

AVIVA INVESTORS PROPERTY FUNDS ICVC

Interim Report and Financial Statements

For the six months ended 31 March 2023 (unaudited)

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* These items comprise the Manager's Report for the purposes of the rules contained in the Collective Investment Schemes Sourcebook ("the Regulations").

COMPANY INFORMATION

AUTHORISED CORPORATE DIRECTOR

Aviva Investors UK Fund Services Limited
St Helen's
1 Undershaft
London, EC3P 3DQ

Aviva Investors UK Fund Services Limited (the ACD) is a wholly owned subsidiary of Aviva Investors Holdings Limited, a company incorporated in the United Kingdom and within the Aviva Group of Companies. The ACD is a member of the Investment Association and is authorised and regulated by the Financial Conduct Authority.

The Manager is authorised as an Alternative Investment Fund Manager ("AIFM") under the Alternative Investment Fund Managers Directive ("AIFMD").

DIRECTORS

J Adamson
M Bell
A Coates
M Craston
B Fowler
K McClellan
M White
S Winstanley

REGISTRAR AND ADMINISTRATOR

SC&C Financial Services Europe Ltd
SC&C House
St Nicholas Lane
Basildon
Essex, SS15 5FS

FUND ACCOUNTING AND PRICING AGENT

J.P. Morgan Chase Bank, National Association (London Branch)
25 Bank Street
Canary Wharf
London, E14 5JP

INVESTMENT MANAGER

Aviva Investors Global Services Limited
St Helen's
1 Undershaft
London, EC3P 3DQ

Aviva Investors Global Services Limited is a member of the Investment Association and is authorised and regulated by the Financial Conduct Authority. The ultimate parent company of Aviva Investors Global Services Limited is Aviva Plc.

TRUSTEE AND DEPOSITARY

J.P. Morgan Europe Limited
25 Bank Street
Canary Wharf
London, E14 5JP

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
141 Bothwell Street
Glasgow
G2 7EQ

INDEPENDENT PROPERTY VALUERS (FOR THE AVIVA INVESTORS UK PROPERTY FUND ONLY)

Knight Frank LLP
55 Baker Street
London
W1U 8AN

REPORT OF THE AUTHORISED CORPORATE DIRECTOR

THE COMPANY

Aviva Investors Property Funds ICVC ("the Company") is an Open-Ended Investment Company (OEIC) with variable capital incorporated in England and Wales since 2 May 2008. The property of the Company is entrusted to J.P. Morgan Europe Limited ("the Depositary"). The shareholders are not liable for any debts of the Company.

The object of the Company is to invest the scheme property in transferable securities, money market instruments, units in collective investment schemes, deposits, cash, near cash, derivative instruments and forward transactions, immovables (directly or indirectly) and gold with the aim of spreading investment risk and giving its shareholders the benefit of the results of the management of that property.

The Company has an umbrella structure which means that it may contain more than one Fund, each with a different investment objective. There are currently two Funds in the Aviva Investors Property Funds ICVC; the Aviva Investors European Property Fund and the Aviva Investors UK Property Fund. In the financial statements you will find an investment review for each Fund which includes details of the investment objectives.

AUTHORISED STATUS

From 2 May 2008 the Company was authorised as an Open-Ended Investment Company under Regulation 12 of the Open-Ended Investment Companies Regulations 2001.

The Company is authorised to operate as a "Non-UCITS Retail Scheme" for the purposes of the COLL Sourcebook and as an Authorised Investment Fund (AIF) for the purposes of the FUND Sourcebook. These sourcebooks form part of the regulatory handbook issued by the Financial Conduct Authority (FCA).

THE FINANCIAL STATEMENTS

We are pleased to present the interim financial statements of the Company for the six months ended 31 March 2023. As required by the Regulations, information for each of the Funds has been included in these financial statements. On the following pages we review the performance of each of those Funds during the period. We hope that you find our review useful and informative.

ANNUAL GENERAL MEETINGS

The Company will not be holding any Annual General Meetings.

SIGNIFICANT INFORMATION

CLOSURE OF THE AVIVA INVESTORS UK PROPERTY FUND, THE AVIVA INVESTORS UK PROPERTY FEEDER INCOME FUND AND THE AVIVA INVESTORS UK PROPERTY FEEDER ACCUMULATION FUND (THE "FUNDS")

Aviva Investors UK Fund Services Limited took the decision to suspend all dealing in the Aviva Investors UK Property Fund, the Aviva Investors UK Property Feeder Income Fund and the Aviva Investors UK Property Feeder Accumulation Fund with effect from 12 noon on 18 March 2020. This was due to the Standing Independent Valuer advising us of "material valuation uncertainty" for all direct property assets within the portfolio and the associated risk that investors could have bought and sold shares/units at a price which did not fairly reflect the value of those shares/units had dealing been allowed to continue.

On 31 January 2021 the Value Assessment for these Funds determined that a strategic review should be undertaken to ensure investors' long-term interests could continue to be served. This review, combined with forecast redemption levels upon re-opening, concluded that the Funds' ability to fully benefit from the economies of scale and the diversification of investments that collective investment schemes normally bring would soon be limited.

As such Aviva Investors UK Fund Services Limited concluded that it would now be in investors' interests to wind-up the Funds and return cash to investors in a fair and orderly manner.

On the 19 July 2021 the Fund was placed into termination and will continue to be suspended.

For further information, please visit our dedicated website at <https://www.avivainvestors.com/en-gb/paif/>

CLOSURE OF THE AVIVA INVESTORS EUROPEAN PROPERTY FUND

The Fund closed on 21 August 2015, and will be terminated in due course. The remaining property has been sold and the remaining holding structures are being prepared for liquidation.

Proceeds from the resulting liquidations will be passed through the Fund's structure to the Fund and will be distributed to Investors in due course.

As a result of both Funds closing, the financial statements have been prepared on a basis other than going concern.

COMMENCEMENT OF TERMINATION

On 19 July 2021, the Aviva Investors UK Property Fund, Aviva Investors UK Property Feeder Inc Fund and the Aviva Investors UK Property Feeder Acc Funds commenced termination, further to the notice that we sent to affected investors in May. To ensure the fair treatment of all investors throughout the closure process, it is necessary to continue the suspension of all dealing in this Fund.

UPDATES TO THE PROSPECTUS

On 17 October 2022, we amended the prospectus of the Aviva Investors Property Funds ICVC and the Aviva Investors Property Feeder Trust to reflect:

- a) economies of scale discounts which the authorised corporate director is proposing to apply to the annual management charge of certain share classes within certain sub-funds of the above scheme; and
- b) that going forward charges related to the disbursements and expenses of tax, legal and other professional advisers in relation to litigation pursued for, or on behalf of, the scheme or its sub-fund(s) will be taken directly out of scheme property.

