Aberdeen Standard Investments

Aberdeen Property ICVC

Annual Long Report
For the year ended 31 December 2020

Contents

Report of the Authorised Corporate Director

Aberdeen Property ICVC (the Company) is an open-ended investment company with variable capital. The Company is registered and authorised in the United Kingdom by the Financial Conduct Authority (the FCA) as a non-UCITS retail scheme. The Company is structured as an umbrella scheme for the purposes of the Collective Investment Schemes Sourcebook (COLL) and consists of one fund.

Appointments

Authorised Corporate Director and Alternative Investment Fund Manager
Aberdeen Standard Fund Managers Limited

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Bow Bells House
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London
EC4M 9HH

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Essex
CM99 2EE

Investment Adviser
Aberdeen Asset Managers Limited

Registered office
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AB10 1YG

Head Office
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1 Bread Street
London
EC4M 9HH

Depositary
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SS&C House
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Independent Auditors
PricewaterhouseCoopers LLP
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Jones Lang LaSalle Limited
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W1B 5NH

Legal advisers
CMS Cameron McKenna LLP
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78 Cannon Street
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Note:
The Authorised Corporate Director (ACD), Aberdeen Standard Fund Managers Limited, is a wholly owned subsidiary of Standard Life Aberdeen plc, and is accordingly an associate. The Investment Adviser has the authority of the ACD to make decisions on its behalf in all aspects of the investment management of the investments and other property of the Company. The main terms of the agreement with each investment adviser are that it should have the authority of the ACD to make decisions on its behalf in all aspects of the investment management of the investments and other property of the Company, including the Company's powers to enter into hedging transactions relating to efficient portfolio management. The adviser's powers extend to all of the property of the Company except any part which the ACD excludes from the adviser's powers. The adviser is to report details of each transaction to the ACD and to confer with the ACD when required by it. The ACD will notify the adviser of additional cash available for the investment.

All fees charged by the Investment Adviser will be borne by the ACD.

Each fund has an individual investment objective and policy and each differs in regard to the extent to which they concentrate on achieving income or capital growth. There may be funds added to the umbrella of Aberdeen Property ICVC (with consent of the FCA and the Depositary) in the future.

The funds are segregated portfolios of assets and, accordingly, the assets of a fund belong exclusively to that fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company, or any other fund, and shall not be available for any such purpose.

Shareholders are not liable for the debts of the Company.

The Authorised Corporate Director (the ACD) and Alternative Investment Fund Manager of the Company is Aberdeen Standard Fund Managers Limited, a private company limited by shares which was incorporated in England and Wales on 7 November 1962. Its ultimate holding company is Standard Life Aberdeen plc, which is incorporated in Scotland.

Financial details and Fund Managers' reviews of the individual funds for the period ended 31 December 2020 are given in the following pages of this report. Where performance comparisons are made, the share valuations used are at close of business of the final day of the year under review.

The funds are valued on a mid-price basis and dealt at a single price regardless of whether a purchase or sale is being affected. The daily price for each fund appears on the website at **www.aberdeenstandard.com**.

Prospectus updates since 31 December 2019

- On 31 March 2020 the Transfer Agent of the fund changed its name from DST Financial Services Europe Limited to SS&C Financial Services Europe Limited and updated its mailing address as a result of this. There was no impact to the fund as a result of this change;
- On 31 August 2020, the scheme was updated to recognise the requirements of the Financial Conduct Authorities (FCA's) Policy Statement in relation to Inherently Illiquid Assets. These changes do not impact the on-going management of the funds but specify certain situations where the funds must suspend dealing where the valuation of the fund's assets are impacted by material valuation uncertainty. For more details see the fund prospectus which is available at **www.aberdeenstandard.com**;
- The list of funds managed by the ACD was updated, where appropriate;
- The list of eligible markets was refreshed, where appropriate;
- Performance and dilution figures were refreshed, where appropriate;
- The list of sub-custodians was refreshed, where appropriate.

Assessment of Value

In 2017 the Financial Conduct Authority (FCA) published the final Asset Management Market Study. This introduced (among other reforms) new governance rules with the aim of enhancing duty of care and ensuring the industry acts in investors' best interests. The rules were outlined in the FCA policy statement PS18/8 and came into effect from 30 September 2019. As a result, Aberdeen Standard Fund Managers Limited is required to perform a detailed assessment on whether our funds are "providing value to investors". The resulting findings will be published within 4 months of the fund year end date and can be found on the 'Fund Centre' pages of our website.

Novel Coronavirus

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel, movement and operational restrictions have been implemented by many countries. In some cases, "lockdowns" have been applied – in varying degrees – to reflect further 'waves' of COVID-19. While these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

The pandemic and the measures taken to tackle COVID-19, including the development and roll out of vaccines globally, continue to affect economies and real estate markets globally. Certain real estate sectors have been impacted harder than others with retail and hospitality the hardest hit, residential largely neutral and logistics and distribution connected to online retail largely a beneficiary. The success of vaccine programs are expected to have a major impact on the speed and nature of economic recovery but the timing and form of the recovery remains uncertain, particularly with the emergence of new strains of COVID-19.

As at the reporting and valuation date, property markets are mostly functioning again, with transaction volumes and other relevant evidence at levels where enough market evidence exists upon which to base opinions of value. Thus, property valuations, as at the valuation date, were not subject to material valuation uncertainty.

The Fund's income stream and rent collection have remained robust during the course of the pandemic. Nevertheless, during the course of the pandemic, the ACD has worked proactively and constructively with the Fund's tenants that have been most exposed to the impacts of COVID-19, to best manage any impact on their trading and cash flow. Where appropriate, this included, amongst other actions, the negotiation of rent holidays and rent deferrals.

Brexit

The UK voted to leave the EU in 2016 and officially left the trading bloc on 31 January 2020 with an agreement to keep the majority of the existing relationship in place until 31 December 2020. On 24 December 2020 a deal was reached between the UK and the EU that confirmed the new rules for how the parties would work and trade with each other in the future. On 1 January 2021, the free movement of people and goods and services between the EU and UK ended with new rules coming into effect. The avoidance of a no-deal Brexit is seen as a positive development for both parties but some uncertainty remains and further clarification is required on certain aspects of the deal including, but not limited to, the Northern Ireland protocol, application to financial services and customs documentation requirements.

There does not yet appear to be significant issues impacting real estate specifically that have arisen as a result of Brexit after the reporting period and as a result the ACD considers the new rules coming into effect as a result of Brexit to be a non-adjusting post balance sheet event. Any future impact on the Fund is likely to be in connection with the assessment of the fair value of investments and stability of rental income at future dates. At the date of reporting it is not possible to quantify the future financial impact of Brexit on the Fund's investments or rental income with any degree of certainty.

The ACD will continue to closely analyse and review the impact of Brexit and COVID-19 on the Fund and will take appropriate action as required.

Statement of the Authorised Corporate Director's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Authorised Corporate Director ("ACD") to prepare financial statements for each interim and annual accounting period which give a true and fair view of the financial position of the Company and of the net income and net gains or losses on the property of the Company for the period.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or its funds or to cease operations, or have no realistic alternative but to do so.
- 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; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.
- the Investment Management Association changed its name to the Investment Association (IA) in January 2015.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

Authorised Corporate Director's Statement

In accordance with the requirements of the COLL Rules as issued and amended by the Financial Conduct Authority, we hereby certify the report on behalf of Aberdeen Standard Fund Managers Limited, the Authorised Corporate Director.

Gary Marshall
Director
Aberdeen Standard Fund Managers Limited
6 April 2021

Aron Mitchell
Director
Aberdeen Standard Fund Managers Limited
6 April 2021

Statement of the Depositary's responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the Aberdeen Property ICVC ("the Company") for the year ended 31 December 2020

The Depositary is responsible for the safekeeping of all the property of the Company (other than tangible moveable property) which is entrusted to it and ensuring proper registration of tangible moveable property, and for the collection of income arising from all such scheme property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed and operated by the Authorised Corporate Director in accordance with the Financial Conduct Authority' Collective Investment Schemes Sourcebook ("the Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), the Company's Instrument of Incorporation, and the Prospectus, as appropriate, concerning: the pricing of and dealing in Shares in the Company; the application of income of the Company; and the investment portfolio and borrowing activities of the Company.

Having carried out procedures and enquiries considered duly necessary to discharge our responsibilities as Depositary of the Company, based on information and explanations provided to us, we believe that, in all material respects, the Company, acting through the Authorised Corporate Director:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Sourcebook, and where applicable, the OEIC regulations, the Company's Instrument of Incorporation, and the Prospectus;

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company; and

(iii) has, otherwise, ensured the proper operation of the Company.

L McCulloch

Citibank Europe plc,
UK Branch, London
6 April 2021

Independent auditors' report to the shareholders of Aberdeen Property ICVC ('the Company')

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Aberdeen Property ICVC (the "Company"):

- give a true and fair view of the financial position of the Company and its sub-fund as at 31 December 2020 and of the net revenue and the net capital losses on the scheme property of the Company and its sub-fund for the year ended; and
- have been properly prepared in accordance with 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), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Aberdeen Property ICVC is an Open Ended Investment Company ('OEIC') with a single sub-fund. The financial statements of the Company comprise the financial statements of its sub-fund. We have audited the financial statements, included within the Annual Long Report (the "Annual Report"), which comprise: the balance sheet as at 31 December 2020; the statement of total return, the statement of change in net assets attributable to shareholders and the statement of cash flows for the year then ended; the distribution table; 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 Company 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 Company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Authorised Corporate Director'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 Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Authorised Corporate Director 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 Authorised Corporate Director is 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, except to the extent otherwise explicitly stated in this report, 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.

Authorised Corporate Director's Report

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of the Authorised Corporate Director's Responsibilities, the Authorised Corporate Director is 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 Authorised Corporate Director is 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 Authorised Corporate Director is responsible for assessing the Company's and its sub-fund'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 Authorised Corporate Director either intends to wind up or terminate the Company or its sub-fund, or has 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 Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in 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 to increase revenue or to increase the net asset value of the Company and judgements and assumptions made by management in their significant accounting estimates. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;
- Identifying and testing journal entries, specifically material journals posted as part of the financial year end close process;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to valuation of real estate investments.

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 Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, 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 save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
6 April 2021

Aberdeen UK Property Fund

For the year ended 31 December 2020

Structure

The Aberdeen Property ICVC is a non-UCITS retail scheme and will be managed so that it qualifies as a PAIF under the FCA COLL rules. At 31 Decmeber 2020 the Company has one fund, the Aberdeen UK Property Fund (the Fund). This Fund is managed to qualify as a Property Authorised Investment Fund (PAIF), as defined in Part 4A of the Tax Regulations and the Glossary to the FCA Handbook.

Investment objective

To generate income and some growth over the long term (5 years or more) by investing in UK commercial property. It is intended that the fund will be a PAIF at all times and, as such, its investment objective is to carry on property investment business and to manage cash raised for investment in the property investment business.

The performance target of the Fund is to meet the return of the Investment Association UK Direct Property Sector Average return (after charges) over the long term with lower volatility. The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target.

The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the sector.

Investment Policy

Portfolio Securities

- The fund will invest at least 70% in a diversified portfolio of UK freehold and leasehold commercial property selected from across the retail, office, industrial and other sectors.
- The fund may also invest indirectly in commercial property through investment vehicles such as quoted and unquoted property companies or funds (including those managed by Aberdeen Standard Investments).
- The fund may invest up to 30% in short term government bonds such as gilts, money-market instruments and cash.

Management Process

- The management team use market research and their discretion (active management) to identify investments that are expected to benefit from changes in property prices and property improvements. They will maintain a diverse asset mix at sector level.
- Please note: Selling property can be a lengthy process. Investors in the fund should be aware that, in certain circumstances, they may not be able to sell their investment when requested.

Derivatives and Techniques

- The fund may use derivatives to reduce risk, reduce cost and/or generate additional income or growth consistent with the risk profile of the fund (often referred to as "Efficient Portfolio Management").
- Where derivatives are used, this would typically be to maintain allocations following a significant inflow into the fund.

Market background

The year was dominated by the effects of the Covid-19 pandemic. Following the Fund's Standing Independent Valuer (SIVs) declaration of Material Valuation Uncertainty, and in accordance with the Financial Conduct Authority's Policy Statement PS19/24, the Fund and Feeder Fund were placed in temporary mandatory suspension. This took effect from 18 March 2020. The SIVs removed the Material Valuation Uncertainty clauses from all properties held by the Fund at the end of September. Following consideration of a number of factors, including fund and market liquidity, the Fund lifted the temporary suspension and resumed dealing on 16 November 2020.

Coronavirus-fighting measures, including enforced lockdowns first introduced during the first quarter, saw many businesses suffer enforced closures and challenging trading conditions for much of 2020. Consumer-facing sectors such as retail, leisure and hotels bore the brunt of the impact. The second Covid-19 wave gathered pace in the autumn and lockdowns were reintroduced in all UK nations. Combined with two macroeconomic events – the US elections and Brexit negotiations – the fourth quarter proved to have many challenges and uncertainties. These initially tempered the positive news concerning vaccine efficacy and rollout. The retail sector experienced a further blow in the final quarter of the year, with both Debenhams and the Arcadia group entering into administration, removing the key anchor retailers from many towns.

