrial / Warehouse	10-25	1.5
Wokingham, Ashville Park	Industrial / Warehouse	10-25	1.4
High Wycombe, Stirling Road	Industrial / Warehouse	10-25	1.4
London SW1, Warwick House	Town Centre Offices	10-25	1.3
St Albans, Abbey View	Town Centre Offices	10-25	1.3

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

Top 10 largest tenants

Tenant	% of rent passing
EV Retail Limited (trading as B&M)	3.5
Tesco PLC	2.4
Travis Perkins PLC	2.0
Currys PLC	2.0
Norton Group Holdings Limited (trading as The Range)	1.6
AMC UK Holdings Limited (trading as Odeon Cinemas)	1.4
Neuheim Lux Group Holding V (trading as Dreams)	1.4
Envy Post Production Limited	1.2
Missouri Topco Limited (Trading as Matalan)	1.2
Pets at Home Holdings Limited	1.2

TPUT Property Portfolio Summary

Industrial

More than £25million

Town	Address	Region
CROYDON	Commerce Park	South East

Between £20 million and £25 million

Town	Address	Region
RUGBY	Unit C & Swift 34, Swift Point	East Midlands
HAMPTON	Kempton Gate	South East
WOKINGHAM	Ashville Park	South East

Between £15 million and £20million

Town	Address	Region
HIGH WYCOMBE	Cressex Industrial Estate	South East
CRAYFORD	Bourne Industrial Park	South East
REDHILL	IO Centre	South East
AYLESBURY	Premus, Coldharbour Way	South East
GUILDFORD	Units 1-4 Henley Business Park	South East
NORTH TYNESIDE	Units A,B&C, Hadrian Ind Park	North East
SOUTHAMPTON	The Whitbread Centre	South
MAIDSTONE	5, Mills Road	South East

Between £10 million and £15 million

Town	Address	Region
ROCHESTER	Booker Cash & Carry, Laker Road	South East
REDHILL	IO Centre	South East
REDDITCH	Washford Industrial Estate	West Midlands
THETFORD	Burrell Way Trading Estate	East Anglia
RUGBY	IO Centre	East Midlands
CREWE	Units 4-10 Orion Park	North West
REDDITCH	Arrow Valley 2	West Midlands
SOUTH NORMANTON	Units 1&2 Fulwood	East Midlands
ASHFORD	Axiom, Orbital Park	South East
READING	Heron Industrial Estate	South
WEDNESBURY	Dreams Unit, Brittania Park	West Midlands
RUGBY	Unit E Swift Park	East Midlands
LETCHWORTH	Fourth Dimension, Fourth Avenue	South East
CROYDON	Pioneers Industrial Estate	South East
DROITWICH	Droitwich 125, Hampton Lovett Ind Estate	West Midlands

Less than £10 million

Town	Address	Region
WORCESTER	Crucible Business Park	West Midlands
LEEDS	Unit 3 Benyon Park Way	North East
COLCHESTER	Gilberd Court, Units 1-6, Severalls Park	South
HODDESDON	Bespoke UK Logistics Ltd	South East
STEVENAGE	Aspect One	South East
SITTINGBOURNE	1-5 Millen Road	South East
WITNEY	1-11 Witney Industrial Estate	South East

Less than £10 million		
Town	**Address**	**Region**
NEWPORT	Units A & B Reevesland Ind Est	Wales
LEEDS	Ravens Park, Units 2001 & 2002	North East
GUILDFORD	Bridge Park	South East
FAREHAM	Units 1-7 Solent Gate	South
WIDNES	Units 1/4 Speke Approach	North West
HAYES	Swallowfield Centre	Greater London
FARNBOROUGH	Unit C1, Southwood Summit Centre	South East
STEVENAGE	Units 1/6 Pin Green Ind Estate	South East
MOTHERWELL	UPS Glasgow Centre, Newhouse Industrial Estate	Scotland
NORWICH	Units A, B & C, Frenbury Ind Estate	East Anglia
PRESTON	Guild Trading Estate	North West
LEEDS	Network House,Parkside Ind Estate	North East
LONDON	Unit 2, Wandsworth Trading Estate	South East
LEEDS	Unit 9, Bruntcliffe Avenue	North East
WELLINGBOROUGH	Baird Court, Park Farm Ind Estate	East Midlands
NORTHAMPTON	Crow Lane Industrial Estate	East Midlands
WOLVERHAMPTON	Parkside Industrial Estate	Midlands
WOLVERHAMPTON	Air Space,Well Lane	Midlands
WOOBURN GREEN	Avery Dennison Unit, Thomas Road	South East
WELLINGBOROUGH	Faraday Court,Park Farm Ind Estate	East Midlands
FAREHAM	Unit 5E, Dewar Close	South
BIRMINGHAM	Booker,2 Cranby Street	West Midlands
NORMANTON	Unit A3, Foxbridge Way	Yorks & Humberside
WARRINGTON	Units 4A - D, Lyncastle Way	North West
SHEFFIELD	President Way,President Park	Yorks & Humberside
WILLENHALL	Units 20, 21, 22 & 23, Monmer Close	West Midlands
LINCOLN	Plot 12, Sadler Road	North
WAKEFIELD	Unit C1, Telford Way	Yorks & Humberside
IRLAM	Unit B Falcon Court, Northbank Industrial Estate	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
STOCKTON HEATH	Victoria Buildings, Grappenhall Road	North West
SUNDERLAND	Low Row	North East
BRISTOL	61-63 Queens Road	South West
BRISTOL	76-82 Whiteladies Road	South West
BRISTOL	56-60 Whiteladies Road	South West

Less than £10 million		
Town	**Address**	**Region**
BRISTOL	6-12 St Nicholas Street	South West
BRISTOL	37-39 Baldwin Street	South West
BRISTOL	786 Fishponds Road	South West
BRISTOL	18 Portland Street	South West
BRISTOL	39 Park Street	South West
BRISTOL	73 & 75 Queens Road	South West
BRISTOL	11-13 Gloucester Road	South West
BRISTOL	97 Gloucester Road	South West
LEEDS	2 St Peters Square	North East

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**
REDHILL	Redcentral, High Street	South East
ST ALBANS	Abbey View, Griffiths Way	South East
LONDON	Avon House, Avonmore Road	West End
EDINBURGH	1-6 Atholl Crescent	Scotland
LONDON	Warwick House	London WE
LONDON	Parchment House	London City