STATEMENT OF CROSS HOLDINGS

There are no cross holdings as at 31 March 2023.

AVIVA INVESTORS EUROPEAN PROPERTY FUND

The Fund closed on 21 August 2015, and will be terminated in due course. The remaining property has been sold and the remaining holding structures are being prepared for liquidation. Proceeds from the resulting liquidations will be passed through the Fund's structure to the Fund and will be distributed to Investors in due course.

The below Investment Objective and Investment Approach sections set out the Fund objectives and approach prior to the Fund's closure on 21 August 2015.

INVESTMENT OBJECTIVE

To seek income and long term capital appreciation through real estate investment in the European Economic Area (excluding the UK) and Switzerland.

INVESTMENT APPROACH

To invest in commercial immovable real estate, together with real estate related listed securities, whose investments and activities are principally based within the European Economic Area (excluding the UK) and Switzerland. The Fund may also invest in units in regulated and unregulated collective investment schemes, money market instruments, deposits, cash and near cash and derivatives. Derivatives may be used for the purposes of Efficient Portfolio Management.

The Fund may hold its immovable property through intermediate holding vehicles. In such instances, the Fund's direct holdings will generally be debentures, or other permitted debt and debt instruments and securities of subsidiary entities of the Company, the ACD or their respective Associates. These subsidiaries may in turn invest in immovable property via intermediate holding vehicles appropriate for the jurisdiction in which the immovable property is located.

FUND MANAGER'S REPORT

FUND PROFILE AND PORTFOLIO REVIEW

Total assets under management as at 31 March 2023 were £4.1m.

The Fund was placed into termination on 21 January 2016, following consultation and FCA approval.

All twelve of the Fund's holdings have been disposed of. Three of the Funds ten underlying structures remain.

As at 31 March 2023, we had returned 103% of the Fund's GBP value at suspension.

As described in previous updates, the Fund has a complex structure, and the proceeds of the property sales must pass through the underlying holding company structures before we can return them to you. Whilst we are making good progress on the wind up of the underlying legal structures, with only three of the ten holding structures remaining, their resolution is dependent on the underlying structures' tax clearance and closure of their final accounts, which in turn are subject to the entities' local rules, timing and regulations. As we progress though closing the structures, we continue to be mindful of the need to return the proceeds of your investment to you (or switch them, as per your instruction) as quickly as possible. We expect to be in a position to be able to make the final payment to you by the end of the first half of 2023, which will be paid out to you, or switched to another Aviva Investors fund nominated by you, in line with the instructions that you have provided. Due to the complex nature of the underlying structures however, the timing of this final payment is dependent on the progression of the structures' wind up as noted above.

We will continue to keep you updated on the progress made via your six-monthly statement and other correspondence.

May 2023

Unless stated otherwise any opinions expressed are those of Aviva Investors Global Services Limited. They should not be viewed as indicating any guarantee of return from an investment managed by Aviva Investors nor as advice of any nature. Past performance is not a guide to the future. The value of an investment and any income from it may go down as well as up and the investor may not get back the original amount invested.

FUND MATERIAL PORTFOLIO CHANGES

There were no loans advanced on the purchase of properties or loan repayments made during the period.

INVESTMENT PERFORMANCE

Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Per share in class currency
Class A (GBP)	30.09.20	163	204,307	79.80p
	30.09.21	129	165,081	78.08p
	30.09.22	39	63,641	61.76p
	31.03.23	38	63,641	60.48p
Class A (EUR)	30.09.20	5	6,924	74.81c
	30.09.21	4	5,597	77.58c
	30.09.22	1	2,158	59.89c
	31.03.23	1	2,158	51.71c
Class R (GBP)	30.09.20	981	1,236,934	79.32p
	30.09.21	776	999,439	77.61p
	30.09.22	237	385,298	61.39p
	31.03.23	231	385,298	60.12p
Class I (GBP)	30.09.20	9,867	12,313,716	80.13p
	30.09.21	7,821	9,949,549	78.60p
	30.09.22	2,391	3,836,561	62.32p
	31.03.23	2,336	3,836,561	61.10p

* Valued at bid market prices. The net asset value of income shares will exclude any distributions paid/payable to investors.

Share Price Record – Income Shares

Share class	Financial year	Highest bid price*	Lowest bid price*
Class A (GBP)	2020	89.78p	76.97p
	2021	104.10p	74.84p
	2022	118.55p	60.49p
	2023**	61.93p	59.72p
Class A (EUR)	2020	85.32c	79.35c
	2021	96.89c	74.93c
	2022	118.72c	59.49c
	2023**	52.96c	58.66c
Class R (GBP)	2020	89.25p	76.51p
	2021	103.49p	74.40p
	2022	117.85p	60.13p
	2023**	61.56p	59.37p
Class I (GBP)	2020	89.94p	77.18p
	2021	104.60p	75.30p
	2022	119.53p	61.04p
	2023**	62.55p	60.30p

* These prices include revenue.

** Up to 31 March 2023.

Net Asset Value – Accumulation Shares

Share class	As at	Net asset value* £000	Shares in issue	Per share in class currency
Class A (EUR)	30.09.20	779	846,707	100.82c
	30.09.21	616	684,367	104.51c
	30.09.22	188	269,793	80.72c
	31.03.23	184	263,793	69.72c
Class A (USD)	30.09.20	15	8,844	212.30c
	30.09.21	12	7,155	217.48c
	30.09.22	3	2,733	141.71c
	31.03.23	3	2,733	125.40c
Class I (EUR)	30.09.20	5,718	5,725,460	109.43c
	30.09.21	4,532	4,627,686	113.73c
	30.09.22	1,386	1,783,968	88.06c
	31.03.23	1,354	1,783,968	76.15c

* Valued at bid market prices.

Share Price Record – Accumulation Shares

Share class	Financial year	Highest bid price*	Lowest bid price*
Class A (EUR)	2020	114.96c	106.92c
	2021	130.54c	100.96c
	2022	159.94c	80.17c
	2023**	52.96c	79.09c
Class A (USD)	2020	227.96c	208.14c
	2021	284.57c	216.87c
	2022	308.59c	142.40c
	2023**	128.41c	139.59c
Class I (EUR)	2020	124.49c	115.88c
	2021	141.77c	109.79c
	2022	174.35c	87.45c
	2023**	77.95c	86.39c

* These prices include revenue.

** Up to 31 March 2023.

INVESTMENT PERFORMANCE (CONTINUED)

Ongoing Charges Figure*

Share class	OCF* 31.03.23	PER** 31.03.23	OCF* 30.09.22	PER** 30.09.22
Class A (GBP)	2.14%	2.59%	2.14%	2.59%
Class A (EUR)	2.14%	2.59%	2.14%	2.59%
Class A (USD)	2.14%	2.59%	2.14%	2.59%
Class R (GBP)	2.14%	2.59%	2.14%	2.59%
Class I (GBP)	1.89%	2.59%	1.89%	2.59%
Class I (EUR)	1.89%	2.59%	1.89%	2.59%

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the period. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

** The Property Expense Ratio (PER) reflects any additional costs associated with the day-to-day operation of the direct property assets and is presented as a percentage of the average net value of the Fund over the period.