According to Property Data, there were £41.8 billion worth of deals in the UK in 2020 – making it the weakest year since the global financial crisis of 2008. Industrials and supermarkets, however, showed relative resilience, outperforming other sectors – highlighting the structural divide that has been accentuated by lockdown. Most notably, 2020 broke all previous records for the UK logistics sector, with occupiers signing up to 50.1 million square feet of new space. The sector has been a key beneficiary of shuttered shops and the marked acceleration in online retailing. Amazon was, by far, the largest single occupier, accounting for a quarter of all leased space during 2020. However, take-up would have still broken new records, even without Amazon. There is strong and focused demand in the market for the preferred sectors: supermarkets, industrials, residential and the secure income markets.

Performance

The Aberdeen UK Property Fund returned -9.10%* over the period, compared with a total return of 4.62% from the IA UK Direct Property peer group.**

The MSCI Daily Traded APUTs and PAIFs comparative (direct property) for the fourth quarter of 2020, illustrating the relative performance of the underlying direct property assets, recorded a total return for the Fund of -9.12% over the reporting period. This compared with -3.94% for the MSCI comparative. The underperformance is largely attributable to greater capital decline with the Fund's retail assets and, more specifically, shopping centres underperforming bench. The Fund entered the reporting period with a significant overweight exposure to retail. In accordance with strategy, we reduced the retail exposure and retained an enhanced level of liquidity. Retail sales conducted throughout the period revealed true price discovery which, due to valuation lag, may not have been fully reflected in the MSCI comparative.

Discrete annual returns (%) – year ended 31/12/2020

	2016	2017	2018	2019	2020
A Acc	-6.16	6.21	3.86	-8.37	-9.43
I Acc	-5.66	6.72	4.36	-8.04	-9.10
Sector Average**	-1.25	7.48	3.03	-1.11	-4.62

Annualised returns (%) – to 31/12/2020

	3 months	6 months	1 year	3 years	5 years
A Acc	-2.53	-3.91	-9.43	-4.83	-2.99
I Acc	-2.45	-3.73	-9.10	-4.44	-2.56
Sector Average**	-0.49	-0.89	-4.62	-1.13	0.15

* Institutional Acc
** Peer group includes both master and feeder funds in the IA UK Direct Property Sector.

Performance Data: Share Class A Acc and I Acc. Prior to 4 March 2016, this Fund was known as the Aberdeen Property Trust and any past performance information for the period prior to 4 March 2016 is from the Aberdeen Property Trust (a unit trust which launched on 29 October 2004).

Investment activity

During the reporting period, the Fund disposed of 17 assets, realising around £363 million worth of sales. Equating to 69% by value, 11 of the 17 sales were from the retail sector, in line with strategy. The sales included Broadwalk Shopping Centre in Edgware, Hermiston Gait Retail Park in Edinburgh, Brunel Retail Park in Reading and two Sytner car dealerships in Birmingham and Romford. The disposals reduced the Fund's overall retail exposure by 19.4% to 27.9%, versus 25.4% in the peer group. Despite the market and economic challenges, we continue to pursue our strategy of reducing retail exposure and maintaining income. To that end, at the time of writing, the sale of the Moor Shopping Centre in Sheffield is set to complete early in the second quarter of 2021. This will reduce the Fund's retail exposure to less than 20%.

In addition to active engagement with tenants on challenges presented by the pandemic, a number of successful asset management initiatives have been completed over the period.

In the retail sector, at Inshes Retail Park, Inverness, a lease extension has been completed with Matalan for five years, extending its occupation to October 2029. The construction of a Costa Coffee drive-through also completed, with Costa signing a 15-year lease. Both asset management initiatives improved the income on the scheme which, in turn, maximised the sales proceeds.

Also in the retail sector, we completed two significant lease regears. B&Q, one of the Fund's largest tenants, extended its occupation at the Fund's retail park assets in Cambridge and Inverness to a total of 10 years and 6.5 years, respectively.

At the Fund's office building, Sunlight House, in central Manchester, a three-year lease extension has been completed with Booking.com on the 3rd, 9th, 10th, 11th and 12th floors. These account for approximately 40% of the current rent. The new rent agreed is an 11% uplift on the previous rent. The refurbishment of the 13th floor at Sunlight House was nominated for a British Council for Offices 2019 award in the category for best project under 1,500 square metres. The redeveloped floor transformed redundant storage space into some of the most desirable contemporary office space in Manchester. The letting of the ground floor cocktail bar completed, with the Schofield Brothers taking a 15-year lease.

At Hobart House in Edinburgh, the 2,270 square foot 2nd floor office was let to Brooks McDonald for 10 years at an initial rent equating to £27.00 per square foot. The tenant already occupies 2,065 square feet in the building, and we extended its existing lease to mirror the new lease.

In the industrial sector, the asset management team in Axis Park in Peterborough welcomed a number of new tenants to the scheme over the period. Automation and Robotic Technology, Camper Factory, JPB Signs, Ellinas Auto Trade UK and Healthy-Halal Online all took space on the industrial park. This demonstrates the continued tenant demand in the industrial sector and the strength of the Fund's asset. We also completed a three-year lease extension on the three units let to Amazon. Over the period, the rental value of the asset increased by 8% and was a top performer for the Fund.

At Triple Two Industrial Estate in Beckenham, during the first national lockdown, Unit B, a 11,800 square foot unit, was let to Geeplus at a rent equating to £12.50 per square foot. Geeplus make actuators for medical ventilators. And at Boulevard Industrial Park, Speke, unit 1A, which extends to approximately 77,000 square feet, has been let to Seqirus. This is for a 10-year term, at £5.50 per square foot, representing a 5% uplift on the previous rent. Seqirus is a world leader in the production of influenza vaccines.

In the alternatives sector, in return for a short-term reduction in rent to assist with the Covid-19 pandemic, the hotel tenant Motel One at Minories, London, has agreed to a lease extension to October 2047. The transaction, therefore, extends the income profile for the asset and, consequently, enhances the capital value.

Outlook and future strategy

There is a renewed sense of optimism moving into 2021, with a no-deal Brexit averted and positive indications of the effectiveness of the vaccine. At the time of writing, the UK generally remains in 'lockdown' imposed from Christmas. However, the UK government and devolved administrations have set out 'road maps' out of lockdown, including indicative dates for the reopening of non-essential retailing, hospitality, leisure, etc. We therefore expect a recovery in sentiment and activity in the second half of 2021. This is provided that the vaccine rollout is at a sufficient scale to materially supress the virus, and the road map from lockdown progresses.

Investment strategies will continue to favour sectors with more defensive characteristics. Fundamentally, we prefer investing in areas where the structural drivers of demand are positively affected by (or largely insulated from) the ongoing pandemic, including logistics and supermarkets.

We anticipate a continued polarisation in the UK property market over calendar year 2021. Retail, hotels and leisure assets are expected to drag performance down at the All Property level. Our current three-year annualised total return forecast is 2.1% per annum, with performance strengthening over the period. With the skew of risks to the downside in discretionary retail, leisure and parts of the office market, the strong structural support for logistics remains appealing. Rental value and capital growth remain evident in this sector, despite pushing yields down to unprecedented lows. We are particularly positive about the ever-increasing demand for urban logistics units and the inflexible nature of supply.

We continue to focus on income and tenant engagement, as businesses continue to adjust to the current environment. The overarching fund strategy remains unchanged, and we are still focused on reducing risk within the property portfolio, while also targeting an enhanced exposure to liquid assets. We will continually review and implement enhancements, as appropriate, to best protect the interests of our customers and investors.

Real Estate Team
March 2021

Expense ratios

	A Accumulation share (%)	A Income share (%)	F Accumulation share (%)	I Accumulation share (%)
2020 Total Expense Ratio	1.35	1.35	0.15	0.90
2020 Property Expense Ratio	0.81	0.81	0.81	0.81
2020 Real Estate Expense Ratio	2.16	2.16	0.96	1.71

	I Income share (%)	J Accumulation share (%)	J Income share (%)	M Accumulation share (%)
2020 Total Expense Ratio	0.90	0.82	0.82	0.95
2020 Property Expense Ratio	0.81	0.81	0.81	0.81
2020 Real Estate Expense Ratio	1.71	1.63	1.63	1.76

	M Income share (%)	Y Accumulation share (%)	Y Income share (%)	Z Accumulation share (%)
2020 Total Expense Ratio	0.95	0.15	0.01	0.15
2020 Property Expense Ratio	0.81	0.81	0.81	0.81
2020 Real Estate Expense Ratio	1.76	0.96	0.82	0.96

The real estate expense ratio (REER) is comprised of the total expense ratio (TER) and the property expense ratio (PER). The TER and the PER represent the total fund expenses and the total property expenses, respectively, paid by each share class in the period, against its average net asset value.

Risk and reward profile

- Because the fund invests in property it will not perform in line with funds that have a broader investment policy. It may be particularly vulnerable to market sentiment towards the property sector when compared to funds that spread risk by investing in a range of assets.
- Property investments can take significantly longer to buy and sell than other investments, such as bonds and company shares. If properties have to be sold quickly this could result in lower prices being obtained for them.
- Property values are a matter of the valuers' opinions and can go up and down. In extreme market conditions property values can move significantly. There is no guarantee that property values, or rental values from them, will increase so you may not get back the full amount invested.
- The fund's level of income is not guaranteed and may be affected by vacant properties or tenants of properties defaulting on rental payments.
- In order to enable daily dealing in the fund (during normal trading conditions), the fund maintains a portion of its portfolio in assets with better liquidity, such as cash, near-cash and securities, rather than in physical properties. This will mean that the performance of the fund may be different from the performance of the underlying commercial property sector.
- In extreme market conditions, should the fund be experiencing significant levels of shareholder redemptions, the fund may exhaust its immediately available liquid assets in paying those redemptions and may therefore need to temporarily suspend daily fund dealing. Such a dealing suspension would result in the payment of further redemptions being delayed.
- The fund can use derivatives in order to meet its investment objectives or to protect from price and currency movements. This may result in gains or losses that are greater than the original amount invested.
- The Authorised Corporate Director may apply a dilution adjustment in order to protect the interests of the investors in the fund, including during market volatility and high levels of cash flows into or out of the fund. The dilution adjustment will move the single dealing price of the fund either higher or lower away from the midmarket price and may therefore have a negative impact on your fund valuation. As dilution is related to the inflows and outflows of monies from the fund, it is not possible to predict whether dilution will occur at any future point of time, or the extent of any adjustment to the dealing price of the fund.
- A full list of risks applicable to this fund can be found in the Prospectus.
- The latest risk and reward profile can be found on the Key Investor Information Document (KIID) for this fund which is available on our website at **www.aberdeenstandard.com**.

Comparative tables

A Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	140.67	153.43	147.74
Return before operating charges*	(9.62)	(9.30)	8.60
Operating charges**	(1.80)	(2.02)	(2.24)
Property expenses#	(1.09)	(0.72)	(0.67)
Return after operating charges*	(12.51)	(12.04)	5.69
Gross Distributions per accumulation share	(3.18)	(4.34)	(2.88)
Net retained distribution on accumulation shares	2.76	3.62	2.88
Closing net asset value per share	127.74	140.67	153.43
* after direct transaction costs	0.47	0.38	0.14
Performance+			
Return after charges	(8.90%)	(7.85%)	3.85%
Other information			
Closing net asset value (£'000)	59,064	68,985	143,733
Closing number of shares	46,237,335	49,041,195	93,680,960
Total expense ratio	1.35%	1.34%	1.49%
Property expenses ratio#	0.81%	0.48%	0.44%
Direct transaction costs***	0.35%	0.25%	0.09%
Prices			
Highest share price	141.0	152.2	152.3
Lowest share price	127.6	139.2	146.3

Property expenses are separate from fund operating charges. They represent the costs associated with property assets. The figure for property expenses should be combined with the operating charges to create a Real Estate Expense Ratio (REER) when comparing property funds.
** The operating charges include all costs borne by the fund, except for direct transaction costs.
*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. Direct transaction costs are stated after the proportion of the amounts collected from dilution adjustments in relation to direct transaction costs.
+ The performance figures are calculated by taking the value of the share class per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report.

A Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	92.95	103.92	101.99
Return before operating charges*	(6.31)	(6.08)	5.89
Operating charges**	(1.18)	(1.46)	(1.53)
Property expenses#	(0.71)	(0.52)	(0.46)
Return after operating charges*	(8.20)	(8.06)	3.90
Gross distributions per income share	(2.08)	(2.91)	(1.97)
Closing net asset value per share	82.67	92.95	103.92
* after direct transaction costs	0.31	0.27	0.10
Performance+			
Return after charges	(8.82%)	(7.76%)	3.82%
Other information			
Closing net asset value (£'000)	2,295	3,449	9,611
Closing number of shares	2,776,812	3,710,929	9,248,042
Total expense ratio	1.35%	1.34%	1.49%
Property expenses ratio#	0.81%	0.48%	0.44%
Direct transaction costs***	0.35%	0.25%	0.09%
Prices			
Highest share price	93.15	103.5	103.7
Lowest share price	82.67	92.59	101.0

Property expenses are separate from fund operating charges. They represent the costs associated with property assets. The figure for property expenses should be combined with the operating charges to create a Real Estate Expense Ratio (REER) when comparing property funds.
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+ The performance figures are calculated by taking the value of the share class per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report.

F Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	103.55	111.86	106.56
Return before operating charges*	(7.13)	(6.82)	5.93
Operating charges**	(0.14)	(0.16)	(0.15)
Property expenses#	(0.80)	(0.54)	(0.48)
Return after operating charges*	(8.07)	(7.52)	5.30
Gross distributions per accumulation share	(3.54)	(4.51)	(3.34)
Net retained distribution on accumulation shares	3.01	3.72	3.34
Closing net asset value per share	94.95	103.55	111.86
* after direct transaction costs	0.35	0.28	0.10
Performance+			
Return after charges	(7.80%)	(6.72%)	4.97%
Other information			
Closing net asset value (£'000)	657,032	968,066	1,651,604
Closing number of shares	691,996,887	934,915,956	1,476,530,109
Total expense ratio	0.15%	0.14%	0.14%
Property expenses ratio#	0.81%	0.48%	0.44%
Direct transaction costs***	0.35%	0.25%	0.09%
Prices			
Highest share price	103.8	111.1	111.0
Lowest share price	94.87	102.5	105.5

Property expenses are separate from fund operating charges. They represent the costs associated with property assets. The figure for property expenses should be combined with the operating charges to create a Real Estate Expense Ratio (REER) when comparing property funds.
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I Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	146.82	159.55	152.91
Return before operating charges*	(10.06)	(9.62)	8.72
Operating charges**	(1.26)	(1.44)	(1.39)
Property expenses#	(1.14)	(0.78)	(0.69)
Return after operating charges*	(12.46)	(11.84)	6.64
Gross distributions per accumulation share	(3.95)	(5.22)	(3.73)
Net retained distribution on accumulation shares	3.41	4.33	3.73
Closing net asset value per share	133.82	146.82	159.55
* after direct transaction costs	0.50	0.41	0.15
Performance+			
Return after charges	(8.49%)	(7.42%)	4.34%
Other information			
Closing net asset value (£'000)	32,107	42,877	83,881
Closing number of shares	23,992,949	29,204,303	52,572,516
Total expense ratio	0.90%	0.89%	0.89%
Property expenses ratio#	0.81%	0.48%	0.44%
Direct transaction costs***	0.35%	0.25%	0.09%
Prices			
Highest share price	147.2	158.4	158.4
Lowest share price	133.7	145.3	151.4

Property expenses are separate from fund operating charges. They represent the costs associated with property assets. The figure for property expenses should be combined with the operating charges to create a Real Estate Expense Ratio (REER) when comparing property funds.
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I Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	93.04	104.03	102.09
Return before operating charges*	(6.32)	(6.14)	5.79
Operating charges**	(0.79)	(0.96)	(0.92)
Property expenses#	(0.71)	(0.52)	(0.46)
Return after operating charges*	(7.82)	(7.62)	4.41
Gross distributions per income share	(2.48)	(3.37)	(2.47)
Closing net asset value per share	82.74	93.04	104.03
* after direct transaction costs	0.31	0.27	0.10
Performance+			
Return after charges	(8.41%)	(7.33%)	4.32%
Other information			
Closing net asset value (£'000)	9,698	15,890	53,712
Closing number of shares	11,720,421	17,078,370	51,631,989
Total expense ratio	0.90%	0.89%	0.89%
Property expenses ratio#	0.81%	0.48%	0.44%
Direct transaction costs***	0.35%	0.25%	0.09%
Prices			
Highest share price	93.27	103.7	103.9
Lowest share price	82.74	92.76	101.1

Property expenses are separate from fund operating charges. They represent the costs associated with property assets. The figure for property expenses should be combined with the operating charges to create a Real Estate Expense Ratio (REER) when comparing property funds.
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J Accumulation shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	135.32	146.97	140.76
Return before operating charges*	(9.27)	(8.92)	8.01
Operating charges**	(1.05)	(1.19)	(1.17)
Property expenses#	(1.05)	(0.70)	(0.63)
Return after operating charges*	(11.37)	(10.81)	6.21
Gross distributions per accumulation share	(3.75)	(4.92)	(3.53)
Net retained distribution on accumulation shares	3.23	4.08	3.53
Closing net asset value per share	123.43	135.32	146.97
* after direct transaction costs	0.46	0.37	0.14
Performance+			
Return after charges	(8.40%)	(7.35%)	4.41%
Other information			
Closing net asset value (£'000)	18,674	21,440	37,412
Closing number of shares	15,130,174	15,844,416	25,454,613
Total expense ratio	0.82%	0.81%	0.81%
Property expenses ratio#	0.81%	0.48%	0.44%
Direct transaction costs***	0.35%	0.25%	0.09%
Prices			
Highest share price	135.7	145.9	145.9
Lowest share price	123.3	133.9	139.4

Property expenses are separate from fund operating charges. They represent the costs associated with property assets. The figure for property expenses should be combined with the operating charges to create a Real Estate Expense Ratio (REER) when comparing property funds.
** The operating charges include all costs borne by the fund, except for direct transaction costs.
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+ The performance figures are calculated by taking the value of the share class per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report.

J Income shares	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	108.77	121.62	119.35
Return before operating charges*	(7.50)	(7.11)	6.75
Operating charges**	(0.84)	(1.08)	(0.98)
Property expenses#	(0.84)	(0.64)	(0.53)
Return after operating charges*	(9.18)	(8.83)	5.24
Gross distributions per income share	(2.85)	(4.02)	(2.97)
Closing net asset value per share	96.74	108.77	121.62
* after direct transaction costs	0.36	0.33	0.11
Performance+			
Return after charges	(8.44%)	(7.26%)	4.39%
Other information			
Closing net asset value (£'000)	3,269	8,863	61,327
Closing number of shares	3,379,395	8,148,198	50,426,113
Total expense ratio	0.82%	0.81%	0.81%
Property expenses ratio#	0.81%	0.48%	0.44%
Direct transaction costs***	0.35%	0.25%	0.09%
Prices			
Highest share price	109.0	121.2	121.5
Lowest share price	96.74	108.5	118.3

Property expenses are separate from fund operating charges. They represent the costs associated with property assets. The figure for property expenses should be combined with the operating charges to create a Real Estate Expense Ratio (REER) when comparing property funds.
** The operating charges include all costs borne by the fund, except for direct transaction costs.
*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. Direct transaction costs are stated after the proportion of the amounts collected from dilution adjustments in relation to direct transaction costs.
+ The performance figures are calculated by taking the value of the share class per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report.

M Accumulation shares^	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	92.08	99.93	100.00^^
Return before operating charges*	(6.42)	(6.14)	-
Operating charges**	(0.84)	(0.69)	(0.07)
Property expenses#	(0.71)	(0.35)	-
Return after operating charges*	(7.97)	(7.18)	(0.07)
Gross distributions per accumulation share	(2.31)	(3.65)	(0.03)
Net retained distribution on accumulation shares	1.99	2.98	0.03
Closing net asset value per share	83.79	92.08	99.93
* after direct transaction costs	0.31	0.18	0.09
Performance+			
Return after charges	(8.66%)	(7.18%)	(0.07%)
Other information			
Closing net asset value (£'000)	1	1	-
Closing number of shares	1,112	1,112	101
Total expense ratio	0.95%	0.95%	0.94%
Property expenses ratio#	0.81%	0.48%	0.44%
Direct transaction costs***	0.35%	0.25%	0.09%
Prices			
Highest share price	92.30	99.23	100.0
Lowest share price	83.73	92.08	98.96

Property expenses are separate from fund operating charges. They represent the costs associated with property assets. The figure for property expenses should be combined with the operating charges to create a Real Estate Expense Ratio (REER) when comparing property funds.
^ Share Class M Accumulation was launched on 29 November 2018.
^^ The opening net asset value stated is the share class launch price.
** The operating charges include all costs borne by the fund, except for direct transaction costs.
*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. Direct transaction costs are stated after the proportion of the amounts collected from dilution adjustments in relation to direct transaction costs.
+ The performance figures are calculated by taking the value of the share class per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report.

M Income shares^	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	89.07	99.90	100.00^^
Return before operating charges*	(6.10)	(6.09)	0.41
Operating charges**	(0.80)	(0.67)	(0.07)
Property expenses#	(0.68)	(0.34)	(0.44)
Return after operating charges*	(7.58)	(7.10)	(0.10)
Gross distributions per income share	(2.28)	(3.73)	-
Closing net asset value per share	79.21	89.07	99.90
* after direct transaction costs	0.30	0.18	0.09
Performance+			
Return after charges	(8.51%)	(7.11%)	(0.10%)
Other information			
Closing net asset value (£'000)	1	1	-
Closing number of shares	1,136	1,136	101
Total expense ratio	0.95%	0.95%	0.94%
Property expenses ratio#	0.81%	0.48%	0.44%
Direct transaction costs***	0.35%	0.25%	0.09%
Prices			
Highest share price	89.28	99.10	100.0
Lowest share price	79.22	89.07	98.94

Property expenses are separate from fund operating charges. They represent the costs associated with property assets. The figure for property expenses should be combined with the operating charges to create a Real Estate Expense Ratio (REER) when comparing property funds.
^ Share Class M Income was launched on 29 November 2018.
^^ The opening net asset value stated is the share class launch price.
** The operating charges include all costs borne by the fund, except for direct transaction costs.
*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. Direct transaction costs are stated after the proportion of the amounts collected from dilution adjustments in relation to direct transaction costs.
+ The performance figures are calculated by taking the value of the share class per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report.

Y Accumulation shares^	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	93.66	100.00#
Return before operating charges*	(6.36)	(5.42)
Operating charges**	(0.04)	(0.03)
Property expenses#	(0.73)	(0.34)
Return after operating charges*	(7.13)	(5.79)
Gross distributions per income share	(3.33)	(3.01)
Net retained distribution on accumulation shares	2.86	2.46
Closing net asset value per share	86.06	93.66
* after direct transaction costs	0.32	0.18
Performance+		
Return after charges	(7.61%)	(5.79%)
Other information		
Closing net asset value (£'000)	1	1
Closing number of shares	1,022	1,014
Total expense ratio	0.15%	0.14%
Property expenses ratio#	0.81%	0.48%
Direct transaction costs***	0.35%	0.25%
Prices		
Highest share price	93.90	100.2
Lowest share price	85.80	93.64

Property expenses are separate from fund operating charges. They represent the costs associated with property assets. The figure for property expenses should be combined with the operating charges to create a Real Estate Expense Ratio (REER) when comparing property funds.
^ Share Class Y Accumulation was launched on 10 April 2019.
^^ The opening net asset value stated is the share class launch price.
** The operating charges include all costs borne by the fund, except for direct transaction costs.
*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. Direct transaction costs are stated after the proportion of the amounts collected from dilution adjustments in relation to direct transaction costs.
+ The performance figures are calculated by taking the value of the share class per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report.

Y Income shares^	2020 pence per share	2019 pence per share
Change in net assets per share		
Opening net asset value per share	91.29	100.00#
Return before operating charges*	(6.19)	(5.37)
Operating charges**	(0.03)	(0.03)
Property expenses#	(0.70)	(0.34)
Return after operating charges*	(6.92)	(5.74)
Gross distributions per income share	(3.19)	(2.97)
Closing net asset value per share	81.18	91.29
* after direct transaction costs	0.31	0.18
Performance+		
Return after charges	(7.58%)	(5.74%)
Other information		
Closing net asset value (£'000)	1	1
Closing number of shares	1,011	1,011
Total expense ratio	0.01%	0.01%
Property expenses ratio#	0.81%	0.48%
Direct transaction costs***	0.35%	0.25%
Prices		
Highest share price	91.60	100.2
Lowest share price	81.20	91.29

Property expenses are separate from fund operating charges. They represent the costs associated with property assets. The figure for property expenses should be combined with the operating charges to create a Real Estate Expense Ratio (REER) when comparing property funds.
^ Share Class Y Income was launched on 10 April 2019.
^^ The opening net asset value stated is the share class launch price.
** The operating charges include all costs borne by the fund, except for direct transaction costs.
*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. Direct transaction costs are stated after the proportion of the amounts collected from dilution adjustments in relation to direct transaction costs.
+ The performance figures are calculated by taking the value of the share class per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report.

Z Accumulation shares^	2020 pence per share	2019 pence per share	2018 pence per share
Change in net assets per share			
Opening net asset value per share	141.27	152.61	145.37
Return before operating charges*	(9.71)	(9.35)	8.11
Operating charges**	(0.20)	(0.21)	(0.21)
Property expenses#	(1.10)	(0.71)	(0.66)
Return after operating charges*	(11.01)	(10.27)	7.24
Gross distributions per accumulation share	(4.82)	(6.12)	(4.46)
Net retained distribution on accumulation shares	4.11	5.05	4.46
Closing net asset value per share	129.55	141.27	152.61
* after direct transaction costs	0.48	0.37	0.14
Performance+			
Return after charges	(7.79%)	(6.73%)	4.98%
Other information			
Closing net asset value (£'000)	18,186	31,953	36,935
Closing number of shares	14,038,640	22,618,669	24,202,612
Total expense ratio	0.15%	0.14%	0.14%
Property expenses ratio#	0.81%	0.48%	0.44%
Direct transaction costs***	0.35%	0.25%	0.09%
Prices			
Highest share price	141.7	151.6	151.5
Lowest share price	129.4	139.8	143.9

Property expenses are separate from fund operating charges. They represent the costs associated with property assets. The figure for property expenses should be combined with the operating charges to create a Real Estate Expense Ratio (REER) when comparing property funds.
** The operating charges include all costs borne by the fund, except for direct transaction costs.
*** The direct transaction costs are made up of; fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. Direct transaction costs are stated after the proportion of the amounts collected from dilution adjustments in relation to direct transaction costs.
+ The performance figures are calculated by taking the value of the share class per the financial statements compared to the value per the financial statements in the prior year. This figure may differ from the performance figure quoted in the Investment Report.