Between £10 million and £15 million		
Town	**Address**	**Region**
BRIGHTON	Queensbury House	South
FRIMLEY	Archipelago Office Park	South
BRENTWOOD	Juniper House & Jupiter House	South East
LONDON	8 Lloyds Avenue	London City
WATFORD	ACI House, 55-57 Clarendon Road	South East
WIMBLEDON	KFH House	London Outer

Less than £10 million		
Town	**Address**	**Region**
BRISTOL	Freshford House & WCA House	South West
LONDON	5 D'Arblay Street	London WE
LONDON	40/42 Furnival Street	London City
STAINES	Magna House	South East
FARNHAM	Millennium Centre	South East
GODALMING	The Old Mill Business Complex	South East
LEEDS	2 St Peters Square	North East
RICKMANSWORTH	Cardinal Point	London Outer
SOLIHULL	Dominion Court	West Midlands
WEYBRIDGE	Churchfield House	South East
SHEFFIELD	Office 1, The Square	Yorkshire & Humberside
BROMLEY	Royal Court, Tweedy Road	South East
LONDON	Bedford Chambers	London WE

Less than £10 million		
Town	**Address**	**Region**
BRISTOL	10 Queen Square	South West
GUILDFORD	Bramley House	South
UXBRIDGE	Try House	South East
LEEDS	Elizabeth House	North East
LONDON	8-9 Lovat Lane	London City
LEEDS	2150 Thorpe Park	North East
CHERTSEY	Global House	South East
TWICKENHAM	15/16 Church Street	South East
DORKING	Parsonage Square	South East
EGHAM	Heathrow Business Centre	South East
WEYBRIDGE	58 Church Street	South East
EPSOM	The Wells, Church Street	South East
GUILDFORD	Carriage House & Barratt House	South East
MAIDENHEAD	Belmont Place	South East
BIRMINGHAM	42 Bull Street	Midlands
HAYDOCK	Chase House	North West
BIRMINGHAM	3 Temple Row West	Midlands

Retail

Less than £10 million		
Town	**Address**	**Region**
BROMLEY	132/144 High Street	South
CANTERBURY	5/7 The Parade, 10/11 Mercery Lane	South
EDINBURGH	49 George Street	Scotland
SWINDON	10/17 & 19A Regent Street	South West
GUILDFORD	1-5 Trinity Gate, High Street	South East
SALISBURY	22 - 30 High Street	South West
CHICHESTER	79/80 North Street	South
GLASGOW	123-133, Sauchiehall Street	Scotland
SWANSEA	254-260 (excl. 258) Oxford Street	Wales
CHICHESTER	34/35 East Street	South
SOUTHAMPTON	179/180 High Street	South
ANDOVER	11 – 19 High Street	South
BRISTOL	2-4 Gloucester Road	South West

Retail Warehouse

Between £20 million and £30 million		
Town	**Address**	**Region**
TROWBRIDGE	Spitfire & Trowbridge Retail Park	South West
YORK	Foss Islands Retail Park	Yorkshire & Humberside

Between £15 million and £20 million		
Town	**Address**	**Region**
SELBY	Three Lakes Retail Park	North East

Between £10 million and £15million		
Town	**Address**	**Region**
CARDIFF	Newport Road Retail Park	Wales
WORTHING	Pages Corner Retail Park	Rest of South East
LEYTON	Aldi,18 Haybridge Way	London Outer

Less than £10 million		
Town	**Address**	**Region**
PONTYPRIDD	Midway Retail Park	Wales
GLOUCESTER	Eastern Avenue Retail Park	South West
TRURO	Newquay Road Retail Park	South West
BRISTOL	Channons Hill Retail Park	South West
GALASHIELS	Gala Water Retail Park	Scotland
BIRMINGHAM	Heybarnes Retail Park	West Midlands
GLASGOW	Anniesland Retail Park	Scotland
STOCKPORT	Didsbury Road	North West
CARMARTHEN	Towy Retail Park	Wales
CREWE	Vernon Way Retail Park	North West
IPSWICH	Orwell Retail Park	East Anglia
BOSTON	West Street Retail Park	East Midlands
BROMBOROUGH	Tebay Retail Park	North West
STIRLING	Wickes Unit, Springkerse Ind Estate	Scotland
CANNOCK	Wickes, Lichfield Road	Midlands
LINCOLN	Lincoln West Retail Park	East Midlands
CANNOCK	The Chase Centre	Midlands
WHITEHAVEN	Bridges Retail Park	North West
STOCKTON	Wickes Retail Warehouse	North East
CARMARTHEN	Charlies Stores Unit	Wales
BRIDLINGTON	Bessingby Road	North East
CLACTON-ON-SEA	The Range	South East
WICK	Somerfield, Macleay Lane	Scotland

FINANCIAL STATEMENTS

Juniper House, Brentwood

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.

As discussed in more detail on page 39 the Manager does not believe there is a need to alter the investment strategy as a result of these economic uncertainties resulting from the continued presence of COVID-19. Due to the diversified nature of its investment portfolio and existing cash holdings, the Trust is expected to remain profitable and solvent over the next 12 months.

The Trust continues to value its investment property based on unadjusted fair values provided by professional, third party, independent Chartered Surveyors (see note 12). The Manager is satisfied that the Trust has adequate resources to manage the potential impact from Brexit and COVID-19.

Kevin Mundy, ACIS
Director
Threadneedle Investments (Channel Islands) Limited
30 June 2022

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 2022.

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
30 June 2022

Manager's Report

The Manager presents the Financial Statements of the Trust for the year ended 31 March 2022.