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 2 October 2018.

Share class	Financial year	Net revenue per share	Per 1,000 invested in class currency
Class A (GBP)	2020	0.0000p	£0.00
	2021	0.0000p	£0.00
	2022	0.0000p	£0.00
	2023*	0.0000p	£0.00
Class A (EUR)	2020	0.0000c	€0.00
	2021	0.0000c	€0.00
	2022	0.0000c	€0.00
	2023*	0.0000c	€0.00
Class R (GBP)	2020	0.0000p	£0.00
	2021	0.0000p	£0.00
	2022	0.0000p	£0.00
	2023*	0.0000p	£0.00
Class I (GBP)	2020	0.0000p	£0.00
	2021	0.0000p	£0.00
	2022	0.0000p	£0.00
	2023*	0.0000p	£0.00

* Up to 31 May 2023 (the interim distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 2 October 2018.

Share class	Financial year	Net revenue per share	Per 1,000 invested in class currency
Class A (EUR)	2020	0.0000c	€0.00
	2021	0.0000c	€0.00
	2022	0.0000c	€0.00
	2023*	0.0000c	€0.00
Class A (USD)	2020	0.0000c	\$0.00
	2021	0.0000c	\$0.00
	2022	0.0000c	\$0.00
	2023*	0.0000c	\$0.00
Class I (EUR)	2020	0.0000c	€0.00
	2021	0.0000c	€0.00
	2022	0.0000c	€0.00
	2023*	0.0000c	€0.00

* Up to 31 May 2023 (the interim distribution payment date).

FUND PORTFOLIO STATEMENT

As at 31 March 2023 (unaudited)

Investment		Currency	Holding	Market Value £000	% of Net Assets
Germany 16.19% (16.39%)					
Megaron B Equity ZCP Perpetual	§	EUR	211,254	133	3.19
Megaron B Financing Perpetual	§	EUR	38,665	24	0.58
Megaron B Holding	§	EUR	411,143	530	12.74
Germany total				687	16.51
Luxembourg 3.58% (3.60%)					
European Property Holdings SARL	§	EUR	331	152	3.65
Luxembourg total				152	3.65
Poland 61.06% (61.76%)					
Katowice Equity ZCP Perpetual	§	EUR	496,007	388	9.33
Katowice Financing	§	EUR	1,862,052	1,494	35.91
Katowice Holding ZCP Perpetual	§	EUR	762,837	710	17.06
Poland total				2,592	62.30
Investment assets				3,431	82.46
Net other assets				730	17.54
Net assets				4,161	100.00

The comparative percentage figures in brackets are as at 30 September 2022. The Fund has one direct investment in European Property Holdings SARL of £153,000.

§ All holdings are unquoted securities.

STATEMENT OF TOTAL RETURN

For the six months ended 31 March 2023 (unaudited)

	Aviva Investors European Property Fund	
	Six months ended 31.03.23 £000	Six months ended 31.03.22 £000
Income		
Net capital losses	(44)	(216)
Expenses	(40)	(130)
Net expense before taxation	(40)	(130)
Taxation	–	–
Net expense after taxation	(40)	(130)
Total expense before distributions	(84)	(346)
Distributions	–	–
Change in net assets attributable to shareholders from investment activities	(84)	(346)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 March 2023 (unaudited)

	Aviva Investors European Property Fund	
	Six months ended 31.03.23 £000	Six months ended 31.03.22 £000
Opening net assets attributable to shareholders	4,245	13,890
Movement due to issue and cancellation of shares:		
Amounts receivable on issue of shares	–	–
Amounts payable on cancellation of shares	–	–
	–	–
Change in net assets attributable to shareholders from investment activities (see above)	(84)	(346)
Retained distribution on accumulation shares	–	–
Closing net assets attributable to shareholders	4,161	13,544

The Statement of Recommended Practice (2010) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of the period. The published net asset value as at 30 September 2022 was £4,244,997.

BALANCE SHEET

As at 31 March 2023 (unaudited)

	Aviva Investors European Property Fund	
	As at 31.03.23 £000	As at 30.09.22 £000
Current assets:		
Investments available for sale	3,431	3,472
Debtors	–	–
Cash and bank balances	721	793
Total assets	4,152	4,265
Liabilities:		
Creditors:		
Other creditors	9	(20)
Total liabilities	9	(20)
Net assets attributable to shareholders	4,161	4,245

CASH FLOW STATEMENT

For the six months ended 31 March 2023 (unaudited)

	Aviva Investors European Property Fund	
	Six months ended 31.03.23 £000	Six months ended 31.03.22 £000
Net cash outflow from operating activities	(12)	(107)
Financing		
Exchange rate movement	(53)	(48)
	(53)	(48)
Decrease in cash in the year	(65)	(155)
Net cash at the start of the year	786	2,938
Net cash at the end of the year	721	2,783

AVIVA INVESTORS UK PROPERTY FUND

INVESTMENT OBJECTIVE

The Fund aims to provide a combination of income and growth over the long term (5 years or more), by investing in UK property.

The Fund is structured as a Property Authorised Investment Fund.

The investment objective of the Fund is to carry on Property Investment Business and to manage the cash raised from investors for investment in the Property Investment Business.

The Fund was closed on 19 July 2021 and will be terminated in due course. The remaining properties held within the Fund will be sold and proceeds from the resulting sales will be distributed to Investors in due course. The below Investment Objective and Investment Approach sections set out the Fund objectives and approach prior to the Fund's closure on 19 July 2021.

INVESTMENT APPROACH

Core investment

At least 70% of the Fund will be directly invested in UK property (in normal market conditions), which will mainly consist of commercial properties (such as offices, shops and shopping centres, distribution hubs and warehouses), although other types of property may also be held (such as student accommodation, hotels, residential property). The Fund may also invest indirectly in property through partnerships, companies, property-related shares, or other funds (including funds managed by Aviva Investors companies).

Other investments

The Fund may also invest in bonds issued by companies, governments or supranational organisations, cash, and deposits.

Derivatives may be used from time to time, to gain a particular market exposure which would otherwise be difficult or costly to achieve, or to manage the Fund's cash flows in a cost-effective manner. This type of derivative usage is called "efficient portfolio management".

Strategy

The Fund is actively managed and the Investment Manager aims to use detailed analysis, expertise and relationships to drive income and growth for investors, rather than relying on property market movements alone. This will include making decisions such as actively managing property transactions, redeveloping properties and the negotiation of leases.