Portfolio statement

As at 31 December 2020

	Market Value £'000	Total Net Assets %
INVESTMENT PROPERTIES 78.99% (2019: 94.92%)		
INDUSTRIAL 19.29% (2019: 18.32%)†		
Properties valued between £0 and £34.3m		
Boulevard Industry Park, Speke, Liverpool^		
Triple Two Centre, Tannery Close, Beckenham		
Elms Industrial Estate, London		
Axis Park, Manasty Road, Peterborough		
Eastman House, Fleming Way, Crawley		
Stratton Business Park, Biggleswade		
	154,361	19.29
OFFICES 11.51% (2019: 8.47%)†		
Properties valued between £0 and £54.7m		
Sunlight House, Manchester		
Hobart House, Edinburgh		
Commonwealth House, Manchester Airport, Manchester^		
	92,131	11.51
OTHER 22.94% (2019: 21.86%)†		
Properties valued between £0 and £69.1m		
24 Minories, London		
180 Stratford High Street, London		
1 George the IV Bridge, Edinburgh^		
Crawley, Land Off London Road		
Russell Way, Crawley		
	183,639	22.94
RETAIL 15.58% (2019: 28.49%)†		
Properties valued between £0 and £79.0m		
Windsor Yards, Windsor^		
The Moor, Sheffield#		
	124,689	15.58
RETAIL WAREHOUSES 9.67% (2019: 17.78%)†		
Properties valued between £0 and £47.5m		
A1 Shopping Park, London Road, Biggleswade		
Dell of Inshes Inverness		
10 & 11 Longman Road, Inverness		
400 Newmarket Road, Cambridge		
St Mary's Gate, Sheffield		
	77,373	9.67

	Market Value £'000	Total Net Assets %
Total Investment Properties	**632,193**	**78.99**
Portfolio of investments	632,193	78.99
Net other assets	168,181	21.01
Total Net Assets	**800,374**	**100.00%**

All investments are approved securities as defined in the Collective Investment Schemes sourcebook unless otherwise stated.
Collective investment schemes are regulated within the meaning of the FCA rules, unless otherwise stated.
The investment properties were valued on the basis of market value by Knight Frank LLP, Valuation Adviser, as at 31 December 2020 in accordance with the appraisal and valuation standards of the Royal Institution of Chartered Surveyors.
Comparative figures shown in brackets relate to 31 December 2019.
Investment Properties are grouped within the Portfolio Statement by Sector. These bands include property values which are greater than 5% of the total net asset value. This presentation is not fully compliant with paragraph 3.21 of the IMA SORP 2014.
+ The Other property category relates to multipurpose properies and those that cannot be easily categorised into either Industrial, Office, Retail or Retail Warehouse.
^ Denotes leasehold properties. All other properties are freehold.
# These properties consist of a combination of leasehold and freehold units.
‡ This investment is a related party.
† Land and Buildings.

Statement of total return

For the year ended 31 December 2020

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Income:					
Net capital losses	3		(120,199)		(179,833)
Revenue	4	56,555		91,875	
Expenses	5	(21,699)		(26,731)	
Interest payable and similar charges		(25)		(39)	
Net revenue before taxation		34,831		65,105	
Taxation	6	-		-	
Net revenue after taxation			34,831		65,105
Total return before distributions			**(85,368)**		**(114,728)**
Distributions	7		(34,831)		(65,108)
Change in net assets attributable to shareholders from investment activities			**(120,199)**		**(179,836)**

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 December 2020

	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Opening net assets attributable to shareholder		**1,161,528**		**2,078,215**
Amounts receivable on the issue of shares	5,224		262,744	
Amounts payable on the cancellation of shares	(277,020)		(1,057,040)	
		(271,796)		(794,296)
Dilution adjustment		3,057		7,979
Change in net assets attributable to shareholders from investment activities (see above)		(120,199)		(179,836)
Retained distribution on accumulation shares		27,776		49,456
Unclaimed distributions		8		10
Closing net assets attributable to shareholders		**800,374**		**1,161,528**

Balance sheet

As at 31 December 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Assets:					
Fixed assets:					
Investment property			632,193		1,102,560
Current assets:					
Debtors	8	35,507		32,852	
Cash and bank balances		202,894		106,961	
			238,401		**139,813**
Total assets			870,594		1,242,373
Liabilities:					
Distribution payable		(660)		(2,213)	
Creditors	9	(69,560)		(78,632)	
Total liabilities			(70,220)		(80,845)
Net assets attributable to shareholder			**800,374**		**1,161,528**

Statement of cash flows

For the year ended 31 December 2020

	2020 £'000	2019 £'000
Cash flows from operating activities		
Net revenue before taxation	34,831	65,105
Interest paid	25	(1,217)
Net revenue before finance costs and taxation	34,856	63,888
Movement in debtors	(7,286)	27,792
Movement in creditors	1,415	(46,404)
Cash from operations	**28,985**	**45,276**
Returns on investments and servicing of finance		
Interest received	(219)	1,256
Revenue distributions paid	(8,608)	(21,045)
Net cash used in operating activities	**(8,827)**	**(19,789)**
Cash flows from investing activities		
Acquisition of property investments and capital expenditure	(11,452)	(16,224)
Disposal of property investments	358,272	466,589
Net cash generated from investing activities	**346,820**	**450,365**
Cash flows from financing activities		
Inflow from disposal of other investments held as liquid assets	-	340,056
Net cash generated from the management of liquid resources	**-**	**340,056**
Financing		
Issue of accumulation and income shares	4,510	262,802
Redemption of accumulation and income shares	(278,806)	(1,060,384)
Interest payable and similar charges	194	-
Dilution adjustment	3,057	7,979
Net cash used in financing activites	**(271,045)**	**(789,603)**
Net increase in cash and cash equivalents	**95,933**	**26,305**
Cash and cash equivalents at beginning of period		
Balance brought forward	106,961	80,656
Balance carried forward	202,894	106,961
Movement in cash and cash equivalents during the year	**95,933**	**26,305**

Notes to the financial statements

For the year ended 31 December 2020

1 Accounting Policies

These accounting policies and associated notes are consistent with the detailed provisions in the prospectus and COLL.

(a) Basis of preparation

The financial statements have been prepared on a going concern basis in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Management Association (IMA) in May 2014.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL") and the Company's Instrument of Incorporation.

Going concern

The ACD has prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements, taking account of reasonably possible downside scenarios and the anticipated impact of COVID-19 on the operations and the fund's financial resources.

The ACD has examined significant areas of possible financial risk, including the impact of the COVID-19 crisis which may reduce the future rental income within the Fund. The impact of reductions in rental income would be mitigated through a reduction in distributions to investors. The ACD is actively monitoring the level of liquidity within the Fund and at the end of February 2021 the Fund has cash resources of approximately £103m.

After due consideration, the ACD believes it is appropriate to adopt the going concern basis in preparing the financial statements for Aberdeen Property ICVC.

(b) Revenue

Rental income is accounted for on an accruals basis. Benefits to lessees in the form of rent free periods are treated as a reduction in overall return on the leases and lease incentives given as capital contributions are shown as a debtor and amortised on a straight line basis over the lease term.

Surrender premiums paid by tenants for the early redemption of a lease are recognised as revenue in the period that all obligations relating to the surrender have been performed.

Dilapidations received from tenants are initially recognised as a creditor. If the amount received is not fully utilised for repairs on the property, the excess is recognised as revenue.

Interest on deposits and fixed interest stocks are recognised as earned. Revenue earned from debt securities is recognised on an effective yield basis.

Dividends on equities and preference stocks are recognised when the securities are quoted ex-dividend. Dividends from Real Estate Investment Trusts ('REITs') are recognised as distributable revenue when the securities are quoted ex-dividend. Dividends received from UK REITs are split into PID (Property Income Distributions) and Non-PID components for tax purposes. Revenue arising from UK REITs tax-exempt rental business is colloquially known as PID revenue. A UK REIT may also carry out activities that give rise to taxable profits and gains. It is from these that the REIT will make a Non-PID distribution. These are treated for tax purposes in the same way as dividends from normal UK companies.

Special dividends may be treated as repayments of capital or as revenue depending on the circumstances of the particular case. The ordinary element of stocks received in lieu of cash dividends is recognised as revenue and where applicable, is included in the distribution. In the case of enhanced scrip dividends, the value of the enhancement is treated as capital.

Revenue from authorised collective investment schemes are recognised when the investments are quoted ex-dividend. Where accumulation units or shares are held in another authorised collective investment scheme, the accumulation of revenue relating to the holding is recognised in the revenue account including any withholding taxes but excluding tax credits. Equalisation on distributions received is deducted from the cost of the investment and does not form part of the distributable income.

Other revenue is recognised as earned.

Revenue is allocated when earned in the proportion of the Net Asset Value of each share class to the total Net Asset Value of the fund.

(c) Expenses

The underlying fund may have a number of different share classes. Each share class may suffer a different ACD fee. Consequently the level of expenses attributable to each share class will differ. The ACD's annual fee is charged to the revenue property of the fund and is deducted for the purposes of calculating the distribution. Rebates are applied where ACD fees are incurred by the underlying investments. Internal management fee rebates are offset against the ACD periodic charge, meaning in some circumstances the ACD fee will be negative due to rebates received.

All expenses other than those relating to the purchase and sale of investments are accounted for on an accruals basis and charged to the revenue of the fund and included in expenses in the statement of total return. Where fees are payable from capital, these will not form part of the distribution.

Expenses incurred in respect of, or attributable to, the fund as a whole are allocated when incurred in the proportion of the net asset value of each share class to the total net asset value of the fund.

Surrender premiums paid by the fund to tenants following the break of a lease are recognised immediately in the Statement of Total Return as an expense.

(d) Distribution policy

The net revenue from the fund's investments accumulates daily, proportionately to the net asset value of the assets attributable to each share class, over each accounting period. If revenue exceeds expenses during the period, the net revenue of the fund is available for distribution (or re-investment) at share class level to the shareholders in accordance with the OEIC Regulations. If expenses exceed revenue during the period, the net revenue shortfall may be funded from capital.

The fund makes property, interest and dividend distributions.

Gains and losses on non-derivative investments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution. For derivative investments, where positions are undertaken to enhance capital return, the gains and losses are taken to capital, otherwise where they generate revenue, the amounts are included as revenue or expense and affect distributions.

(e) Taxation

The fund qualifies as a Property Authorised Investment Fund (PAIF) for tax purposes. Accordingly, the income generated by its property investment business will be exempt from tax.

Dividends are disclosed gross of any withholding tax suffered, the tax element being separately disclosed in the taxation note. Deferred taxation is provided on all timing differences that have originated during the period, but not reversed by the balance sheet date other than those differences regarded as permanent. Any liability to deferred tax is provided at the average applicable rate of tax. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Deferred tax assets are only recognised to the extent that it is regarded more likely than not that there will be taxable profits against which the reversal of underlying timing differences can be offset.

(f) Valuation of investments

Property investments are included in the Balance Sheets at fair value. Fair value is the open market value as defined in the Appraisal and Valuation Standards Manual issued by the Royal Institution of Chartered Surveyors of the United Kingdom ("the RICS"). Property investments within the fund were valued by Knight Frank LLP as Valuation Adviser (the Valuer), on the basis of a full valuation with physical inspection once a year. Regulation requires a review of the last full valuation by the Valuer at least once per month. Leasehold properties that are leased out to tenants under operating leases are classified as investment properties as the risks and rewards are retained by the fund. They are included in the Balance Sheets at fair value.

We shall continue to monitor market conditions and may increase the frequency of reviews as we consider appropriate in the light of those conditions. Further, regulations require us to consult and agree with the Valuer a value for a particular immoveable property if we, the Valuer or the Depositary of the fund have reasonable grounds to believe that the most recent valuation of that property does not reflect its current value. The Valuer's fees shall increase to reflect the additional reviews it is to carry out and additional fees may be payable to the Valuer in respect of any requirement to agree a value for a property, or any other valuation service which the Valuer may be required or requested to provide.

The Valuer receives a fixed monthly charge per property. This fee will be payable quarterly and will form part of the Fixed TER (Total Expense Ratio). The Valuer also receives additional fees for the set up costs of new acquisitions and these are agreed at the point of purchase between the ACD and the Valuer.

Equity securities, collective investment schemes and fixed interest securities are valued at market value, excluding any accrued interest in the case of fixed interest securities. Market value is defined by the IMA SORP (2014) as fair value, which generally is the bid value of each security. Illiquid, unlisted, delisted, unapproved or suspended securities are priced based on the ACD's assessment of their fair value.

Development properties are valued at the expected purchase price on completion, less any costs to be incurred in order to complete the development. Acquisition costs, tax and professional fees directly attributable to a property are capitalised.