During the year, 268,116.124 units were issued and 430,040.607 units were redeemed. There were 4,854,080.463 units in issue at 31 March 2022. The net effect of the above transactions was a decrease in the year by 161,924.483 units. The net asset value of the Trust as at 31 March 2022 was £1,574,827,738 (2021: £1,385,851,840). The gross income distributable, after expenses, amounted to £58,463,253 (2021: £60,888,306) equivalent to an average of £12.06 (2021: £11.61) 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 2022 is set out below:

	Note	£000s
Total income (including interest income)		68,896
Expenditure (recoverable by deduction from Unitholders)		
Other expenditure		(9,843)
Tax withheld on distributions		(590)
Net income		**58,463**
Appropriated as follows:		
Distributed 20 July 2021	17	14,968
Distributed 20 October 2021	17	13,728
Distributed 20 January 2022	17	17,093
To be distributed	18	12,674
Total distributions		**58,463**

By order of the Manager

Kevin Mundy, ACIS
Director
Threadneedle Investments (Channel Islands) Limited
30 June 2022

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 2022 and of its profit 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 2022; 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's 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 and the Statement of the Trustees' Responsibilities in Respect 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 judgement 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;
- Validating the appropriateness of journal entries identified based on our fraud risk criteria; 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 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
30 June 2022

Statement of Comprehensive Income for the Year Ended 31 March 2022

	Note	2022 £000s	2021 £000s
Property income	6	87,553	94,876
Net income arising from investment in Threadneedle Carbon Neutral RE Trust		1,007	953
Gross income		**88,560**	**95,829**
Property expenses	7	(19,683)	(24,864)
Total income		**68,877**	**70,965**
Trust level income/(expenses):			
Management fees	9	(8,833)	(8,802)
Trustees' fees	9	(298)	(296)
General expenses		(187)	(178)
Audit fees		(61)	(59)
Valuation fees		(421)	(395)
Bank charges		(43)	(35)
Total expenses		**(9,843)**	**(9,765)**
Interest income	11	19	199
Total interest income		**19**	**199**
Net gain/(loss) on investment properties	8a	233,605	(22,747)
Net loss on investment in Threadneedle Carbon Neutral RE Trust	8b	(320)	(1,024)
Total comprehensive income before finance costs and taxation		**292,338**	**37,628**
Finance costs – income distributions paid	17	(45,789)	(46,686)
Finance costs – income distributions payable	18	(12,674)	(14,202)
Tax withheld on distributions	5	(590)	(512)
Increase/(decrease) in net assets attributable to Unitholders		**233,285**	**(23,772)**

Statement of Changes in Net Assets Attributable to Unitholders for the Year Ended 31 March 2022

	Note	2022 £000s	2021 £000s
Opening net assets attributable to Unitholders at 1 April 2021 comprising 5,016,004.946 units (2020: 5,328,694.310 units)		1,385,822	1,493,618
Issue of 268,116.124 units (2021: 45,896.356 units)		78,901	13,161
Redemption of 430,040.607 units (2021: 358,585.720 units)		(123,180)	(97,185)
		1,341,543	1,409,594
Increase/(decrease) in net assets attributable to Unitholders		233,285	(23,772)
Closing net assets attributable to Unitholders at 31 March 2022 comprising 4,854,080.463 units (2021: 5,016,004.946 units)	19	**1,574,828**	**1,385,822**

All amounts above are in respect of continuing operations.
The notes and accounting policies on pages 45 to 54 form part of these financial statements.

Balance Sheet as at 31 March 2022

	Note	2022 £000s	2021 £000s
Non-current assets			
Investment Properties			
Freehold	12	1,182,261	1,027,710
Leasehold	12	241,782	220,128
Mixed	12	9,431	8,377
		1,433,474	**1,256,215**
Investment in Threadneedle Carbon Neutral RE Trust	8b	26,163	26,483
Lease incentives receivable in more than one year		12,176	12,162
		1,471,813	**1,294,860**
Current assets			
Debtors	14	11,935	22,401
Lease incentives receivable within one year	12	4,140	3,292
Cash at bank		136,405	175,311
		152,480	**201,004**
Creditors: amounts falling due within one year			
Income tax payable		(131)	(120)
Creditors	15	(36,660)	(95,720)
Finance costs: amounts due to Unitholders	18	(12,674)	(14,202)
		(49,465)	**(110,042)**
Net assets attributable to Unitholders		**1,574,828**	**1,385,822**

The notes and accounting policies on pages 45 to 54 form part of these financial statements.

The financial statements were approved by the Manager on 30 June 2022 and signed on its behalf by:

Kevin Mundy, ACIS
Director
Threadneedle Investments (Channel Islands) Limited
30 June 2022

Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022		2021	
		£000s	£000s	£000s	£000s
Net cash flow from operating activities	22	65,883		61,921	
Net cash generated from operating activities			**65,883**		**61,921**
Cash flow from investing activities					
Purchases of investment properties	12	(37,583)		-	
Capital expenditure		(8,667)		(5,356)	
Proceeds from sale of properties	8a	102,416		90,851	
Interest received	11	19		199	
Net cash received from investing activities			**56,185**		**85,694**
Cash flow from financing activities					
Income distributions paid to Unitholders	17,18	(59,991)		(66,465)	
Taxation paid		(579)		(556)	
Issue of units		78,901		13,161	
Redemption of units		(179,305)		(41,060)	
Net cash used in financing activities			**(160,974)**		**(94,920)**
Net (decrease)/increase in cash and cash equivalents			**(38,906)**		**52,695**
Cash and cash equivalents at the beginning of the year			**175,311**		**122,616**
Cash and cash equivalents at the end of the year			**136,405**		**175,311**
Cash and cash equivalents consist of:					
Cash at bank			136,405		175,311
Cash and cash equivalents			**136,405**		**175,311**

The notes and accounting policies on pages 45 to 54 form part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 March 2022

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 fourth amended and restated Trust Instrument under Jersey law dated 22 December 2020 (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 2022, the Trust held 168 investment properties (2021: 190 investment properties) across the Office, Industrial and Retail sectors at a combined valuation of £1,444.9m (2021: £1,266.6m). 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 90.7% for the March 2022 quarter in comparison to 83.8% for the December 2021 quarter. Overall, collection rates for the last four quarters average 94.8%. This was primarily in line with collection statistics for the wider 2021/2022 period which were still impacted by the disruption caused by the Covid-19 pandemic but improved on the previous year as businesses have started to recover. UK Government measures continued to weaken the ability of landlords to recover arrears thus continuing to discourage some tenants from making payments. The position of the Trust is broadly the same as that experienced across the whole of CTI's UK Real Estate business and the wider market.

The Trust held cash of £136.4m at 31 March 2022 (£175.3m at 31 March 2021) 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 A1 as of 31 March 2022, 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% (2021: 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.

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.