Environmental, social and governance ("ESG") factors

ESG factors are integrated into the due diligence performed before purchasing assets for the Fund, and throughout the life of the investment, with the intention of reducing risk, protecting value, and delivering enhanced income and growth. This includes engagement with the occupiers of properties to reduce energy consumption and waste, and to increase community engagement. Identification of ESG risks does not preclude investment in or the continued holding of an asset, as our ability to mitigate risks through active management of assets is also taken into account, and the Investment Manager retains discretion over the investments that are selected. Aviva Investors' investment policy includes limited ESG restrictions, and further information on how we integrate Responsible Investment and these restrictions into our investment approach, and how we engage with companies is available on our website and in the prospectus.

Performance & Risk Measurement

The Fund's performance is compared against the Investment Association UK Direct Property Sector (the "Sector"). The Sector is an industry benchmark made up of funds which meet the Sector criteria, which includes investing at least 70% of their assets directly in UK property on average over 5 year rolling periods.

The Sector has been selected as a benchmark for performance and risk measurement because the Fund will be managed in line with the criteria of the Sector, and it is an independent measure of the performance of investment funds which are comparable to those of the Fund. It is therefore an appropriate comparator for the Fund's performance.

RISK PROFILE

The performance of the Fund would be adversely affected by a downturn in the property market in terms of capital value or a weakening of rental yields. Commercial property values are affected by such factors as the level of interest rates, economic growth, fluctuations in property yields and tenant default. Hence, on the realisation of the investment, investors may receive less than the original amount invested. In the event of a default by an occupational tenant, the Fund will suffer a rental shortfall and is likely to incur additional cost including legal expenses, in maintaining, insuring and re-letting the property. In addition, certain significant expenditures, including operating expenses, must be met by the owner even when the property is vacant.

Property valuations are a matter of the independent valuer's opinion rather than fact. Investments in property are relatively illiquid and more difficult to realise than equities or bonds. The Fund is therefore exposed to cash flow/liquidity risk and, in line with standard industry practice for valuing dual priced funds, can switch between a bid price basis and an offer price basis and vice versa. Where funds are invested in property, investors may not be able to switch or cash in their investment when they want to because property in the Fund may not always be readily saleable. If this is the case we may suspend dealing in the Fund.

There is no assurance that the estimates resulting from the valuation process will reflect the actual sales price even where a sale occurs shortly after the valuation date.

The value of investments and the income from them will change over time.

AVIVA INVESTORS UK PROPERTY FUND (CONTINUED)

FUND MANAGER'S REPORT

Aviva Investors UK Fund Services Limited took the decision to suspend all dealing in the Aviva Investors UK Property Fund, the Aviva Investors UK Property Feeder Inc Fund and the Aviva Investors UK Property Feeder Acc Fund with effect from 12 noon on 18 March 2020. This was due to the Standing Independent Valuer advising us of "material valuation uncertainty" for all direct property assets within the portfolio and the associated risk that investors could have bought and sold shares/units at a price which did not fairly reflect the value of those shares/units had dealing been allowed to continue.

On 31 January 2021 the Value Assessment for these Funds determined that a strategic review should be undertaken to ensure investors' long-term interests could continue to be served. This review, combined with forecast redemption levels upon re-opening, concluded that the Funds' ability to fully benefit from the economies of scale and the diversification of investments that collective investment schemes normally bring would soon be limited.

As such Aviva Investors UK Fund Services Limited concluded that it would now be in investors' interests to wind-up the Funds and return cash to investors in a fair and orderly manner. The Funds will continue to be suspended and with effect from 19 July 2021 will be placed into termination. For further information, please visit our dedicated website at <https://www.avivainvestors.com/en-gb/paif/>

PERFORMANCE

Over the six months to 31 March 2023, the Fund* delivered a total return of -5.66% per cent (Share Class 2 Accumulation net of fees) compared to the Investment Association UK Direct Property Sector average of -9.34%.

REVIEW

As investors will be aware, dealing in the Funds was suspended in March 2020 due to material uncertainty over the valuation of property within the portfolio, brought about by the Covid-19 pandemic. During this period of economic uncertainty, it became increasingly challenging to generate positive returns whilst also providing the necessary liquidity to re-open the Funds.

On 31 January 2021 the Value Assessment for these Funds determined that a strategic review should be undertaken to ensure investors' long-term interests could continue to be served. This review, combined with forecast redemption levels upon re-opening, concluded that the Funds' ability to fully benefit from the economies of scale and the diversification of investments that collective investment schemes normally bring would soon be limited. Size is particularly important for funds that invest in property directly because the costs involved in acquiring, managing and disposing of properties are usually much higher than the costs associated with other asset types.

As such it was concluded that it would be in investors' best interests to wind-up the Funds and return cash to investors in a fair and orderly manner.

The Funds have continued to be suspended during this period and with effect from 19 July 2021 was placed into termination. Since investors were informed that we will be closing the Aviva Investors UK Property Fund the focus of the manager has been on preparing for and executing the orderly sale of the Fund's portfolio.

In order to both improve investment performance for the benefit of investors whilst they remain invested in the Fund, and also to position each asset to achieve the best outcome when they are ultimately brought to market, we continue to deliver active management of the underlying property.

The previous update detailed recent disposals at Guildhall Shopping Centre, Exeter, Aberdeen Business Park and St James Gate, Newcastle. Since the previous report, the following assets have been sold;

– Spurriergate, York, November 2022 for £7.39m

– Corn Exchange, Manchester, December 2022 for £37.3m

This now leaves one remaining asset in the Fund (Central Studios, Reading), which is forecast for a 2023 disposal post completion of ongoing remedial cladding works.

As previously advised, in order to ensure the fair treatment of all investors throughout the closure process, it has been necessary to continue the suspension of all dealing in the Fund, so all investors share equitably in the proceeds raised by the sale of each property. Continuing the suspension of dealing in the Fund enables us to conduct the sale process in an orderly manner so that we can maximise the sales values achieved and act in the best interests of all investors. Until the portfolio sales plan is complete, the Management team will continue to focus on income collection and active asset management so that we can maximise the regular income distributions.

May 2023

* Source: Lipper for Investment Management (performance calculated on a bid to bid basis, net income reinvested) as at 31 March 2023 (share class 2 accumulation, net of fees).

Some of the information within this is based upon Aviva Investors estimates. These have been calculated by Aviva Investors Real Estate Strategy and Research Team based on data sourced from recent market transactions and should not be relied on by anyone else for the purpose of making investment decisions. Past performance is not a guide to future.