(g) Exchange rates
Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at close of business on 31 December 2020.

Foreign currency transactions are translated at the rates of exchange ruling on the date of such transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

(h) Dilution adjustment
In certain circumstances (as detailed in the Prospectus) the ACD may apply a dilution adjustment on the creation or cancellation of shares, which is applied to the capital of the relevant fund on an accruals basis. The adjustment is intended to protect existing investors from the costs of buying or selling underlying investments as a result of large inflows or outflows from the fund.

(i) Property purchases and sales
Property purchases are recognised on completion. Property sales are derecognised on completion.

(j) Provision for bad debts
It is the policy of the fund to provide for the potential non-recovery of tenant debts by way of a bad debts provision.

Provisions are made for tenant arrears greater than one year, and also for recommendations made by the Managing Agents for specific tenant circumstances, where tenants are facing financial difficulties and there is a risk that the debt will not be recovered. Arrears are written off at the discretion of the ACD where non recoverability of specific tenant debts is confirmed.

(k) Cash and cash equivalents
The fund holds cash and cash equivalents to maintain liquidity. At the period end any instrument with a maturity of less than 3 months has been disclosed as a cash equivalent.

(l) Service charges
Service charge revenue and service charge expenditure, attributable to tenants, are accounted for on an accruals basis and in the accounting period in which the services are rendered. When the fund is acting as principal, service charge revenue and expenditure are separately disclosed under revenue and expenses in the statement of total return. When the fund is acting as an agent, the commission rather than gross revenue and expenses is recorded.

In determining whether the fund is acting as principal or agent and hence whether the revenue and expenditure is recognised gross or net, the following indicators (of being a principal) are considered:

- The fund is the primary obligor in the arrangement i.e. the obligation to settle service charges is with the fund;
- The fund bears the risks of owning the property;
- The fund has latitude in establishing the rentals;
- The fund has discretion in service charge supplier selection;
- The fund is involved in the determination of lease specifications;
- The fund bears the credit risk

In practice, a review of lease agreements will give sufficient indication whether or not the above criteria are met.

Void costs attributable to the fund have been separately disclosed under expenses in the statement of total return.

(m) Statement of Cash Flows
In accordance with the requirements of FRS 102 and the IMA SORP (2014), a fund Statement of Cash Flows has been provided as property investments are not deemed to satisfy the exemption criteria in FRS 102 of being highly liquid.

(n) Critical accounting estimates and judgements in applying accounting policies
The fund makes estimates and assumptions that affect the amounts of assets and liabilities reported at the end of the financial period and the amounts of income and expenses during the financial period. Estimates are continually evaluated, based on historical experience and other factors, including expectations of future events, to ensure they are reasonable under the circumstances.

The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial statements are outlined below:

Estimates:
Fair value of investment properties
The best evidence of the fair value of investment properties is the current price in an active market for similar lease or other contracts. In the absence of such information, the fund determines the amount within a range of reasonable fair value estimates and assumptions based on market conditions existing at each period end.

Open market value is determined by reference to:

- Information provided by the fund such as current rents, terms and conditions of lease agreements, service charges, capital expenditure, etc. This information is derived from the fund's financial and property management processes and is subject to the fund's overall control environment.
- Valuation models used by the valuers – these are typically market related, such as yields and rental value. These are based on their professional judgement and market observation.

The fair market valuations provided by the valuer are reviewed and where appropriate challenged by the fund's Investment Manager on the basis of their knowledge and understanding of current prevailing market conditions and transactional activity obtained from a variety of other external sources.

Estimation uncertainty is mitigated by appointing the services of an expert property valuer.

2. **Risk Management Function**

The Company functionally and hierarchically separates the functions of risk management from the operating units and portfolio management functions, to ensure independence and avoid any potential or actual conflicts of interest.

The Risk Management Function for ASI comprises both first line areas such as Investment Governance (including Investment Control) and second line areas such as Investment Risk and other risk functions.

The Risk Management Function has responsibility for:

- Implementation of the risk management process and the development and maintenance of the Company's RMP;
- Understanding the business and strategy from the product development phase and provide advice to the Board of Directors as regards the identification of the risk profiles of the funds.
- The identification, measurement, management and monitoring of the risks of the Funds in order to ensure that the level of risk is aligned with the Fund's risk profile; and
- Provision of regular updates to the board of directors/senior management on the adequacy and effectiveness of the risk management process indicating, where applicable, actual or anticipated deficiencies and their remedial measures.

Risk Management Framework – Three Lines of Defence

The management of investment risk within ASI is organised across distinct functions within SLA, aligned to the well-established 'three lines of defence' (LoD) model;

1st line	2nd line	3rd line
Risk ownership, management and control	Establishment and oversight of risk, compliance and conduct frameworks	Independent assurance, challenge and advice
• Most risks arise in the business and this is where they should be owned and managed. • Ownership and management means taking responsibility for identifying and controlling risk.	• Establish and oversee the Enterprise Risk Management Framework and supporting methodologies. • Provide independent advice and challenge of business operations in relation to (i) regulatory compliance and (ii) design of operational controls. • Support executives and boards in their oversight of risks.	• Internal Audit provides independent assurance, challenge and advice across all business functions and risk domains including the adequacy and effectiveness of the internal risk and control management framework.

Increased first line ownership of risk and control assessment is a key evolution in first and second line interaction.

Second & third line interactions are more defined (eg monitor, review, assure) with each function supporting various boards and committees.

- 1LoD – Functions that own and manage risks, reporting to the Chief Investment Officer.
  - Continuously improving the management of investments through the generation of value-added insight and the implementation of a robust control environment.
  - Protecting the CIO's fiduciary responsibilities to ASI's clients.
- 2LoD – Functions that oversee risk, reporting to the Group Chief Risk Officer, in particular the Investment Risk (IR) function
  - Providing assurance, advice and challenge to drive risk awareness and accountability in the business which is where most risks arise should be managed and owned.
  - Managing the risks to the firm, and potential conflicts of interest in 1LoD.
- 3LoD – Functions that provide independent assurance, reporting to the Chief Internal Auditor

The risk management function has the necessary authority, access to all relevant information, staff and regular contact with senior management and the Board of Directors of Aberdeen Standard Fund Managers Limited.

Breach and Escalation procedures
The Risk Management Function provides regular reporting to the Board/senior management, which demonstrates the adequacy and effectiveness of the RMP. This indicates, where applicable, actual or anticipated deficiencies and the remedial measures.
In addition, issues and events impacting the Company or the funds managed by the Company are logged in Shield, Aberdeen Standard Investments' operational risk system, by the relevant area within the prescribed time limits. The system allows for management information and reporting, and thematic issues and trends are highlighted for the attention of Senior Management. Significant events are also reported to the Board and other events may be reported depending on the potential impacts.
The Management Company Board receives monthly event reports from the operational risk function that details all the events which have impacted the Funds, directly or indirectly.

Mandate Governance & Controls
Tripartite Process, The 'Tripartite process', which embodies our culture and values, is the cornerstone of mandate governance and is a key control against the risk of mandate failure thereby protecting the company from client complaints, regulatory censure and reputational damage. Equally, it conveys a strong and clear message to external stakeholders about how we strive to meet client expectations. It is a principle based set of processes and protocols that define how mandates are agreed, understood, documented and delivered. Its overarching aim is to develop and document a common understanding of all investment mandates between the following areas;

- Investment Governors - Responsible for the oversight of investment risk and ensuring that the management of investment mandates can be adequately controlled and governed within the overall risk and control framework overseen by the Risk and Exposures Committee.
- Investment Management - Responsible for the day to day management of the mandate and understanding the mandates objectives and constraints.
- Appropriate Client representatives - Responsible for representing the clients' interests and developing and articulating the client or fund objectives.

Fund specific risk limits and monitoring
The RMP involves monitoring on a regular and systemic basis all funds under its purview, to allow 2nd line risk teams to identify, measure and monitor risk and where necessary escalate appropriately, including to the Board any concerns and proposed mitigating actions.

As advised above, in developing the risk profiles for the funds ASI will determine and set specific risk limits appropriate for each Fund. In addition, there will be an early warnings system of potential changes in the portfolio risk monitoring triggers.

Regulatory limits as well as those set out in the Fund's prospectus (or equivalent documentation), are strictly enforced to ensure that ASI does not inadvertently (or deliberately) breach them and add additional risk exposure to the Fund.

Internal limits or guidelines are also in place to highlight any potential fund or strategy specific issues. These are captured as part of the Tripartite process. These provide an early warning system of potential changes in the portfolio and risks of the fund.
They operate as triggers for further investigation every time they are exceeded. Any exceptions would be discussed by Tripartite and, where appropriate, the relevant portfolio manager will rectify within a reasonable timeframe.

Investment risk limits are generally metrics that are either derived from a risk model with modelling assumptions, regulatory defined market risk measures and/or liquidity risk measures.

Risk monitoring triggers are generally risk levels or limits determined by 2nd line risk teams, which operate as triggers for further investigation to prevent hard limit breaches. Every time they are exceeded the teams will as part of their periodic review cycle, where the data suggests a potential for a fund to be an outlier, review all positions on Funds to ensure that the Fund is not overly concentrated in any one specific area or issuer. Where the mandate is expressly focused in one particular country, region or asset class, the risk teams will take this into account. Any issues or concerns arising from risk parameters (controls, concentrations etc.) shall be promptly reviewed and discussed.

Appendix 1 – Risk Definitions & Risk Management Processes

i) Market Risk Management Processes

Investment Risk is responsible for identification, monitoring and measurement of risks for real estate funds.

Real Estate - Quantitative risk systems are not typically deployed in the production of risk analytics for this asset class largely due to the lack of data and/or appropriate systems, within the industry, to produce meaningful output. The Investment Risk team utilise other metrics specific to the asset class. Such metrics may include, but are not limited to:

Real Estate

- **Tenant and Rent Roll Risk** – This measure attempts to capture and consider property vacancy, lease rolls, tenant quality and tenant concentration at an asset level (Direct Real Estate funds at a property level, Real Estate Multi-Manager at a target fund level) to provide an indication of the stability of income.
- **Debt risk** – After a certain level, debt can significantly increase the volatility of return and limit the capacity of managing the asset appropriately. This measure captures and weights the loan to gross asset value, debt expiry, current and potential covenant breach and cost of debt at asset level to provide an indication of whether debt is **endangering the stability of income and the capacity of the fund management team to follow the fund's strategy**.
- **Loan-To-Value (LTV)** – The use of gearing on an asset-by-asset basis can provide increased returns, but will also increase the risks a Fund is exposed to. As risk is a non-linear function of gearing, the unequal application of LTV can lead to outsized and/or disproportionate exposures to investment risk when compared to equally leveraged portfolios.
- **Refinancing Ris**k – This measure captures and considers the risks inherent in refinancing any debt held within a portfolio. The indicator considers the loan to gross asset value, interest coverage, covenants and maturity of the debt facility, in order to determine whether the fund is at risk of failing to achieve a refinancing of the debt, or whether the fund is at risk of failing to achieve adequate terms commensurate with the expected return of the properties backing the facility.
- **Country and Sector Exposures** – Measures concentration of the fund's investments by country and sector.
- **Top holdings** – Measures exposure to top individual holdings.
- **Tenant Concentration and Tenant Industry Exposures** – Measures the % exposure to individual tenants and to the tenant industry.
- **Returns Risk** – Measures the risk of returns being impacted by specific exposures; this could be capital or income driven.

These metrics are generated from a combination of sources, including MSCI, internal systems and tenant data. Once this data has been processed the Investment Risk team analyses reports, assessing absolute and relative exposures and trends across valuation points. Any issues/concerns identified prompt further investigation and escalation as appropriate. Breaches of hard risk limits will be escalated immediately via Tripartite.

ii) Liquidity Risk

Liquidity risk is defined as the risk that a portfolio may need to raise cash or reduce derivative positions on a timely basis either in reaction to market events or to meet client redemption requests and may be obliged to sell long term assets at a price lower than their market value. Liquidity is also an important consideration in the management of portfolios: Portfolio Managers need to pay attention to market liquidity when sizing, entering and exiting trading positions.

Measuring liquidity risk is subject to three main dimensions:

- Asset Liquidity Risk – how quickly can assets be sold.
- Liability Risk - managing redemptions as well as all other obligations arising from the liabilities side of the balance sheet.
- Contingency Arrangements or Liquidity Buffers – utilising credit facilities etc.

Liquidity Risk Management Framework
ASI's liquidity risk management framework incorporates the ESMA guidelines on liquidity stress testing. Our liquidity risk management framework is broadly split in the following sections:

I. Governance & Roles and Responsibilities.

II. Liquidity risk management process & interaction with other liquidity risk management procedures, including manager's contingency plans and portfolio management function.

III. Liquidity risk management framework inputs and models.

IV. Circumstances requiring escalation, including when liquidity limits/thresholds are breached.

Escalation Process for Liquidity Limit Breaches
The process for the escalation of liquidity risk limit breaches follows the process for investment risk limit breaches. In addition to the escalation routes, any liquidity concerns may also be escalated to the IPC. The ESMA LST policy describes the liquidity stress testing limit breach process in detail.