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			
	31/03/2022 (£)	Valuation £ +5%	Change £	Valuation £ -5%	Change £
Retail & Leisure	67,690,000	71,074,500	3,384,500	64,305,500	(3,384,500)
Retail Warehouse	245,625,000	257,906,250	12,281,250	233,343,750	(12,281,250)
Industrial	700,635,000	735,666,750	35,031,750	665,603,250	(35,031,750)
Office	376,320,000	395,136,000	18,816,000	357,504,000	(18,816,000)
Mixed Commercial	54,625,000	57,356,250	2,731,250	51,893,750	(2,731,250)
Total (£)	**1,444,895,000**	**1,517,139,750**	**72,244,750**	**1,372,650,250**	**(72,244,750)**

Investments

The principal assumptions underlying the estimation of fair value of the Trust's investment in TCNRET are those related to the fair value of investment properties held by TCNRET. In TCNRET, valuations are performed by JLL Limited who are professional, third party, independent Chartered Surveyors, at the year end in accordance with RICS Appraisal and Valuation Standards. Assumptions include the receipt of contractual rentals, expected future market rentals, void periods, lease incentives, maintenance requirements and appropriate yields/discount rates and for development properties, an allowance for future development expenditure and development management fees. These valuations are regularly compared to actual market yield data 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.

Investment in TCNRET Valuations Change Analysis

	Valuation as at	Re-valuation of Properties if values moved by			
	31/03/2022 (£)	Valuation £ +5%	Change £	Valuation £ -5%	Change £
Value of Investment in TCNRET	26,162,953	27,471,101	1,308,148	24,854,805	(1,308,148)
Total (£)	**26,162,953**	**27,471,101**	**1,308,148**	**24,854,805**	**(1,308,148)**

5 Tax Withheld on Distributions

For the year to 31 March 2022, the Trustees withheld income tax payments to Unitholders amounting to £590,441 (2021: £511,516).

6 Property Income

	2022 £000s	2021 £000s
Rental income	74,102	79,535
Service charge income	10,076	10,924
Other income	3,375	4,417
	87,553	**94,876**

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

	2022 £000s	2021 £000s
No later than 1 year	71,063	75,155
Later than 1 year and no later than 5 years	236,103	246,750
Later than 5 years	170,814	174,170
	477,980	**496,075**

Contingent rents recognised as income were nil in the year (2021: nil).

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

7 Property Expenses

	2022 £000s	2021 £000s
Service charge expense	10,076	10,924
Other property expenses	4,111	8,897
Void property expenses	5,054	4,598
Ground rent payable	442	445
	19,683	**24,864**

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 2022, the future aggregate undiscounted minimum lease payments under non-cancellable finance leases totaled £22,115,650 (2021: £22,404,427) of which £288,777 was due within 1 year (2021: £288,777).

8a Net Gain/(Loss) on Investment Properties

	2022 £000s	2021 £000s
Proceeds from sales of investment properties	102,416	90,851
Total cost of investment properties sold	(82,003)	(118,355)
Realised gain/(loss) on investment properties sold during the year	**20,413**	**(27,504)**
Net gain thereon already recognised in prior periods	2,150	29,658
Overall gain realised on investment properties during the year	**22,563**	**2,154**
Net unrealised gain/(loss) on properties held	211,904	(26,753)
Adjustment for value of lease incentives	(862)	1,852
Net gain/(loss) on investment properties	**233,605**	**(22,747)**

8b Net Loss on Investment in Threadneedle Carbon Neutral RE Trust

	2022 £000s	2021 £000s
At 1 April	26,483	27,507
Movement in valuation	(320)	(1,024)
At 31 March	**26,163**	**26,483**

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 2022, a total management fee of £8,832,714 (2021: £8,802,437) including irrecoverable VAT of £nil (2021: £15,139) was charged to the Trust. The increase in the total management fee charged to expenses was the result of an increase in the value of gross assets under management during the year.

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. An additional fee of 0.5% per annum on gross assets of the Trust is added to UK tax exempt holders where trail commission is charged (Class D units), i.e. 1.18% on gross assets up to £200 million and 1.10% thereafter.

For Unitholders in all other categories, the charges will be notified to applicants as they subscribe (during the year to 31 March 2022 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 E, F, G and H 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 £272,832 (2021: £279,369) 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 2022, 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	7,232,582
Class B	900,063
Class C	1,270
Class D	209
Class E	-
Class F	210,134
Class G	236,201
Class H	252,255
Irrecoverable VAT	-
	8,832,714

The amount due to the Manager at 31 March 2022 was £2,589,282 (2021: £1,994,913).

For the year ended 31 March 2022, the Registrar charged a total fee of £7,500 (2021: £7,500) payable quarterly. The amount due to the Registrar at 31 March 2022 was £3,750 (2021: £1,875).

Trustees' Fees

For the year ended 31 March 2022, the Trustees charged a total fee of £297,618 (2021: £296,098). The amount due to the Trustees at 31 March 2022 was £49,466 (2021: £23,695).

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 (2021: nil).

Directors

The number of directors working for the Trust during the year was nil (2021: nil).

11 Interest Income

	2022 £000s	2021 £000s
Bank interest received	19	199
	19	**199**

12 Investment Properties

Cost	Freehold £000s	Leasehold £000s	Mixed £000s	Total £000s
At 1 April 2021	973,043	200,959	14,971	1,188,973
Additions	35,111	2,472	-	37,583
Capital Expenditure	7,793	681	38	8,512
Disposals	(76,031)	(5,972)	-	(82,003)
At 31 March 2022	**939,916**	**198,140**	**15,009**	**1,153,065**
Movement in valuation				
At 1 April 2021	54,667	19,169	(6,594)	67,242
Unrealised loss during the year	186,266	24,810	982	212,058
Adjustment for lease incentives	(781)	(115)	34	(862)
Finance lease value	-	(179)	-	(179)
Amount realized in respect of sold properties	2,193	(43)	-	2,150
At 31 March 2022	**242,345**	**43,642**	**(5,578)**	**280,409**
Investment properties at 31 March 2022	**1,182,261**	**241,782**	**9,431**	**1,433,474**
Valuation by CBRE Limited, Chartered Surveyors at fair value at 31 March 2022	1,213,945	221,250	9,700	1,444,895

The valuation at 31 March 2022 is calculated after deducting the value of lease incentives receivable amounting to £16,316,109 (2021: £15,453,749) and the addition of financing leases of £4,894,993 (2021: £5,073,709). The value of lease incentives receivable is shown in the Balance Sheet and consists of non-current assets of £12,176,147 (2021: £12,162,144) and current assets of £4,139,962 (2021: £3,291,605). The value of financing leases is shown in the Balance Sheet and consists of non-current assets of £4,606,216 (2021: £4,784,932) and current assets of £288,777 (2021: £288,777).