AVIVA INVESTORS UK PROPERTY FUND (CONTINUED)

Performance History – Income Shares

Calendar year	Share Class 1** %	Share Class 2** %	Share Class 5** %	Share Class 7*** %	Benchmark Performance* %
31.12.17 to 31.12.18	3.40	3.70	3.90	N/A	3.24
31.12.18 to 31.12.19	-7.80	-7.30	-7.40	-7.40	-0.50
31.12.19 to 31.12.20	-13.70	-13.40	-14.60	-14.70	-3.80
31.12.20 to 31.12.21	1.00	1.20	1.20	1.10	7.40
31.12.21 to 31.12.22	2.20	2.38	2.25	2.22	-7.83

* Benchmark – Investment Association UK Direct Property Sector.

Performance History – Accumulation Shares

Calendar year	Share Class 1** %	Share Class 2** %	Benchmark Performance* %
31.12.17 to 31.12.18	3.40	3.60	3.24
31.12.18 to 31.12.19	-7.70	-7.20	-0.50
31.12.19 to 31.12.20	-14.90	-14.70	-3.80
31.12.20 to 31.12.21	0.90	1.10	7.40
31.12.21 to 31.12.22	2.05	2.20	-7.83

* Benchmark – Investment Association UK Direct Property Sector.

** Please note that the Aviva Investors UK Property Fund launched on 18 August 2017. The past performance shown prior to this date relates to the Aviva Investors Property Trust (the "Unit Trust"). Past performance of the Unit Trust is shown because a scheme of arrangement took place between the Unit Trust and the Aviva Investors UK Property Fund on 18 August 2017, under which assets and investors, as at the effective date, were transferred from the Unit Trust to the Aviva Investors UK Property Fund.

*** Please note that as these Funds, or Classes, are recently launched no significant past performance data is currently available.

MATERIAL PORTFOLIO CHANGES

PROPERTY RELATED SECURITIES SALES

There were no sales of property related during the period.

PROPERTY RELATED SECURITIES PURCHASES

There were no purchases of property related during the period.

DIRECT PROPERTY SALES

The Corn Exchange, Exchange Square, Manchester

Spurriergate, York, Units 1-5, Spurriergate, Units 1-3 High Ousegate

DIRECT PROPERTY PURCHASES

There were no purchases of property during the period.

INVESTMENT PERFORMANCE

Net Asset Value – Income Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 1	30.09.20	27,555	28,461,217	96.82
	30.09.21	13,652	15,400,959	88.64
	30.09.22	6,756	7,182,030	94.07
	31.03.23	2,159	2,430,023	88.84
Class 2	30.09.20	8,588	9,551,752	89.91
	30.09.21	4,255	5,168,684	82.31
	30.09.22	2,106	2,410,333	87.36
	31.03.23	674	816,558	82.55
Class 5	30.09.20	601	641,338	93.66
	30.09.21	297	347,043	85.75
	30.09.22	147	161,835	91.01
	31.03.23	47	54,773	86.01
Class 7	30.09.20	394	502,172	78.51
	30.09.21	194	271,720	71.41
	30.09.22	95	126,710	75.35
	31.03.23	31	42,883	71.20
Class D	30.09.20	102,546	124,269,336	82.52
	30.09.21	50,150	67,243,381	74.58
	30.09.22	24,730	31,358,740	78.86
	31.03.23	7,923	10,613,301	74.65

* Valued at bid market prices.

Net Asset Value – Accumulation Shares

Share class	As at	Net asset value* £000	Shares in issue	Pence per share
Class 1	30.09.20	51,026	33,684,936	151.48
	30.09.21	25,991	18,226,834	142.60
	30.09.22	13,333	8,499,680	156.86
	31.03.23	4,260	2,876,416	148.11
Class 2	30.09.20	24,005	22,048,134	108.87
	30.09.21	12,252	11,929,998	102.70
	30.09.22	6,296	5,563,446	113.16
	31.03.23	2,013	1,883,077	106.92
Class D	30.09.20	177,716	196,760,338	90.32
	30.09.21	90,961	106,468,988	85.43
	30.09.22	46,890	49,651,478	94.44
	31.03.23	15,021	16,804,440	89.39

* Valued at bid market prices.

INVESTMENT PERFORMANCE (CONTINUED)

Share Price Record – Income Shares

Share class	Financial year	Highest offer price* (p)	Lowest bid price* (p)
Class 1	2020	114.86	96.16
	2021	96.13	88.51
	2022	99.90	87.33
	2023**	94.89	88.38
Class 2	2020	106.51	89.24
	2021	89.15	82.22
	2022	92.84	81.13
	2023**	88.12	82.08
Class 5	2020	110.94	92.96
	2021	92.84	85.67
	2022	96.74	84.52
	2023**	91.81	85.52
Class 7	2020	93.76	78.35
	2021	77.85	71.53
	2022	80.29	70.37
	2023**	76.02	70.81
Class D	2020	98.79	82.52
	2021	82.55	74.58
	2022	84.27	73.56
	2023**	79.56	74.14

* Valued at bid market prices.

** Up to 31 March 2023.

Share Price Record – Accumulation Shares

Share class	Financial year	Highest offer price* (p)	Lowest bid price* (p)
Class 1	2020	176.42	150.43
	2021	150.47	139.59
	2022	163.64	140.34
	2023**	158.82	147.76
Class 2	2020	126.12	108.05
	2021	108.09	100.48
	2022	118.05	101.09
	2023**	114.58	106.65
Class D	2020	105.25	90.32
	2021	90.54	84.30
	2022	98.57	84.30
	2023**	95.69	89.12

* Valued at mid market prices.

** Up to 31 March 2023.

INVESTMENT PERFORMANCE (CONTINUED)

Ongoing Charges Figure*

Share class	OCF* 31.03.23	PER** 31.03.23	OCF* 30.09.22	PER** 30.09.22
Class 1	2.43%	1.27%	2.69%	1.67%
Class 2	2.15%	1.27%	2.41%	1.67%
Class 5	2.08%	1.27%	2.34%	1.67%
Class 7	2.15%	1.27%	2.41%	1.67%
Class D	1.43%	1.27%	1.69%	1.67%

* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the period. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

** The Property Expense Ratio (PER) reflects any additional costs associated with the day-to-day operation of the direct property assets and is presented as a percentage of the average net value of the Fund over the period.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

Revenue Record – Income Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 1 September 2020.

Share class	Financial year	Net revenue per share (p)	Per 1,000 invested (£)
Class 1	2020	1.5202	13.12
	2021	2.4928	21.52
	2022	3.2483	28.04
	2023*	–	–
Class 2	2020	3.1608	29.42
	2021	1.5422	14.36
	2022	3.1669	29.48
	2023*	–	–
Class 5	2020	1.6604	14.84
	2021	2.6409	23.61
	2022	3.3384	29.84
	2023*	–	–
Class 7	2020	2.0364	21.54
	2021	2.9601	31.30
	2022	3.1666	33.49
	2023*	–	–
Class D	2020	2.0768	21.04
	2021	3.6834	37.32
	2022	3.4488	34.94
	2023*	–	–

* Up to 31 May 2023 (the interim distribution payment date).