IPC Process During Heightened Liquidity Crisis
The central role of the IPC is to ensure investor protection. During a liquidity crisis, the main concern of the IPC is to ensure that all redemptions can be met within the fund terms and that the fund liquidity and overall risk profile does not deteriorate materially as a result of any redemptions (e.g. fund manager selling the most liquid assets to meet the redemption, leaving the remaining shareholders of the fund with materially less liquid assets). Therefore, in a heightened liquidity crisis, the additional LST analysis required by the IPC over the business-as-usual process includes:

- Daily liquidity meetings where Investment Management teams, Risk Management teams, Operations, Senior Management and IPC members are represented, where day-to-day liquidity and where all outflows above an agreed level depending on circumstances on the net asset value of the funds are discussed, tracked and monitored.

- Additional LST analysis which analyses the trades executed to meet the redemptions, the changes in portfolio allocation, the changes in fund liquidity profile and the changes in time required to liquidate the portfolio under the liquidity (stressed) crisis environment.

The IPC also oversees ASI liquidity management contingency plan which includes:

- Governance Framework;

- How Aberdeen Standard Investments will respond to liquidity risks crystallising;

- Details of the liquidity tools and arrangements available, which may be deployed in such circumstances and operational challenges likely to arise from working with relevant third parties or associated with such tools and consequences for investors;

- How Aberdeen Standard Investments will implement the Contingency Plan;

- Details of communication arrangements for internal and external concerned parties. Details of how Aberdeen Standard Investments will work with the depositary, intermediate unitholders, third party administrators and others as necessary to implement this contingency plan.

Tools to Manage Liquidity, Contingency Arrangements and Liquidity Buffers
Investor behaviour is the main driver of liquidity within an open ended investment fund. As such, the Fund's articles, management regulations and prospectuses contain certain key provisions or limits, which provide protection to the Fund and ultimately investors in situations where liquidity might become a concern. These provisions or limits are specific to each Fund.

The following are examples of these types of controls used:

- Swing Pricing Policy;

- Redemption limits, for example 10% of Net Asset Value maximum can be redeemed in any one business day;

- In Specie Redemptions; and,

- Settlement Period provisions, extending the settlement period to, for example, T+10 business days to give the fund the ability to liquidate the required portion of the fund in an orderly manner.

Other methods that the Management Company can utilise to help manage liquidity are to use contingency arrangements and liquidity buffers. The Fund's articles, management regulations and prospectuses contain extraordinary liquidity mechanisms to allow the Management Company to take action in certain extreme circumstances. This should provide additional protection to the Fund and investors. These provisions or limits are specific to each Fund. The following are examples of these types of controls:

- Overdraft facilities;
- Review of the liquidity terms
- Holding a cash limit and or invest in very short dated instruments to ensure cash is available in the fund; and,
- Suspension of Redemptions.

I. Liquidity risk management framework inputs and models

For real estate assets, the key liquidity risk methodology and approach are as follows:

- The methods for liquidation take into account the fund's investment objectives through methodology for time to liquidate and cost to liquidate. For Real Estate, this is taken into account using the front office identifier of asset categorization, which indicates the intention of the portfolio manager to liquidate a property per the funds strategic plan.
- Liquidity calculations to be performed on at least annually. In the majority of cases this is quarterly and for open ended funds, this is monthly. The factors determining the frequency applied to these are detailed in the ESMA LST policy.
- Asset side stressed scenarios are considered based on the nature of different asset classes and their liquidity risks and the availability of data. The strategies of funds are also considered in the design of stress tests.
- Liability side analysis includes stress scenarios on the investor profile (relevant to open ended funds) as well as liabilities on the balance sheet.

II. Circumstances requiring escalation, including when liquidity limits/thresholds are breached

Real Estate Funds

The Investment Risk team follows a methodology that includes a Red-Amber-Green (RAG) status in the output of the stress tests based on trigger limits for identifying circumstances requiring escalation. More bespoke trigger limits can be set through the Tripartite process as required. In the event of a material concern, the investment governor provides LST outcomes to the portfolio manager in the first instance, including the result of a breach of a limit or threshold. The methodology includes a RAG status based on trigger limits set for the liquidity mismatch for each stress test. This allows the investment governor to include qualitative input before escalating to the IPC (for open ended funds) or IEC and the REC as appropriate.

Notes to the Financial Statements

For the year ended 31 December 2020

3. Net Capital Losses

	2020 £'000	2019 £'000
Net capital losses during the year comprise:		
Investments in direct properties	(120,201)	(180,704)
Non-derivative securities	2	871
Net capital losses	**(120,199)**	**(179,833)**
The non-derivative securities and Investment in direct properties balances above includes:		
Realised losses*	(77,472)	(43,522)
Unrealised losses*	(42,729)	(136,311)
	(120,201)	**(179,833)**

*where realised losses include gains/losses arising in previous periods, corresponding losses/gains are included in unrealised losses.

4. Revenue

	2020 £'000	2019 £'000
Rental revenue	51,169	83,820
Service charges	4,308	6,282
Bank and deposits interest	219	1,217
Surrender Premiums	738	52
Dilapidation claims	121	504
Total revenue	**56,555**	**91,875**

5. Expenses

	2020 £'000	2019 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Authorised Corporate Director's periodic charge	1,374	2,786
Operating, Administrative and Servicing Expense	1,452	2,335
	2,826	5,121

	2020 £'000	2019 £'000
Other expenses:		
Service charges	4,308	6,282
Void costs	3,583	476
Operating costs	2,597	5,211
Head rents	1,997	1,851
Bad debts written off	2,315	2,214
Managing agents' fee	1,540	1,436
Legal costs	666	1,315
Rent review fees	120	114
Provision for bad debts	1,747	2,711
	18,873	21,610
***Total expenses**	**21,699**	**26,731**

* Including irrecoverable VAT where applicable.
The annual audit fee for the Aberdeen Property ICVC is £73,000 (2019: £62,000). The audit fee is settled through the Fixed Fee account as part of the Operating, Administrative and Servicing Expense that is charged as a fixed percentage of the Net Asset Value of the fund.

6. Taxation

		2020 £'000	2019 £'000
(a)	**Analysis of charge in year**		
	Total current tax (note 6b)	-	-
	Total tax charge for the year	-	-
(b)	**Factors affecting current tax charge for the year**		
	Net revenue before taxation	34,831	65,105
	Net revenue before taxation multiplied by the standard rate of corporation tax of 20%	6,966	13,021
	Effects of:		
	Tax deductible interest distribution	(39)	(238)
	Expenses not deductible for tax purposes	4,340	4,092
	Tax exempt property profits	(11,267)	(16,875)
	Tax charge for year (note 6a)	**-**	**-**

7. Distributions

The distributions takes account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:

	2020 £'000	2019 £'000
First interim distribution	11,492	14,833
Second interim distribution	6,106	14,165
Third interim distribution	5,618	12,240
Final distribution	5,093	9,900
Income tax withheld	5,268	11,366
	33,577	62,504
Add: Revenue deducted on the cancellation of shares	1,280	2,657
Deduct: Revenue received on the creation of shares	(26)	(53)
Net distribution for the year	**34,831**	**65,108**
Net revenue after taxation	34,831	65,105
Add: Undistributed revenue brought forward	2	5
Undistributed revenue carried forward	(2)	(2)
Total distributions	**34,831**	**65,108**

Details of the distribution per share are set out in this fund's distribution tables.

8. Debtors

	2020 £'000	2019 £'000
Amounts receivable from the ACD for the issue of shares	768	28
Lease incentives debtor	12,699	16,323
Trade debtors*	16,793	12,917
Accrued revenue	18	20
Floats to managing agent	617	732
Receivable for tenant rental deposits held on behalf of clients	1,446	1,554
Deferred expenditure	39	76
Other debtors	2,148	1,202
Service Charge Debtors	979	-
Total debtors	**35,507**	**32,852**

* Trade debtors includes the Bad Debt Provision for the year-end -£5,165,450 (2019: -£3,417,929).

9. Creditors

	2020 £'000	2019 £'000
Service charge creditor	3,797	3,680
Amounts payable for the cancellation of shares	2,193	2,698
Amounts payable to ACD	103	142
Accrued expenses	3	45
Accruals and deferred income	8,810	16,608
Payable for tenant rental deposits refundable	1,446	1,554
VAT payable	6,886	3,067
Amounts due for property purchase/sales cost	548	916
Accruals for capital retentions	782	864
Other creditors	115	391
Leasehold obligations	44,859	47,843
Accrued expenses property	18	824
Total creditors	**69,560**	**78,632**

10. Related Party Transactions

Aberdeen Standard Fund Managers Limited ('the ACD'), is a related party.

The ACD, a related party, acts as principal on all transactions of shares in the fund.

The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to/from the ACD in respect of share transactions at the year end are included in the Balance Sheet, notes 8 and 9.

Amounts paid to the ACD in respect of ACD's fees and Operating, Administrative and Servicing Expense are disclosed in note 5, with £102,623 and £2,861 (2019: £141,547 and £45,188) due at the year end respectively.

The ACD's periodic charge is 1.20% of the net asset value of the A share classes, 0.75% of the net asset value of the I share classes, 0.67% of the net asset value of the J share classes, 0.75% of the net asset value of the M share classes, and 0% of the net asset value of the Y, Z and F share classes.

Material shareholdings in the fund at the year end: There were no material shareholders in the fund as at 31 December 2020 (2019: nil).

11. Shareholder Funds

The fund has twelve share classes in issue.

The ACD's periodic charge on the share class is as follows:

	%
A - Accumulation	1.20
A - Income	1.20
F - Accumulation	-
I - Accumulation	0.75
I - Income	0.75
J - Accumulation	0.67
J - Income	0.67
M - Accumulation	0.75
M - Income	0.75
Y - Accumulation	-
Y - Income	-
Z - Accumulation	-

12. Shareholder Funds

	Opening shares 2019	Creations during the year	Cancellations during the year	Conversions during the year	Closing shares 2020
A Accumulation shares	49,041,195	63,847	(2,837,937)	(29,770)	46,237,335
A Income shares	3,710,929	32,094	(966,211)	-	2,776,812
F Accumulation shares	934,915,956	3,854,920	(246,773,989)	-	691,996,887
I Accumulation shares	29,204,303	868,665	(6,108,534)	28,515	23,992,949
I Income shares	17,078,370	95,507	(5,453,456)	-	11,720,421
J Accumulation shares	15,844,416	17,569	(731,811)	-	15,130,174
J Income shares	8,148,198	3,990	(4,772,793)	-	3,379,395
M Accumulation shares	1,112	-	-	-	1,112
M Income shares	1,136	-	-	-	1,136
Y Accumulation shares	1,014	7	-	-	1,021
Y Income shares	1,011	-	-	-	1,011
Z Accumulation shares	22,618,669	10,922	(8,590,951)	-	14,038,640

13. Contingencies and commitments

As at 31 December 2020 the fund had £3.5 million (2019: £12.3 million) of capital commitments and no contingent liabilities (2019: £nil).

14. Risk management policies and disclosures

Market price risk

(a) Foreign currency risk

Fluctuations in the foreign exchange rates can adversely affect the value of a portfolio.

None of the fund's financial assets or liabilities are invested overseas. As a result, movements in exchange rates will not affect the sterling value of portfolio, cash or investment purchases and sales.

(b) Interest rate risk

The fund is subject to interest rate risk in respect of cash deposits. The majority of the fund's assets are property related which neither pay interest nor have a maturity date.

In the event of a change in interest rates, there would be no material impact upon the assets of fund.

(c) Other price risk

The fund's exposure to market price risk is comprised mainly of movements in the value of the fund's investments in properties and collective investment schemes. Property valuation is a matter of judgment by an independent valuer. Valuation is therefore generally a matter of valuer's opinion rather than fact. Commercial property is a less liquid asset than other asset classes such as bonds or equities and values could be affected if properties need to be sold at short notice. The fund seeks to minimise the impact of these risks by maintaining a well diversified property portfolio. In addition, a detailed review of economic trends is maintained in order to anticipate major changes affecting property values.

The value of holdings in collective investment schemes is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual collective investment scheme or be caused by the general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. Any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing, or the ACD being unable to secure similar returns on the expiry of contracts or the sale of securities. Changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of securities held. In addition, the management of the fund complies with the Financial Conduct Authority COLL sourcebook, which include rules limiting the size of investment in any particular holding.

At 31 December 2020, if the price of investments held by the fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £31.6 million (2019: £55.1 million).

There is no material difference between the value of the financial assets and liabilities, as shown in the Balance Sheet, and their fair values.

(d) **Liquidity risk**
Liquidity risk is the risk that the fund will encounter in realising assets, paying redemptions or otherwise raising funds to meet financial commitments.

All of the fund's financial liabilities are payable on demand or in less than one year.

Property investment is relatively illiquid compared to many other asset classes and as a result, the fund's liquidity position needs to be managed to ensure that its financial obligations, including redemption of shares, can be met.

The purchase of a property investment or the funding of a new development can involve significant sums of money. The fund plans for business activity and operates a detailed cash-forecasting model that is reviewed regularly.

Suspension of some or all share classes within the fund is a liquidity option which may be considered in periods when the fund is experiencing extremely high levels of outflows.