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:

	2022 £000s	2021 £000s
Within one year	289	289
In two to five years	1,155	1,155
In over five years	20,672	20,960
Future finance charges on finance lease liabilities	**22,116**	**22,404**
Present value of finance lease liabilities	**4,895**	**5,074**

The present value of finance leases is as follows:

	2022 £000s	2021 £000s
Within one year	289	289
In two to five years	530	558
In over five years	4,076	4,227
Present value of finance lease liabilities	4,895	5,074

14 Debtors

	2022 £000s	2021 £000s
Trade debtors	6,340	16,081
Tenant deposits received	4,294	5,047
Other debtors	1,301	1,273
	11,935	**22,401**

Trade debtors primarily relate to rent and service charges due as at 31 March 2022.

Trade Debtors of £6.3M (2021: £16.1M) as at 31 March 2022 reflect tenant rental demands due for the quarter commencing 25 March 2022 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

	2022 £000s	2021 £000s
Deferred income	13,446	14,254
VAT payable	443	1,211
Trade creditors	8,872	9,722
Financing lease obligations	4,895	5,074
Management fee payable	2,223	1,995
Other creditors	1,678	1,361
Unit redemptions money owed	-	56,126
Tenant deposits payable	5,103	5,977
	36,660	**95,720**

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 participates in the deficit when 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.

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 2022, the Trust held Money Market Deposits with the following financial institutions:

Entity	Balance £	Moody's Rating
2022		
N/A	N/A	N/A
2021		
Lloyds Bank plc, Jersey	40,000,000	A1

Revenues are derived from a large number of tenants and no single tenant or group under common control contributes more than 3.5% (2021: 3.4%) of the Trust's revenues.

As at 31 March 2022, £6,340,159 (2021: £16,065,020) trade receivable included a bad debt provision of £5,553,294 (2021: £5,727,626).

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 2022 and 31 March 2021, 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 2022 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 statement of financial position, as the impact of discounting is not significant.

The maturity analysis of financial instruments as at 31 March 2022 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 Threadneedle Carbon Neutral RE Trust	26,163	-	-	-	26,163
Cash and cash equivalents	136,405	-	-	-	136,405
Trade debtors	6,340	-	-	-	6,340
Other debtors	1,301	-	-	-	1,301
Liabilities					
Deferred income	13,445	-	-	-	13,445
Trade creditors	8,872	-	-	-	8,872
Management fee payable	2,223	-	-	-	2,223
Other creditors	1,678	-	-	-	1,678
Amounts due to Unitholders	12,674	-	-	-	12,674

The maturity analysis of financial instruments as at 31 March 2021 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 Threadneedle Carbon Neutral RE Trust	19,317	7,165	–	–	26,482
Cash and cash equivalents	175,312	–	–	–	175,312
Trade debtors	16,081	–	–	–	16,081
Other debtors	1,273	–	–	–	1,273
Liabilities					
Deferred income	14,254	–	–	–	14,254
Trade creditors	9,722	–	–	–	9,722
Management fee payable	1,995	–	–	–	1,995
Other creditors	8,549	–	–	–	8,549
Amounts due to Unitholders	14,202	–	–	–	14,202

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 31 March 2021. Income accruing for 31 March 2021 was allocated to all Unitholders who held units on 31 March 2021. This income was allocated to Unitholders as part of the monthly allocation in April 2021. The distribution of this income was made in July 2021. Accordingly, this income relating to the previous year has been removed from the reported quarterly distribution in July 2021.

The final Pricing Day within the year ended 31 March 2022 was 31 March 2022. Income accruing for 31 March 2022 was allocated to Unitholders who held units on 31 March 2022. This income was allocated to Unitholders as part of the monthly allocation in April 2022. The distribution of this income will be made in July 2022.

During the year ending 31 March 2022, three income distributions, relating to net income generated during the year, were paid to Unitholders.

	Total £000s
Distributed 20 July 2021	14,968
Distributed 20 October 2021	13,728
Distributed 20 January 2022	17,093
Total distributions	**45,789**

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 2022	31 December 2021 to 31 March 2022	12,674
31 March 2021	31 December 2020 to 31 March 2021	14,202

19 Units in Issue

As at 31 March 2022, there were a total of 4,854,080.463 units in issue. These comprised: 3,655,615.527 Class A units, 281,869.349 Class B units, 339.217 Class C units, nil Class D units, nil Class E units, 257,749.617 Class F units, 104,005.344 Class G units, 554,501.409 Class H units.

Unit Class	Number of Units in issue as at 1 April 2021	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 2022
Class A	4,025,779.936	264,447.173	(375,263.590)	(259,347.992)	3,655,615.527
Class B	557,982.408	1,185.189	(33,382.505)	(243,915.743)	281,869.349
Class C	335.589	3.628	–	–	339.217
Class D	97.186	–	–	(97.186)	-
Class E	–	–	–	–	-
Class F	257,749.617	–	–	–	257,749.617
Class G	174,060.210	2,480.134	(21,394.512)	(51,140.488)	104,005.344
Class H	–	–	–	554,501.409	554,501.409
	5,016,004.946	**268,116.124**	**(430,040.607)**	–	**4,854,080.463**

20 Capital Commitments and Contingent Liabilities

There were contractual capital commitments relating to property enhancement projects, of £16,242,191 (2021: £2,656,680) 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 29 June 2021 £	Quarter to 29 September 2021 £	Quarter to 30 December 2021 £	Quarter to 30 March 2022 £	Period to 31 March 2022 £	Total 2022 £
Gross amount	3.12	2.92	3.69	2.85	(0.22)	12.36
Income tax (deducted)/added	(0.62)	(0.58)	(0.74)	(0.57)	0.04	(2.47)
Net income/(loss)	2.50	2.34	2.95	2.28	(0.18)	9.89
(Expenses)/income	(0.10)	(0.09)	(0.11)	(0.11)	0.11	(0.30)
Net amount distributable	2.40	2.25	2.84	2.17	(0.07)	9.59
Gross return assuming prevailing rate of tax at date of distribution	3.02	2.83	3.58	2.74	(0.11)	12.06

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 29 June 2021 included one day's income for 31 March 2021. The table details distributions accrued per unit and consequently, this one day's income has been deducted from the figures.

22 Notes to the Statement of Cash Flows

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.