Revenue Record – Accumulation Shares

The revenue record table below shows the net distribution rates per financial year on a payment date basis for an investment made on 1 September 2020.

Share class	Financial year	Net revenue per share (p)	Per 1,000 invested (£)
Class 1	2020	2.3643	13.29
	2021	3.9273	22.07
	2022	5.2601	29.56
	2023*	–	–
Class 2	2020	1.8691	14.70
	2021	3.0394	23.90
	2022	3.9791	31.29
	2023*	–	–
Class D	2020	2.1781	20.71
	2021	4.0662	38.67
	2022	3.9841	37.89
	2023*	–	–

* Up to 31 May 2023 (the interim distribution payment date).

PORTFOLIO STATEMENT

As at 31 March 2023

Investment	Currency	Holding	Market Value £000	% of Net Assets
Property Related Assets 0.00% (0.00%)				
Land Securities Group plc	GBP	207	1	–
Total property related assets			1	–
Direct Properties 54.45% (70.02%)				
Market values over £1,000,000				
Central Studios, Reading, Berkshire RG1 1NP	GBP			
Total market values over £1,000,000			17,500	54.47
Adjustments for lease incentives			(8)	(0.02)
			17,492	54.45
Total direct properties			17,500	54.47
Adjustments for lease incentives			(8)	(0.02)
Total direct properties after adjustments			17,492	54.45
Investment assets			17,493	54.45
Net other assets			14,635	45.55
Net assets			32,128	100.00

The comparative figures are as at 30 September 2022.

STATEMENT OF TOTAL RETURN

For the six months ended 31 March 2023 (unaudited)

		Six months ended 31.03.23 £000	Six months ended 31.03.22 £000
Income			
Net capital (losses)/gains		(3,260)	10,165
Revenue	(1,715)		3,732
Expenses	(141)		63
Interest payable and similar charges	(2)		–
Net (expense)/revenue before taxation	(1,858)		3,795
Taxation	–		(156)
Net (expense)/revenue after taxation		(1,858)	3,639
Total return before distributions		(5,118)	13,804
Distributions		–	(3,640)
Change in net assets attributable to shareholders from investment activities		(5,118)	10,164

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 March 2023 (unaudited)

		Six months ended 31.03.23 £000	Six months ended 31.03.22 £000
Opening net assets attributable to shareholders		100,353	197,752
Movement due to issue and cancellation of shares:			
Amounts payable on cancellation of shares	(63,252)		(38,946)
		(63,252)	(38,946)
Dilution adjustment		145	335
Change in net assets attributable to shareholders from investment activities (see above)		(5,118)	10,164
Retained distribution on accumulation shares		–	2,049
Closing net assets attributable to shareholders		32,128	171,354

The Statement of Recommended Practice (2014) requires that comparatives are shown for the above report. As the comparatives should be for the comparable interim period, the net asset value at the end of the previous period will not agree to the net asset value at the start of this period. The published net asset value as at 30 September 2022 was £100,353,000.

BALANCE SHEET

As at 31 March 2023 (unaudited)

	As at 31.03.23 £000	As at 30.09.22 £000
Current assets:		
Investments available for sale	17,493	65,364
Debtors	8,650	13,041
Cash and bank balances	7,437	28,096
Total assets	33,580	106,501
Liabilities:		
Creditors:		
Finance lease payable	–	(19)
Distribution payable	–	(769)
Other creditors	(1,452)	(5,360)
Total liabilities	(1,452)	(6,148)
Net assets attributable to shareholders	32,128	100,353

ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the financial statements for the year ended 30 September 2022 and are described in those annual financial statements.

CASH FLOW STATEMENT

For the six months ended 31 March 2023 (unaudited)

		Six months ended 31.03.23 £000		Six months ended 31.03.22 £000
Net cash outflow from operating activities		(518)		(812)
Servicing of finance				
Distributions paid		(769)		(2,185)
Taxation				
Taxation paid		(335)		1,927
		(1,622)		(1,070)
Financial investments				
Purchases of investments	–		(1,248)	
Sales of investments	44,606		5,615	
Capital expenditure	(569)		(1,866)	
		44,037		2,501
Financing				
Interest paid from income	33		–	
Amounts paid on cancellation of shares	(63,107)		(38,614)	
		(63,074)		(38,614)
Decrease in cash in the period		(20,659)		(37,183)
Net cash and cash equivalents at the start of the period		28,096		54,069
Net cash and cash equivalents at the end of the period		7,437		16,886

STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Collective Investment Schemes Sourcebook of the Financial Conduct Authority requires the Authorised Corporate Director (ACD) to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company at the period end and of the net income and net gains or losses on the scheme property of the Company for the period then ended.

In preparing the financial statements the ACD is required to:

- follow applicable accounting standards;
- make judgements and estimates that are reasonable and prudent;
- select suitable accounting policies and then apply them consistently;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future; and
- comply with the Instrument of Incorporation and the Statement of Recommended Practice for Authorised Funds.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the Regulations and the Instrument of Incorporation.

The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUTHORISED CORPORATE DIRECTOR'S STATEMENT

We hereby approve the Report and Financial Statements of Aviva Investors Property Funds ICVC for the six months ended 31 March 2023 on behalf of Aviva Investors UK Fund Services Limited in accordance with the requirements of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority.



M Bell
Director
26 May 2023

GENERAL INFORMATION

Investments in Aviva Investors Property Funds ICVC are intended to be medium to long term investments and should not be considered as a short term investment.

Past performance is not a guide to the future.

The value of an investment in the funds and the revenue from it may go down as well as up, and you may not get back the original amount invested.

Where funds are invested abroad, the value of your investment may rise and fall purely on account of movement in exchange rates.

Please refer to the Key Investor Information Document (which is available on the internet at www.avivainvestors.com or from the ACD on request) for a full description of the risks involved when investing in the sub-funds.

Any future returns and opinions expressed are those of the Investment Manager and should not be relied upon as indicating any guarantee of return from investment in the Funds.

The information contained within this document should not be construed as a recommendation to purchase or sell stocks.

The value of capital and revenue will fluctuate as property values and rental income rise and fall and the value of dividends, Government and other public securities and units in collective investment schemes change.

Property valuations are a matter of opinion and all properties are valued monthly by an independent valuer. Market conditions may mean certain property valuations are not easily realisable. Investors may not be able to switch or cash in their investment when they want because property in the Fund may not be readily saleable. If this is the case, we may defer a request to cash in shares. Dealing in the Aviva Investors Asia Pacific Property Fund and the Aviva Investors European Property Fund is suspended and the Funds are in the process of being closed.