(e) **Credit risk**
Credit risk is the risk that an issuer or counterparty (in respect of an investment) or a tenant (in respect of a property) will be unable or unwilling to meet a commitment that it has entered into with the fund. In respect of property investments, in the event of a default by an occupational tenant, the fund will suffer a rental shortfall and their additional costs including legal expenses, maintaining, insuring and reletting the property. The ACD receives regular reports on concentrations of risk and any tenants in arrears. The ACD monitors such reports in order to anticipate, and minimise the impact of, defaults by occupational tenants.
The fund only buys and sells financial instruments through parties that have been approved by the ACD as acceptable.
These are reviewed on an ongoing basis.

15. Property Purchases, Sales and Transaction Costs

	2020 £'000	2019 £'000
Gross sales in year before transaction costs	362,168	470,754
Agents' introductory fees	(2,646)	(2,820)
Managing Agents costs	-	(22)
Other sales cost	(202)	(353)
Reserves	367	(368)
Solicitors Fees	(1,048)	(602)
Total sales transaction costs	(3,529)	(4,165)
Total sales net of transaction costs	**358,639**	**466,589**

	2020 % Transaction	2019 % Transaction
Sales		
Agents' introductory fees	0.72	0.60
Other Fees	0.06	0.08
Reserves	(0.10)	0.08
Solicitors Fees	0.29	0.13

	2020 % Average NAV	2019 % Average NAV
Sales		
Direct property costs	0.35	0.25

There are no transaction costs associated with the purchases or sales of collective investments during the year, or in the prior year. Collective investments operate within the terms of the offer document or prospectus. Typically we do not invest into funds that require an initial charge to be made. The underlying price contains an estimation of cost known as a dilution levy which is applied from time to time.

	2020 £'000	2019 £'000
Purchases	-	-
Sales	-	323,832

The Fund suffers a number of explicit costs which are disclosed in the notes and Fund history. The Fund also suffers implicit costs, for example market spread; the spread represents the costs of providing liquidity in a market. It therefore is subject to change based on volume. Active markets have a lower spread the difference between bid, the price you receive, and offer, the price you pay. There is no portfolio spread at the year end.

16. Fair Value Disclosure of Financial Assets/Liabilities

The three levels of the fair value hierarchy under FRS 102 are described below:

Level 1 – Unadjusted quoted market prices in active markets that are accessible at the measurement date for the identical unrestricted assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 – Inputs for asset or liability that are not based on observable market data (unobservable inputs).

	2020		2019	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	202,894	-	106,961	-
Level 2	35,507	(70,220)	32,852	(80,845)
Total fair value	**238,401**	**(70,220)**	**139,813**	**(80,845)**

17. Carrying amount of investment property

	2020 £'000	2019 £'000
Direct property investments opening carrying value	1,102,560	1,731,351
Disposal	(384,328)	(466,589)
Capital expenditure	5,660	16,224
Movement in lease obligations	(2,984)	2,213
Fair value adjustments in the year	(88,715)	(180,639)
Direct property investments closing carrying value	**632,193**	**1,102,560**

18. Operating leases

The Fund leases out its investment property under operating leases. At 31 December the future minimum lease receipts under non-cancellable leases are as follows:

	2020 £'000	2019 £'000
Within one year	31,759	65,946
Between one and five years	98,195	187,902
Over five years	169,049	312,680
Total future minimum lease receipts	**299,003**	**526,528**

19. Finance lease payable

Commitments in relation to finance leases are payable as follows:

	2020 £'000	2019 £'000
Within one year	1,500	1,577
Between one and five years	6,000	6,308
Over five years	84,000	93,556
Total minimum lease payments on leashold properties	**91,500**	**101,441**
Less: Future finance charges	(46,641)	(53,598)
Total lease liabilities	**44,859**	**47,843**

The present value of finance lease liabilities is as follows:

	2020 £'000	2019 £'000
Within one year	1,461	1,536
Between one and five years	5,473	5,754
Over five years	37,925	40,553
Total lease liabilities	**44,859**	**47,843**

20. Post Balance Sheet Events

Since 31 December 2020, the Fund has completed the sale of: Boulevard Industry Park, Speke, on 1 March 2021 for £35,290,000; 10 & 11 Longman Road, Inverness, on 12 March 2021 for £12,550,000; A1 Retail Park, Biggleswade, on 25 March 2021 for £49,000,00; Windsor Yards, Windsor, on 31 March 2021 for £20,000,000; The Moor, Sheffield, on 1 April 2021 for £38,250,000; and St Mary's Gate, Sheffield, on 1 April 2021 for £2,750,000.

During 2021 markets and operations have continued to be disrupted by the effects of the COVID-19 pandemic. Since the year end the NAV per share (of 'I income' share class) has decreased by 2.46% (to 22 March 2021). Contingency plans at the ACD and key service suppliers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

The UK voted to leave the EU in 2016 and officially left the trading bloc on 31 January 2020 with an agreement to keep the majority of the existing relationship in place until 31 December 2020. On 24 December 2020 a deal was reached between the UK and the EU that confirmed the new rules for how the parties would work and trade with each other in the future. On 1 January 2021, the free movement of people and goods and services between the EU and UK ended with new rules coming into effect. The avoidance of a no-deal Brexit is seen as a positive development for both parties but some uncertainty remains and further clarification is required on certain aspects of the deal including, but not limited to, the Northern Ireland protocol, application to financial services and customs documentation requirements.

There does not yet appear to be significant issues impacting real estate specifically that have arisen as a result of Brexit after the reporting period and as a result the ACD considers the new rules coming into effect as a result of Brexit to be a non-adjusting post balance sheet event. Any future impact on the Fund is likely to be in connection with the assessment of the fair value of investments and stability of rental income at future dates. At the date of reporting it is not possible to quantify the future financial impact of Brexit on the Fund's investments or rental income with any degree of certainty.

The ACD will continue to closely analyse and review the impact of Brexit on the Fund and will take appropriate action as required.

Distribution table

For the year ended 31 December 2020 (in pence per share)

First interim dividend distribution

Group 1 - shares purchased prior to 1 January 2020
Group 2 - shares purchased between 1 January 2020 and 31 March 2020

	Revenue	Equalisation	Distribution paid 29/05/20	Distribution paid 31/05/19
A Accumulation shares				
Group 1	1.2364	-	1.2364	0.8934
Group 2	0.4708	0.7656	1.2364	0.8934
A Income shares				
Group 1	0.8170	-	0.8170	0.6055
Group 2	0.6288	0.1882	0.8170	0.6055
F Accumulation shares				
Group 1	1.1574	-	1.1574	0.9353
Group 2	0.6632	0.4942	1.1574	0.9353
I Accumulation shares				
Group 1	1.4219	-	1.4219	1.0705
Group 2	0.8500	0.5719	1.4219	1.0705
I Income shares				
Group 1	0.9010	-	0.9010	0.6978
Group 2	0.5195	0.3815	0.9010	0.6978
J Accumulation shares				
Group 1	1.3320	-	1.3320	1.0109
Group 2	0.3824	0.9496	1.3320	1.0109
J Income shares				
Group 1	1.0707	-	1.0707	0.8314
Group 2	0.9538	0.1169	1.0707	0.8314
M Accumulation shares				
Group 1	0.8605	-	0.8605	0.6734
Group 2	0.2723	0.5882	0.8605	0.6734
M Income shares				
Group 1	0.8335	-	0.8335	0.7526
Group 2	0.8335	-	0.8335	0.7526
Y Accumulation shares				
Group 1	1.0617	-	1.0617	-
Group 2	0.3221	0.7396	1.0617	-

	Revenue	Equalisation	Distribution paid 29/05/20	Distribution paid 31/05/19
Y Income shares				
Group 1	1.0325	-	1.0325	-
Group 2	1.0325	-	1.0325	-
Z Accumulation shares				
Group 1	1.5792	-	1.5792	1.2502
Group 2	1.3651	0.2141	1.5792	1.2502

Second interim dividend distribution

Group 1 - shares purchased prior to 1 April 2020
Group 2 - shares purchased between 1 April 2020 and 30 June 2020

	Revenue	Equalisation	Distribution paid 28/08/20	Distribution paid 31/08/19
A Accumulation shares				
Group 1	0.5330	-	0.5330	0.9161
Group 2	0.5330	-	0.5330	0.9161
A Income shares				
Group 1	0.3491	-	0.3491	0.6176
Group 2	0.3491	-	0.3491	0.6176
F Accumulation shares				
Group 1	0.6318	-	0.6318	0.9341
Group 2	0.2138	0.4180	0.6318	0.9341
I Accumulation shares				
Group 1	0.6834	-	0.6834	1.0951
Group 2	0.6834	-	0.6834	1.0951
I Income shares				
Group 1	0.4289	-	0.4289	0.7087
Group 2	0.4289	-	0.4289	0.7087
J Accumulation shares				
Group 1	0.6508	-	0.6508	1.0315
Group 2	0.6508	-	0.6508	1.0315
J Income shares				
Group 1	0.5177	-	0.5177	0.8484
Group 2	0.5177	-	0.5177	0.8484
M Accumulation shares				
Group 1	0.4063	-	0.4063	0.7194
Group 2	0.4063	-	0.4063	0.7194
M Income shares				
Group 1	0.3795	-	0.3795	0.6917
Group 2	0.3795	-	0.3795	0.6917
Y Accumulation shares				
Group 1	0.6050	-	0.6050	0.7648
Group 2	0.6050	-	0.6050	0.7648

	Revenue	Equalisation	Distribution paid 28/08/20	Distribution paid 31/08/19
Y Income shares				
Group 1	0.5696	-	0.5696	0.7648
Group 2	0.5696	-	0.5696	0.7648
Z Accumulation shares				
Group 1	0.8619	-	0.8619	1.2741
Group 2	0.8619	-	0.8619	1.2741

Third interim dividend distribution

Group 1 - shares purchased prior to 1 July 2020
Group 2 - shares purchased between 1 July 2020 and 30 September 2020

	Revenue	Equalisation	Distribution paid 30/11/20	Distribution paid 30/11/19
A Accumulation shares				
Group 1	0.4721	-	0.4721	0.9212
Group 2	0.4721	-	0.4721	0.9212
A Income shares				
Group 1	0.3078	-	0.3078	0.6162
Group 2	0.3078	-	0.3078	0.6162
F Accumulation shares				
Group 1	0.5858	-	0.5858	0.9381
Group 2	0.1932	0.3926	0.5858	0.9381
I Accumulation shares				
Group 1	0.6189	-	0.6189	1.1001
Group 2	0.6189	-	0.6189	1.1001
I Income shares				
Group 1	0.3864	-	0.3864	0.7093
Group 2	0.3864	-	0.3864	0.7093
J Accumulation shares				
Group 1	0.5910	-	0.5910	1.0349
Group 2	0.5910	-	0.5910	1.0349
J Income shares				
Group 1	0.4680	-	0.4680	0.8483
Group 2	0.4680	-	0.4680	0.8483
M Accumulation shares				
Group 1	0.3341	-	0.3341	0.8164
Group 2	0.3341	-	0.3341	0.8164
M Income shares				
Group 1	0.3563	-	0.3563	0.8718
Group 2	0.3563	-	0.3563	0.8718
Y Accumulation shares				
Group 1	0.5781	-	0.5781	0.8620
Group 2	0.5781	-	0.5781	0.8620

	Revenue	Equalisation	Distribution paid 30/11/20	Distribution paid 30/11/19
Y Income shares				
Group 1	0.5261	-	0.5261	0.8471
Group 2	0.5261	-	0.5261	0.8471
Z Accumulation shares				
Group 1	0.7990	-	0.7990	1.2801
Group 2	0.7990	-	0.7990	1.2801

Final dividend distribution

Group 1 - shares purchased prior to 1 October 2020
Group 2 - shares purchased between 1 October 2020 and 31 December 2020

	Revenue	Equalisation	Distribution paid 26/02/2021	Distribution paid 28/02/2020
A Accumulation shares				
Group 1	0.5228	-	0.5228	0.8883
Group 2	0.0063	0.5165	0.5228	0.8883
A Income shares				
Group 1	0.2327	-	0.2327	0.5901
Group 2	-	0.2327	0.2327	0.5901
F Accumulation shares				
Group 1	0.6362	-	0.6362	0.9102
Group 2	0.1367	0.4995	0.6362	0.9102
I Accumulation shares				
Group 1	0.6841	-	0.6841	1.0633
Group 2	0.0532	0.6309	0.6841	1.0633
I Income shares				
Group 1	0.3978	-	0.3978	0.6789
Group 2	0.0970	0.3008	0.3978	0.6789
J Accumulation shares				
Group 1	0.6591	-	0.6591	1.0025
Group 2	0.1534	0.5057	0.6591	1.0025
J Income shares				
Group 1	0.2830	-	0.2830	0.8118
Group 2	-	0.2830	0.2830	0.8118
M Accumulation shares				
Group 1	0.3891	-	0.3891	0.7198
Group 2	0.2043	0.1848	0.3891	0.7198
M Income shares				
Group 1	0.3932	-	0.3932	0.7064
Group 2	0.3932	-	0.3932	0.7064
Y Accumulation shares				
Group 1	0.6186	-	0.6186	0.8360
Group 2	0.3009	0.3177	0.6186	0.8360

	Revenue	Equalisation	Distribution paid 26/02/2021	Distribution paid 28/02/2020
Y Income shares				
Group 1	0.5801	-	0.5801	0.8206
Group 2	0.5801	-	0.5801	0.8206
Z Accumulation shares				
Group 1	0.8678	-	0.8678	1.2420
Group 2	0.4999	0.3679	0.8678	1.2420

Equalisation

This applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deduced from the cost of shares for capital gains tax purposes.