Entity	2022 £000s	2021 £000s
Total comprehensive income for the financial year before finance costs and taxation	**292,338**	**37,628**
Net (gain)/loss on investment properties/investments	(233,285)	23,772
Net interest income	(19)	(199)
Lease incentives	(862)	1,852
Operating profit	**58,172**	**63,053**
Working capital movements:		
■ Decrease in debtors	10,466	7,585
■ Decrease in creditors	(2,755)	(8,717)
Net cash flow from operating activities	**65,883**	**61,921**

23 Post Balance Sheet Events

On 29 April 2022, the Trust completed on the sale of 3 Temple Row West, Birmingham at a price £200,000 higher than the 31 March 2022 independent valuation. On 12 May 2022, the Trust also unconditionally exchanged on the disposal of Try House, Uxbridge. This is due to complete in late June at a price £300,000 above the 31 March 2022 independent valuation. On 15 June 2022, the Trust completed on the sale of Parsonage Square, Dorking at a price £125,000 above the 31 March 2022 independent valuation.

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

The Parade, Canterbury

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 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
31 March 2019	1,592,803,878	295.76
31 March 2018	1,570,332,489	295.18

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

Offer and Bid Price**

Between March 2020 and March 2021	March 2022 (£)	March 2021 (£)	Increase (£)	Increase (%)
Offer price	341.80	291.66	50.14	17.19
Bid price	318.77	272.91	57.37	21.02

Offer Price Range

Over the last 5 years for the period ending:	Highest offer (£)	Lowest offer (£)	Range (%)
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
31 March 2019	317.14	313.30	1.2
31 March 2018	312.57	299.86	4.2

Bid Price Range

Over the last 5 years for the period ending:	Highest bid (£)	Lowest bid (£)	Range (%)
31 March 2022	318.77	285.90	15.5
31 March 2021	272.91	267.72	1.9
31 March 2020	291.76	279.19	5.0
31 March 2019	295.56	292.23	1.1
31 March 2018	291.57	279.73	4.2

* 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 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
31 March 2019	A	312.57	313.30	13.96	4.7	4.5
	B	312.57	313.30	13.54	4.6	4.3
	C	312.57	313.30	12.17	4.1	3.9
	D	312.57	313.30	12.59	4.3	4.0
	E	312.57	313.30	–	–	–
	F	312.57	313.30	14.90	5.0	4.8
	G	312.57	313.30	14.14	4.8	4.5
	Average	312.57	313.30	13.96	4.7	4.5
31 March 2018	A	298.97	312.57	14.03	4.8	4.5
	B	298.97	312.57	13.62	4.6	4.4
	C	298.97	312.57	12.18	4.1	3.9
	D	298.97	312.57	12.58	4.3	4.0
	E	298.97	312.57	–	–	–
	F	298.97	312.57	14.79	5.0	4.7
	G	298.97	312.57	14.20	4.8	4.5
	Average	298.97	312.57	14.04	4.8	4.5

*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 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
31 March 2019	A	4,358,860.467
	B	680,904.958
	C	327.642
	D	97.186
	E	–
	F	257,749.617
	G	87,573.542
		5,385,513.412
31 March 2018	A	4,417,118.158
	B	548,915.113
	C	373.212
	D	1,152.941
	E	–
	F	257,749.617
	G	94,579.486

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'sPerformance %	MSCI/AREF QPFI All Balanced Property Fund Index Weighted Average %
March 2022	21.7	23.1
3 Years to March 2022 (p.a.)	7.5	8.1
5 Years to March 2022 (p.a.)	7.5	7.8
10 Years to March 2022 (p.a.)	8.3	8.1
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
1 Year to March 2018	9.7	10.0
1 Year to March 2017	3.8	3.7

Unit Turnover (all classes)

For the year ending 31 March 2022	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	268,116.124	86,984,914	6.3	5.5
Unit redemptions	430,040.607	139,518,074	10.1	8.9

Unit Analysis

As at 31 March 2022 ownership band	Number of Unitholders	Total % held
Less than 1% of Units in issue	100	22.8
1% or greater but less than 2%	16	23.3
2% or greater but less than 4%	12	32.0
4% or greater but less than 8%	4	21.9
Greater than 8% (6.80% being the largest holding)	–	–
Total	**132**	**100.0**
Total number of Units in issue		
Internal Investors	1	94.7
External Investors	131	5.3

	%
Largest Investor	6.1
Largest 3 Investors	17.0
Largest 5 Investors	25.4
Largest 10 Investors	39.9

Total Expense Ratios (AREF basis)

at 31 March 2022	
Average Net Assets (NAV)	1,463,264,725
	% of NAV per annum
Fund Management Fees	0.58
Fund Operating Expenses	0.05
Total Global Expense Ratio (TGER)	**0.63**
Real Estate Expense Ratio (REER) (excludes items in TGER)	0.71
Total	**1.34**
Performance fees	0.00

Past performance is not a guide to future returns.

Portfolio Turnover Ratio

at 31 March 2022	
Average Net Assets (NAV)	1,463,264,725
	% of NAV per annum
Portfolio Turnover Ratio	-7.94
Transaction Costs	£3,651,675

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 2021

AIFMD Remuneration Disclosures

The Threadneedle group ("the Group") transitioned from the Luxembourg incorporated Threadneedle Asset Management Holdings Sarl to the English incorporated TAM UK International Holdings Limited ("UK HoldCo" or the "Company") with effect from 16th July 2021. 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 December 2021.

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 who are nominated by Ameriprise Financial, the Group's parent company.

Current Committee Members are Mr Walter Berman, Mr William Turner and Ms Karen Wilson-Thissen. Meetings are normally held in January, March, June, September and December. The Head of Reward, EMEA and APAC 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 6 AIFM Remuneration Code Staff Senior Managers in respect of the Manager's AIFM activities in the 2021 performance year was £0.37m, of which £0.21m was fixed and £0.16m 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 £0.49m, of which £0.14m was fixed and £0.35m 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	9.4 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	7.3 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	13.1 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	6.4 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	12.5 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.

Global Real Estate Sustainability Benchmark (GRESB)

GRESB is a global real estate benchmark which assess Environmental, Social and Governance (ESG) performance. The fund achieved an overall score of 75/100 in 2021 in the tenth submission year (2021). The fund was able to score ahead of the peer group average of 69.

GRESB is benchmarked against two dimensions:

1. **Management** - relating to policies and processes that set out the Fund's intent for managing sustainability issues. TPUT achieved a score of 30 out of 30, which was 3 point above the peer group average and 4 points above the GRESB average.
2. **Performance** - actions and programmes that have been initiated by the fund. TPUT scored 45 out of 70, which outperformed the peer group average (40).

The fund will continue GRESB participation in 2022 on the reporting year 2021.