Publication of Prices

Information on the prices of Shares will be available by calling 0800 051 2003 or on the internet at www.avivainvestors.com. Calls to this number may be recorded for training or monitoring purposes. Calls are free from landlines and mobiles.

VALUE ASSESSMENT

Value Assessments for the Aviva Investors UK Property Funds can now be found at www.avivainvestors.com/value-assessments.

REMUNERATION POLICY (UNAUDITED)

AIFMD REMUNERATION DISCLOSURE

In line with the requirements of the Alternative Investment Fund Managers Directive ("AIFMD"), Aviva Investors UK Fund Services Limited ("AIUKFSL") is subject to a remuneration policy which is reviewed annually and is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under AIFMD.

Aviva Investors' remuneration framework is based on a total reward approach and is designed to reflect the success or failure against a range of personal and company performance objectives.

REMUNERATION GOVERNANCE

AVIVA INVESTORS REMUNERATION COMMITTEE

The Aviva Investors Remuneration Committee is responsible for reviewing and making recommendations to the Aviva Group Remuneration Committee and Aviva Investors Holdings Limited Board regarding the Remuneration Policy of Aviva Investors including AIGSL. This Committee reviews individual remuneration packages for all employees to which the Remuneration Code applies and considers the remuneration policy and structures for all Aviva Investors employees.

The Aviva Investors Remuneration Committee is comprised of Non-Executive Director Mike Craston and Independent Non-Executive Directors Jeffrey Weingarten (Chair), Sue Amies-King, Alexa Coates, Andrew Kirton and Mark White. The majority of the members were also members of the Aviva Investors Risk Committee during 2022. The Aviva Investors Remuneration Committee met on 5 occasions in 2022.

AVIVA GROUP REMUNERATION COMMITTEE

The Aviva Group Remuneration Committee oversees Aviva's remuneration policies and practices. The Committee considers alignment between Group strategy and the remuneration of Directors and Material Risk Takers (MRTs) within Aviva Investors. The Committee also works with the Board Risk Committee to ensure that risk and risk appetite are properly considered in setting the remuneration policy. The full roles and responsibilities of the Aviva Group Remuneration Committee are available on the Investor Relations website, found here: <http://www.aviva.com/investor-relations/corporate-governance/board-of-directors/board-committees/remuneration-committee/>

The Aviva Group Remuneration Committee is comprised of Independent Non-Executive Directors Pippa Lambert (Chair), Andrea Blance and Patrick Flynn. Andrea Blance and Patrick Flynn were also members of the Board Risk Committee during 2022. The Aviva Group Remuneration Committee met on 7 occasions in 2022.

When setting remuneration policy, the relevant Remuneration Committees take account of the company's strategic objectives and take into account the long-term interests of shareholders and other stakeholders.

During 2022 the Aviva Investors Remuneration Committee and Aviva Group Remuneration Committee received independent advice on executive remuneration matters from Deloitte LLP which is a member of the Remuneration Consultants Group and adheres to its Code of Conduct.

REMUNERATION POLICY

The Aviva Investors remuneration policy is consistent with Aviva's remuneration principles which support the execution of Aviva Investor's strategy, rewarding sustained performance and growth aligned with our values:

- **Performance aligned:** We differentiate reward based on performance. Outcomes are aligned with Aviva, business-line and individual performance, both financial and non-financial.
- **Competitive:** We focus on the total reward package, ensuring that reward programme design and outcomes are market aligned and competitive, enabling the attraction, motivation and retention of high-quality colleagues.
- **Simple, transparent and consistent:** We operate a 'one Aviva' approach to reward. Our reward programmes are only as complex as necessary. They are easily understood.
- **Fair:** Our reward programmes and decision-making support Aviva's commitment to create a diverse and inclusive organisation, ensuring that all colleagues are rewarded fairly in view of the results achieved and individual contributions. Our reward approach is designed to attract, motivate and retain high quality colleagues, regardless of gender, ethnicity, age, disability or any other factor unrelated to performance, contribution or experience
- **Doing the right thing:** We do the right thing through reward programmes that support Aviva's values, behaviours and sustainability objectives. Outcomes consider expectations of Customers, Colleagues and Shareholders.
- **Risk aligned:** Reward is designed to promote sound and effective risk management, within a robust internal governance framework.

LINK BETWEEN PAY AND PERFORMANCE

Performance is measured against a combination of:

- **Aviva Investors and Group performance:**
 - A rounded assessment of performance against financial key performance indicators (including, but not limited to operating profit, investment performance and net flows). The assessment of financial performance includes reference to actual results versus prior period results, agreed plans, relativity to competitors and progress towards our long-term target ambition; and
 - Non-financial considerations including management of risk (including the integration of sustainability risks in the investment process, where applicable), diversity and inclusion, employee engagement metrics and alignment with value created for our shareholders.
- **Business Unit Performance:** Contribution of each business area to the overall success of the Aviva Investors, year on year growth and execution of its strategy; and
- **Individual Performance:** Delivery against individual goals and relative performance in comparison to peers, as well as the extent to which individuals have demonstrated the Aviva values.

The Performance assessment does not encourage risk taking outside the Aviva Investors stated risk appetite and includes mechanisms by which performance against risk and conduct related measures has a significant impact on the availability and size of business and individual variable awards.

REMUNERATION POLICY (UNAUDITED) (CONTINUED)

LINK BETWEEN PAY AND PERFORMANCE (CONTINUED)

The Risk function provide an independent assessment of risk and control effectiveness to the Aviva Group Remuneration Committee for consideration in setting the bonus pool. The assessment is based on a balanced scorecard with metrics designed to drive and reward good risk management behaviours and outcomes, and measures to ensure appropriate independent challenge and review. The assessment includes consideration of both current and likely future risks facing the business.

The Risk function also input on any risk and conduct breaches occurring during the year that could impact variable remuneration outcomes on an individual basis. Future risks identified that have a likelihood of materialising may result in withholding or reduction in variable remuneration.

Through Aviva Investors' Global Reward Framework, all investment employees should support responsible investment and integrate ESG considerations into their investment processes, including the consideration of Sustainability Risk (as defined by the EU Sustainable Finance Disclosure Regulation). ESG research is integrated into the investment process and forms part of the investment scorecard and annual risk attestation. The Chief Investment Officers and investment desk heads consider how investment employees demonstrate their commitment to ESG processes as part of the determination of annual performance and pay outcomes.

The remuneration of employees in Control Functions (defined as Risk, Compliance and Audit) is determined independently of the financial results of Aviva Investors in order to reinforce the independence of these functions. To avoid conflicts of interest, no individual is involved in decisions relating to his or her own remuneration.