Alternative Investment Fund Manager Disclosures (unaudited)

Leverage
There have been no changes to the maximum leverage allowed in the year.

Leverage calculated on	Maximum %	Current %
Gross basis	120	84.3
Commitment basis	110	84.3

Under the Depositary Agreement the Depositary has agreed that it, and any person to whom it delegates custody functions, may not re use any of the Fund's assets with which it has been entrusted.

The Investment Adviser may use one or more separate counterparties to undertake derivative transactions on behalf of the Fund and may be required to pledge collateral, paid from within the assets of the Fund, to secure such contracts. There may be a risk that a counterparty will wholly or partially fail to honour their contractual obligations under the arrangement. The Investment Adviser assesses the creditworthiness of counterparties as part of the risk management process and will ordinarily hold collateral to mitigate this. The Depositary may, at the request of the ACD, enter into repo contracts and certain stock lending transactions.

Remuneration Policy
The Standard Life Aberdeen plc Remuneration Policy applies with effect from 1 January 2018. The purpose of the Standard Life Aberdeen plc Remuneration Policy (the "Policy") is to document clearly the remuneration policies, practices and procedures of Standard Life Aberdeen. It has been approved by the Standard Life Aberdeen plc Remuneration Committee and is subject to the Remuneration Committee's annual review. The Policy applies to employees of the Standard Life Aberdeen group of companies ("SLA").

The AIFM, Aberdeen Standard Fund Managers Limited is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA") and is a wholly owned subsidiary of Standard Life Aberdeen plc.

The Remuneration Committee of Standard Life Aberdeen plc adopted an AIFM Remuneration Policy to ensure that the requirements of the Alternative Investment Fund Managers Directive (AIFMD) are fully adhered to by the group. This policy applies to Aberdeen Standard Fund Managers Limited and the Alternative Investment Funds (AIFs) it manages. This policy is available on request.

Remuneration Principles
SLA applies Group wide principles for remuneration policies, procedures and practices ensuring that remuneration design and the basis for awards will be clear, transparent and fair, in line with business strategy, objectives, culture, values and long term interests of SLA. Remuneration policies, procedures and practices should be consistent with and promote good conduct which includes sound and effective risk management and not encourage risk taking that exceeds the level of tolerated risk of SLA. Total variable remuneration will be funded through pre-agreed distribution metrics. Where SLA's financial performance is subdued or negative, total variable remuneration should generally be contracted, taking into account both current remuneration and reductions in pay-outs of amounts previously granted and having regard for SLA's long term economic viability.

In addition to applying the SLA wide principles above, Aberdeen Standard Investments ("ASI") applies a number of additional principles including the following, when determining remuneration for employees:

a) Remuneration should be competitive and reflect both financial, non-financial and personal performance;

b) Our remuneration design will align the interests of employees, shareholders and importantly our clients/customers;

c) Our remuneration structure will reward delivery of results over appropriate time horizons and will include deferred variable compensation at an appropriate level for the employee's role;

d) We will provide an appropriate level of fixed remuneration to balance risk and reward.

Governance and Regulatory Compliance
The Remuneration Committee is made up of independent non-executive directors and makes recommendations to the Board of Standard Life Aberdeen plc (the "Board") to assist it with its remuneration related duties. The Chief People Officer of Standard Life Aberdeen is responsible for ensuring the implementation of the Policy in consultation with the Remuneration Committee as well as other members of the Executive Committee ("Executive Body") (as defined by the Board), if appropriate.

Financial and non-financial criteria
Variable remuneration is based on a rounded assessment of Group, Divisional and individual performance. When assessing individual performance, financial as well as non-financial criteria are taken into account. Individual performance is based on the individual's appraisal, which includes an employee's compliance with controls and applicable company standards including the Group's Code of Ethics, including Treating Customers Fairly and Conduct Risk.

Conflicts of interest

The Conflicts of Interest Policy is designed to avoid conflicts of interest between SLA and its clients. This Policy prohibits any employee from being involved in decisions on their own remuneration. Furthermore, all employees are required to adhere to SLA's Global Code of Conduct, which encompasses conflicts of interest.

The Policy should, at all times, adhere to local legislation, regulations or other provisions. In circumstances or in jurisdictions where there is any conflict between the Policy and local legislation, regulations or other provisions, then the latter will prevail.

Remuneration Framework

Employee remuneration is composed principally of fixed and variable elements of reward as follows:

a) Fixed reward (fixed remuneration: salary (and cash allowances, if appropriate); and Benefits (including pension).

b) Variable reward (bonus, a proportion of which may be subject to retention or deferral depending on role and regulatory requirements) and senior employees may also be awarded a long-term incentive award).

Appropriate ratios of fixed: variable remuneration will be set to as to ensure that:

a) Fixed and variable components of total remuneration are appropriately balanced and

b) The fixed component is a sufficiently high proportion of total remuneration to allow Standard Life Aberdeen to operate a fully flexible policy on variable remuneration components, including paying no variable remuneration component.

Fixed Remuneration	Base salary provides a core reward for undertaking the role, where appropriate, and depending on the role, geographical or business market variances or other indicators, additional fixed cash allowances may make up a portion of fixed remuneration.
Benefits	Benefits are made up of: core benefits, which are provided to all employees; and extra voluntary benefits that may be chosen by certain employees and which may require contribution through salary sacrifice or other arrangements. Extra voluntary benefits are designed to support the health and wellbeing of employees through enabling individual selection based on lifestyle choices. Standard Life Aberdeen will ensure that the core and voluntary employee benefits policies are in line with relevant market practice, its views on managing its business risk objectives, culture and values and long-term interests and local requirements.
Pension	Standard Life Aberdeen's pension policies (which consist of defined contribution plans and legacy defined benefit plans) are in line with legislative requirements, governance structures and market practice, and reflect Standard Life Aberdeen's long-term views on risk and financial volatility, its business objectives, culture and values and long-term interests and local requirements. In certain circumstances, SLA may offer a cash allowance in lieu of any pension arrangement.
Annual Performance Bonus Awards	Employees who have been employed during a performance year (1 January to 31 December) may be eligible to be considered for an annual bonus in respect of that year. Eligibility criteria for an annual bonus are set out in the rules of the relevant bonus plan and/or contract of employment, as appropriate. The bonus plan in place is designed to reward performance in line with the business strategy, objectives, culture and values, long term interests and risk appetite of SLA. All Executive Directors are awarded bonuses under a SLA bonus plan as detailed in the Directors' Remuneration Report.
Other variable Pay Plans	Selected employees may participate in other variable pay plans, for example, performance fee share arrangements, where it is appropriate for their role or business unit. These plans operate under the overarching remuneration principles that apply across the group and, where appropriate, are also subject to specific principles governing incentives and are compliant with the requirements of any applicable regulatory standards.

Clawback/Malus

A clawback/malus principle applies to the variable pay plan. This enables the Remuneration Committee to seek to recoup the deferred amount of any unvested variable pay, in the exceptional event of misstatement or misleading representation of performance; a significant failure of risk management and control; or serious misconduct by an individual.

Guaranteed Variable Remuneration

Guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year of service.

AIFMD Identified Staff

Staff considered AIFMD Identified Staff are those categories of staff whose professional activities have a material impact on the risk profiles of the AIFM or the AIFs that the AIFM manages.

AIFMD identified staff will include; Senior Management; Risk takers, Staff engaged in control functions; and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, and whose professional activities have a material impact on the risk profiles of the Company or the Funds that the Company manages.

Control Functions

SLA adheres to the principles and guidelines of regulations that apply to SLA in defining control functions. control functions include, but are not necessarily limited to, Risk, Compliance, Internal Audit and Actuarial functions or roles.

SLA will ensure that, as appropriate, senior employees engaged in a control function:

a) Are independent from the Business Units they oversee;

b) Have appropriate authority, and

c) Their remuneration is directly overseen by the Remuneration Committee.

This is achieved by the main control functions being outside the business, and a material proportion of their annual incentives being subject to a scorecard based on the performance of the control function. Performance against the scorecard is reviewed by the relevant independent governing committee (either Risk & Capital Committee, or Audit Committee). SLA's People Function reviews the remuneration of employees in control functions and benchmarks with the external market to ensure that it is market competitive and adequately reflects employees' skills and experience.

Personal Hedging

AIFMD Identified Staff are not permitted to undermine the risk alignment effects of the AIFMD Remuneration Code. Personal hedging strategies; or remuneration-related insurance; or liability-related insurance is not permissible on remuneration.

Employee Remuneration Disclosure

The table below provides an overview of the following:

- Aggregate total remuneration paid by Aberdeen Standard Fund Managers Limited to its entire staff; and
- Aggregate total remuneration paid by Aberdeen Standard Fund Managers Limited to its 'Identified Staff'.

The 'Identified Staff' of Aberdeen Standard Fund Managers Limited are those employees who could have a material impact on the risk profile of Aberdeen Standard Fund Managers Limited or the AIFs it manages, including Aberdeen UK Property Fund.

This broadly includes senior management, risk takers and control functions. For the purposes of this disclosure, 'Identified Staff' includes employees of entities to which activities have been delegated.

Amounts shown reflect payments made during the financial reporting period in question. The reporting period runs from **1 January 2020 to 31 December 2020** inclusive.

Aberdeen UK Property Fund	Headcount	Total Remuneration £'000	AIF proportion £'000[4]
Aberdeen Standard Fund Managers Limited staff[1]	**346**	**37,479**	**924**
of which			
Fixed remuneration		27,683	683
Variable remuneration		9,796	241
Carried Interest		NIL	
Aberdeen Standard Fund Managers Limited 'Identified Staff'[2]	**139**	**14,143**	**389**
of which			
Senior Management[3]	9	1,525	42
Other 'Identified Staff'	130	12,618	347

[1] As there are a number of individuals indirectly and directly employed by Aberdeen Standard Fund Managers Limited this figure represents an apportioned amount of SLA's total remuneration fixed and variable pay, apportioned to the relevant AIF on an AUM basis, plus any carried interest paid by the AIF. The Headcount figure provided reflects the number of beneficiaries calculated on a Full Time Equivalent basis.

[2] The Identified Staff disclosure represents total compensation of those staff of the AIFM who are fully or partly involved in the activities of the AIFM, apportioned to the estimated time relevant to the AIFM, based on their time in role during the reporting period and the AIFM's proportion of SLA's total AUM. Across the 'Identified Staff', the average percentage of AUM allocation per individual based on work undertaken for Aberdeen Standard Fund Managers Limited as an AIFM was 25.28%.

[3] Senior management are defined in this table as AIFM Directors and members of the Standard Life Aberdeen plc Board, together with its Executive Committee, Investment Management Committee and Group Product Committee.

[4] This figure represents an apportioned amount of the total remuneration of the 'Identified staff' attributable to the AIF allocated on an AUM basis.

Further Information

Aberdeen Property ICVC is an investment company with variable capital incorporated under the OEIC Regulations in England with registered number IC001029 and is authorised and regulated by the Financial Conduct Authority (the FCA) under regulation 12 of the Open-Ended Investment Companies Regulations 2001 (SI2001/1228) (the OEIC Regulations).

Consumers' rights and protections, including any derived from EU legislation, are currently unaffected by the result of UK referendum to leave the European Union and will remain unchanged unless and until the UK Government changes the applicable legislation.

Documentation

Copies of the current Prospectus and Key Investor Information Documents (KIIDs) for the Aberdeen Property ICVC, together with the latest Annual (and if issued later the interim) Report and Financial Statements for any fund, are available to download at **aberdeenstandard.com**. A paper copy of the Report and Financial Statements is available on request from the ACD.

The Annual Report of the Company will be published on or before 30 April and the half-yearly report on or before 31 August in each year.

Notices/Correspondence

Please send any notices to Aberdeen Standard Fund Managers Limited, PO Box 12233, Chelmsford CM99 2EE. Any notice to the ACD will only be effective when actually received by the ACD. All notices will be sent to the investor at the address set out in the Application form or the latest address which the investor has notified to the ACD, and will be deemed to have been received three days after posting. Events detailed in these terms and conditions will be carried out on the dates specified, unless the dates are a non-business day, when they will be carried out on the next business day.

Complaints and Compensation

Complaints about the operation of the Company and the funds may be made by the investor by writing to the ACD or the Depositary. Any complaint will be investigated and the outcome will be notified to the investor, within eight weeks. If the investor is not satisfied with the outcome, he/she may also write directly to the Financial Ombudsman Service, Exchange Tower, London E14 9SR. If the ACD cannot meet its financial obligations to the investor, the investor may be entitled to compensation under the Investor's Compensation Scheme, under the Financial Services Markets Act 2000. Details of the investor's rights to compensation can be obtained from the ACD on request.

Personal taxation

Unless your shares are held within an ISA, if you sell your shares this is treated as a disposal for Capital Gains Tax purposes. Tax rules can change. The value to an investor of the tax advantages of an ISA will depend on personal circumstances, which may change.

Shareholders are recommended to consult with their professional tax advisers if they are in any doubt about their position.

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