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.

TPUT has followed the GHG Reporting Protocol – Corporate Standard for company reporting to identify and report relevant energy and GHG emissions over which it has Operational Control for the year ending 31st December 2021.

TPUT has considered the materiality of environmental impacts arising from its operations and identify greenhouse gas emissions (generated via energy use) to be the most significant. This assessment was based on financial spend and the ability for TPUT to control impacts. Other areas, such as water, waste, biodiversity and emissions to air, water and land are deemed less material, however, some or all impacts may be reported in the future.

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 and/or has control of air conditioning equipment.

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 (2020).

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.

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.

A baseline year of 2018 has been selected to enable comparison over time. The baseline year comprises energy/ GHG data from the top 20 consuming assets (where data has been reported). All assets where landlord procured data is available are reported on therefore this figure represents the % of total reported energy consumption (kWh) by the top 20 consuming assets across the entire portfolio. By floor are the top 20 represents 12% of the total portfolio floor area (m^2), or 25% of the area (m^2) of assets where there is landlord procured energy consumption data available for reporting. This cohort represents 81% of all reported energy data across the fund. It also represents the asset subset included in the long term energy and GHG target. Furthermore, energy use within this subset of assets is actively tracked and reported against on a quarterly basis.

The top 20 assets are also included in the intensity ratio and like-for-like reporting. Assets are included within like-for-like analysis where each of the following conditions is met:

- Asset within top 20 consuming subset;
- No major renovation or refurbishment has taken place i.e. affecting more than 50% of the building by area or number of occupants;
- At least 12 months data is available.

TPUT energy (kWh) and Scope 1 and 2 emissions (tCO_2e) year ending 31st December 2021.

GHG Scope[9]	JAN 2020 – DEC 2020 Absolute Energy Use (kWh)	JAN 2020 – DEC 2020 Absolute Tonnes of Carbon Dioxide Equivalent (tCO_2e)	JAN 2021 – DEC 2021 Absolute Energy Use (kWh)	JAN 2021 – DEC 2021 Absolute Tonnes of Carbon Dioxide Equivalent (tCO_2e)
Gas / Scope 1	6,715,588.6	1,235.7	6,179,740.6	1,130.9
Electricity / Scope 2	10,977,424.7	2,558.8	10,957,329.7	2,326.2
Total	**17,693,013.3**	**3,794.5**	**17,137,070.4**	**3,457.1**

TPUT energy (kWh) and Scope 1 and 2 emissions intensity ($kgCO_2e$) year ending 31st December 2021.

SECTOR	JAN 2020 – DEC 2020 ENERGY INTENSITY (KWH)	JAN 2020 – DEC 2020 CARBON INTENSITY ($kgCO_2e$)	JAN 2021 – DEC 2021 ENERGY INTENSITY (KWH)	JAN 2021 – DEC 2021 CARBON INTENSITY ($kgCO_2e$)
Per m^2 – **Industrial: Distribution Warehouse**	0.9	0.2	0.5	0.1
Per m^2 – **Lodging, Leisure & Recreation: Other**	222.4	46.9	210.4	42.6
Per m^2 – **Office: Business Park**	106.0	24.3	99.2	20.8
Per m^2 – **Office: Corporate: Low-Rise Office**	183.0	39.1	190.5	38.1
Per m^2 – **Office: Corporate: Mid-Rise Office**	238.2	49.8	218.7	43.6
Per m^2 – **Retail: High Street**	115.6	26.9	112.2	23.8
Per m^2 – **Retail: Retail Centers: Warehouse**	2.5	0.6	2.1	0.4

Statement of GHG Emissions

TPUT GHG emissions statement for the year ending 31st December 2021 is reported in the Table below. Absolute energy usage, like-for-like and an intensity value for 2020 and 2021. The table sets out the absolute emissions per sector and for the entity overall. Like-for-like emissions 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.

[9] Scope 1 emissions relate to the use of gas via onsite boilers. Scope 2 emissions relate to the use of purchased electricity only.

TPUT Greenhouse Gas Emissions Statement for year ending 31st December 2021

Sector	Scope	Absolute emissions (tCO^2e)		Like for like emissions (tCO^2e)			Intensity (kg CO^2e /m^2)		
		2020	2021	2020	2021	% Change	2020	2021	% Change
Industrial: Distribution Warehouse	Scope 1	21.2	48.9	0.0	0.0	N/A			
	Scope 2	187.5	212.2	6.5	3.0	-53.7%			
	Scopes 1 & 2	208.7	261.0	6.5	3.0	-53.7%	0.2	0.1	-53.7%
Lodging, Leisure & Recreation: Other	Scope 1	275.8	194.8	275.8	194.8	-29.4%			
	Scope 2	429.8	445.3	429.7	445.3	3.6%			
	Scopes 1 & 2	705.6	640.1	705.6	640.1	-9.3%	46.9	42.6	-9.3%
Mixed use: Office/Retail	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	20.1	23.6	0.0	0.0	N/A		N/A	
Office: Business Park	Scope 1	65.2	51.7	8.1	9.2	13.0%			
	Scope 2	170.8	154.3	113.9	95.2	-16.4%			
	Scopes 1 & 2	236.0	206.0	122.0	104.4	-14.5%	24.3	20.8	-14.5%
Office: Corporate: Low-Rise Office	Scope 1	460.9	506.4	405.4	442.6	9.2%			
	Scope 2	962.0	861.5	786.0	718.3	-8.6%			
	Scopes 1 & 2	1422.9	1368.0	1191.4	1160.9	-2.6%	39.1	38.1	-2.6%
Office: Corporate: Mid-Rise Office	Scope 1	391.5	302.0	294.3	242.1	-17.8%			
	Scope 2	557.4	437.5	395.2	361.6	-8.5%			
	Scopes 1 & 2	949.0	739.5	689.5	603.6	-12.4%	49.8	43.6	-12.4%
Office: Corporate: High-Rise Office	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	0.5	0.6	0.0	0.0	N/A			
	Scopes 1 & 2	0.5	0.6	0.0	0.0	N/A		N/A	
Residential: Multi-Family: Mid-Rise Multi Family	Scope 1	11.3	20.0	0.0	0.0	N/A			
	Scope 2	4.4	1.7	0.0	0.0	N/A			
	Scopes 1 & 2	15.6	21.7	0.0	0.0	N/A		N/A	
Retail: High Street	Scope 1	9.0	3.6	0.0	0.0	N/A			
	Scope 2	134.0	118.9	69.6	61.5	-11.6%			
	Scopes 1 & 2	143.1	122.5	69.6	61.5	-11.6%	26.9	23.8	-11.6%
Retail: Restaurants/Bars	Scope 1	0.0	3.5	0.0	0.0	N/A			
	Scope 2	14.4	16.4	0.0	0.0	N/A			
	Scopes 1 & 2	14.4	19.8	0.0	0.0	N/A		N/A	
Retail: Retail Centers: Lifestyle Center	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	4.9	0.3	0.0	0.0	N/A			
	Scopes 1 & 2	4.9	0.3	0.0	0.0	N/A		N/A	
Retail: Retail Centers: Warehouse	Scope 1	0.7	0.2	0.0	0.0	N/A			
	Scope 2	73.0	53.9	20.1	15.6	-22.6%			
	Scopes 1 & 2	73.7	54.1	20.1	15.6	-22.6%	0.6	0.4	-22.6%
Total	**Scope 1**	**1235.7**	**1130.9**	**983.7**	**888.7**	-9.7%			
	Scope 2	**2558.8**	**2326.2**	**1821.0**	**1700.5**	-6.6%		N/A	
	Total	**3794.5**	**3457.1**	**2804.7**	**2589.2**	-7.7%			