STRUCTURE OF REMUNERATION

FIXED REMUNERATION

Basic Salary – set within an appropriate market range and reflecting a colleague's professional experience and organisational responsibilities. Fixed pay is set at a level which is sufficient to allow the possibility, where performance warrants, that an employee may receive no variable pay.

Benefits – standard benefits are provided that are appropriate to the market, compliant with all legal requirements and intended to provide choice and flexibility to meet individual needs.

VARIABLE REMUNERATION

Annual Bonus – a discretionary short-term incentive plan where individuals may receive a bonus based on business and individual performance against targets. All Aviva Investors colleagues who are permanent employees or Fixed Term Contractors are eligible to be considered for an annual bonus.

Annual bonuses are typically received in cash but awards above certain thresholds are deferred to align the interests of employees with those of the company, its customers, and shareholders and to aid retention. A three-year deferral with pro-rata vesting in Aviva funds and/or Aviva Group Plc shares applies. MRTs are subject to additional deferral requirements, further detail is included below in the section 'MRT Deferrals and Retention Periods'.

Long Term Incentive Awards (LTIA) – discretionary long-term incentive plan to align reward with long-term investment performance, Aviva Group and Shareholders, and with the additional intention to help retain key talent. All Aviva Investors colleagues who are permanent employees are eligible to receive an LTIA, although LTIA's are typically awarded to a select number of senior colleagues.

LTIA's vest after three years; part in Aviva Investors and part in Aviva Restricted Share Units (RSUs). For colleagues in the Real Assets business, Aviva funds are subject to a two-year holding period post vesting to align with the longer-term nature of investments in the Real Assets business. For the Aviva Investors CEO, due to his role as a member of the Aviva Executive Committee the award of RSUs is subject to additional Aviva Group performance conditions. For MRTs, vesting is subject to a pre-vesting assessment of individual performance, behaviours, and alignment with the company values of Aviva Investors throughout the three-year performance period.

Variable remuneration is discretionary and fully flexible, including the possibility of zero if performance thresholds are not met.

MRT DEFERRALS AND RETENTION PERIODS:

In line with regulatory requirements, MRTs are subject to additional deferral requirements:

- MRTs who have also been identified under the Alternative Investment Fund Managers Directive (AIFMD) and Undertakings for Collective Investment in Transferrable Securities V (UCITS) Directive are subject to the AIFMD/UCITS V remuneration requirements. The requirements are applied on an apportioned basis, based on the % of Assets Under Management (AUM) of the AIFMD/UCITS regulated firm versus total AUM of Aviva Investors. The apportioned variable remuneration is subject to the following requirements: 40% of variable remuneration under £500,000 is deferred over three years. This increases to 60% for variable pay over £500,000. A minimum of 50% of total variable remuneration is delivered in Aviva funds and/or Aviva Group Plc shares, this applies to both the deferred element and the upfront element (the element that is not subject to deferral).
- When setting deferral schedules and retention periods for MRTs, Aviva Investors take into account:
 - The firm's business cycle (including length), the nature of its business and its risk profile;
 - The activities and responsibilities of MRTs and how these may impact the risk profile of the firm or the assets the firm manages;
 - Whether the deferred variable remuneration is paid out in instruments or cash;
 - The amount of the variable remuneration and the ratio of variable to fixed remuneration; and
 - How long it could take for the risks underlying the staff member's performance to crystallise.

Aviva Investors considers, based on market practice and in consideration that all variable awards are subject to clawback post vesting, that: the proportion of variable remuneration that is deferred is appropriate to align the interest of colleagues with the risk profile of the regulated entities; the retention period is of suitable length post release of the deferred awards (or in the case of an upfront component the award); and, the deferral period and vesting schedule is of an appropriate length.

REMUNERATION POLICY (UNAUDITED) (CONTINUED)

MRT DEFERRALS AND RETENTION PERIODS: (CONTINUED)

For all MRTs, malus provisions and leaver conditions will apply during the vesting period. However, these will not apply during the six-month holding period. Clawback provisions continue to apply after the vesting period, including during the holding period.

Colleagues are not permitted to undertake personal hedging strategies in respect of any variable remuneration.

MALUS AND CLAWBACK

All variable pay granted or paid to any Aviva Investors employee is subject to the Aviva's Malus and Clawback Policy. This includes the cash and deferred elements of the annual bonus plan and any LTIA. The circumstances when Malus and Clawback may apply are documented in the Directors Remuneration Policy section of the Annual Report and Accounts, found here: <https://www.aviva.com/investors/annual-report/>

GUARANTEES

Guaranteed awards are only offered for the year of hire in exceptional circumstances and provided the legal entity has a sound and strong capital base. In line with Aviva's policy, guarantees must:

- Not be more generous than necessary and only offered if alternate approaches, such as full year bonus opportunity, are not considered appropriate.
- Not be offered to Executive Directors.
- Be subject to a minimum standard of personal performance, behaviour and conduct.

Guarantees are subject to appropriate governance and approvals and are subject to Aviva's Malus and Clawback Policy.

SEVERANCE

Any severance payment above and beyond statutory or existing contractual entitlements is at the company's absolute discretion. There is no automatic right to a pro-rata bonus payment in the event of termination of employment by the company or individual. Any bonus payments related to early termination of contracts are at the company's discretion and will reflect performance achieved over time and designed in a way which does not reward poor conduct or failure. Treatment of any unvested share, fund or bonus awards are governed by the relevant plan rules. There is no automatic entitlement to any payment under these plans other than where expressly stated in the plan rules.

The maximum severance pay is based on Aviva applicable policies; in the event of redundancy the maximum severance pay is calculated based on year of service, with each year of service representing a proportion of salary as per Aviva Discretionary Redundancy policies, plus a discretionary pro-rata lost bonus opportunity.

In non-redundancy exits the criteria used to determine maximum severance pay is linked to the reason for the exit, the employees' length of service and the requirement to reach settlement weighted against the legal risk of litigation. In the event of legal proceedings, the maximum severance payment may exceed the calculated and determined approach above.

MATERIAL RISK TAKER IDENTIFICATION

Aviva Investors identified MRTs in accordance with the FCA Remuneration rules and guidance as set out in SYSC 19B.

The MRT population is reviewed at least annually by the Remuneration Committees and individuals are notified of their status.

QUANTITATIVE REMUNERATION DISCLOSURES

AIUKFSL has no employees but is a wholly owned subsidiary of Aviva Investors Holdings Limited. For the year to 31 December 2022, apportioned remuneration based on the time assessed to be spent on AIUKFSL AIFMD activity paid by Aviva Plc, the ultimate parent of AIUKFSL, to its senior management team, and MRTs:

GBP Millions	Senior Management	Other MRTs
Total Remuneration:	£1.3m	£1.1m
Of which, Fixed Remuneration:	36%	42%
Variable Remuneration:	59%	51%
Pension/Benefits:	5%	7%
Number of Code staff:	23	24