Statement of Energy Usage

TPUT energy usage statement for the year ending 31st December 2021 is reported in the table below. Absolute energy usage, like-for-like and an intensity value for 2020 and 2021. 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 31st December 2021

Sector	Scope	Absolute consumption (kWh)		Like for like consumption (kWh)			Energy Intensity (kWh /m²)		
		2020	2021	2020	2021	% Change	2020	2021	% Change
Industrial: Distribution Warehouse	Scope 1	115,269.3	266,987.5	0.0	0.0	N/A			
	Scope 2	804,312.2	999,432.4	27,805.3	14,121.7	-49.2%			
	Scopes 1 & 2	919,581.5	1,266,419.9	27,805.3	14,121.7	-49.2%	0.9	0.5	-49.2%
Lodging, Leisure & Recreation: Other	Scope 1	1,499,180.9	1,064,470.6	1,499,180.9	1,064,470.6	-29.0%			
	Scope 2	1,843,731.0	2,097,693.5	1,843,561.0	2,097,681.4	13.8%			
	Scopes 1 & 2	3,342,911.9	3,162,164.1	3,342,741.9	3,162,152.0	-5.4%	222.4	210.4	-5.4%
Mixed use: Office/Retail	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	86,297.7	111,027.1	0.0	0.0	N/A			
	Scopes 1 & 2	86,297.7	111,027.1	0.0	0.0	N/A		N/A	
Office: Business Park	Scope 1	354,376.4	282,280.9	44,275.0	50,304.0	13.6%			
	Scope 2	732,780.7	726,916.0	488,560.5	448,264.8	-8.2%			
	Scopes 1 & 2	1,087,157.1	1,009,196.9	532,835.5	498,568.8	-6.4%	106.0	99.2	-6.4%
Office: Corporate: Low-Rise Office	Scope 1	2,504,833.3	2,767,288.0	2,203,360.9	2,418,512.9	9.8%			
	Scope 2	4,127,000.2	4,058,152.5	3,371,850.2	3,383,588.6	0.3%			
	Scopes 1 & 2	6,631,833.5	6,825,440.5	5,575,211.1	5,802,101.4	4.1%	183.0	190.5	4.1%
Office: Corporate: Mid-Rise Office	Scope 1	2,127,855.0	1,650,235.2	1,599,462.0	1,322,742.0	-17.3%			
	Scope 2	2,391,447.4	2,060,760.3	1,695,219.8	1,703,063.7	0.5%			
	Scopes 1 & 2	4,519,302.4	3,710,995.4	3,294,681.8	3,025,805.7	-8.2%	238.2	218.7	-8.2%
Office: Corporate: High-Rise Office	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	2,017.4	2,897.2	0.0	0.0	N/A			
	Scopes 1 & 2	2,017.4	2,897.2	0.0	0.0	N/A		N/A	
Residential: Multi-Family: Mid-Rise Multi Family	Scope 1	61,206.0	109,137.7	0.0	0.0	N/A			
	Scope 2	18,725.5	8,010.3	0.0	0.0	N/A			
	Scopes 1 & 2	79,931.5	117,148.0	0.0	0.0	N/A		N/A	
Retail: High Street	Scope 1	49,013.0	19,520.3	0.0	0.0	N/A			
	Scope 2	575,053.3	559,983.8	298,579.0	289,708.0	-3.0%			
	Scopes 1 & 2	624,066.3	579,504.1	298,579.0	289,708.0	-3.0%	115.6	112.2	-3.0%
Retail: Restaurants/Bars	Scope 1	0.0	19,000.0	0.0	0.0	N/A			
	Scope 2	61,793.8	77,093.9	0.0	0.0	N/A			
	Scopes 1 & 2	61,793.8	96,093.9	0.0	0.0	N/A		N/A	
Retail: Retail Centers: Lifestyle Center	Scope 1	0.0	0.0	0.0	0.0	N/A			
	Scope 2	21,209.4	1,298.0	0.0	0.0	N/A			
	Scopes 1 & 2	21,209.4	1,298.0	0.0	0.0	N/A		N/A	
Retail: Retail Centers: Warehouse	Scope 1	3,854.8	820.5	0.0	0.0	N/A			
	Scope 2	313,056.0	254,064.7	86,409.4	73,450.9	-15.0%			
	Scopes 1 & 2	316,910.8	254,885.2	86,409.4	73,450.9	-15.0%	2.5	2.1	-15.0%
Total	**Scope 1**	**6,715,588.6**	**6,179,740.6**	**5,346,278.7**	**4,856,029.5**	**-9.2%**			
	Scope 2	**10,977,424.7**	**10,957,329.7**	**7,811,985.2**	**8,009,879.2**	**2.5%**		**N/A**	
	Total	**17,693,013.3**	**17,137,070.4**	**13,158,263.9**	**12,865,908.6**	**-2.2%**			

The portfolio composition data set changed between year ended 31 December 2020 and year ended 31 December 2021.

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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Chairperson

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N Sullivan	LLB (Hons) Appointed 24 March 2022

K Mundy	ACIS
I Robins	MRICS Appointed 29 March 2022
P Le Marquand	BSc (Hons) MRICS
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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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