

# Key Information Document

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## Product

**AEW UK REIT PLC. Name of PRIIP Manufacturer: AEW UK Investment Management LLP.**

ISIN: GB00BWD24154.

Website: <http://www.aewukreit.com>.

Call Link Company Matters Limited (Company Secretary) on 01392 477 500 for more information.

The Financial Conduct Authority is responsible for the supervision of AEW UK Investment Management LLP in relation to this document.

Date of production of this document: 20 June 2023.

## What is this product?

**Type: closed-ended investment company incorporated in England and Wales as a public limited company and whose shares are admitted to trading on the main market for listed securities of the London Stock Exchange.**

**Objectives:** AEW UK REIT plc (the **Company**) aims to deliver an attractive return to shareholders from investing in a portfolio of properties in the UK. The Company invests in a diversified portfolio of freehold and leasehold properties across the whole spectrum of the commercial property sector (office properties, retail warehouses, high street retail and industrial/warehouse properties) to achieve a balanced portfolio with a diversified tenant base. The Company will acquire smaller commercial properties and supplements its core investment strategy with asset management initiatives to upgrade buildings and improve the quality of income streams.

**Borrowing:** The Company has borrowed to purchase assets. This will magnify any gains or losses made by the Company. It is anticipated that the level of total borrowings will typically be at the level of 25% of gross asset value (measured at drawdown). The Company may borrow in excess of the borrowing target subject to a maximum of 35% of gross asset value in advance of an anticipated equity raise or sale of an existing investment.

**Dividends:** It remains the Company's intention to continue to pay future dividends in line with its dividend policy. In determining future dividend payments, regard will be had to the circumstances prevailing at the relevant time, as well as the Company's requirement, as a UK REIT, to distribute at least 90% of its distributable income annually, which will remain a key consideration.

**Intended retail investor:** Individuals who are professionally advised or highly knowledgeable, financially sophisticated and who understand (and are capable of evaluating) the risks of an investment in the Company and who have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from an investment in the Company.

**Term:** This product has no maturity date.

## What are the risks and what could I get in return?

### Risk Indicator



This risk indicator assumes you keep the product five years. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product

will lose money because of movements in the markets or because the Company is not able to pay out.

We have classified this product as 3 out of 7, which is a medium-low risk class.

This rates the potential losses from future performance at a medium-low level, and poor market conditions may impact the capacity to pay you.

Further details of the risks relevant to the Company are set out in its annual report and financial statements which are available at [www.aewukreit.com](http://www.aewukreit.com).

This product does not include any protection from future market performance so you could lose some or all of your investment.

## Performance Scenarios

Investment £10,000		1 year	3 years	5 years (Recommended holding period)
Scenarios				
<b>Stress scenario</b>	<b>What you might get back after costs</b>	£3,922	£5,526	£6,088
	Average return each year	-60.78%	-17.94%	-9.45%
<b>Unfavourable scenario</b>	<b>What you might get back after costs</b>	£6,961	£7,578	£11,507
	Average return each year	-30.39%	-8.83%	2.85%
<b>Moderate scenario</b>	<b>What you might get back after costs</b>	£9,782	£10,846	£14,882
	Average return each year	-2.18%	2.74%	8.28%
<b>Favourable scenario</b>	<b>What you might get back after costs</b>	£13,594	£16,076	£19,343
	Average return each year	35.94%	17.15%	14.10%

This table shows the money you could get back over the recommended 5 year holding period under different scenarios assuming that you invest £10,000.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/ product.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where the Company is not able to pay you.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

### What happens if AEW UK REIT plc is unable to pay out?

As a shareholder of the Company, you would not be able to make a claim to the Financial Services Compensation Scheme about the Company in the event that the Company is unable to pay out.

### What are the costs?

#### Costs over time

The Reduction in Yield (**RIY**) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest £10,000. The figures are estimates and may change in the future.

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment £10,000			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years (the recommended holding period)
<b>Total costs</b>	£589	£2,035	£4,252
Impact on return (RIY) per year	6.09%	6.09%	6.09%

## Composition of costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

### This table shows the impact on return per year

<b>One-off costs</b>	<b>Entry costs</b>	None	No entry costs apply to the product.
	<b>Exit costs</b>	None	No exit costs apply to the product.
<b>On-going costs</b>	<b>Portfolio transaction costs</b>	1.23%	The impact of the costs of us buying and selling underlying investments for the product.
	<b>Other on-going costs</b>	4.87%	The impact of administration and finance costs incurred each year in managing the investments. This takes into account the annual management fee of 0.9% and other operating expenses associated with the Company, namely, finance costs and property operating expenses resulting from the Company's asset management activities.
<b>Incidental costs</b>	<b>Performance fees</b>	None	No performance fees apply to the product.
	<b>Carried interests</b>	None	No carried interests apply to the product.

## How long should I hold it and can I take money out early?

There are no restrictions on the transferability of the shares. The shares of the Company trade continuously on the London Stock Exchange and are not bound by any prescribed redemption or sale restrictions. Typically, at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it.

### Recommended and/or required minimum holding period

There is no required minimum holding period and this product has no maturity. The recommended holding period is expected to be at least five years for shares in the Company. This is on the basis that the underlying property assets are typically relatively illiquid and the Company's investment objective aims to provide shareholders with capital appreciation over the medium to long term.

Returns achieved are reliant primarily upon the performance of the underlying property assets. The Company may experience fluctuations in its operating results due to a number of factors, including: changes in the values of properties from time to time; changes in the Company's rental income and operating expenses; changes in the occupancy rates of the properties; the degree to which the Company encounters competition; and general economic and market conditions. Such variability may be reflected in dividends, may lead to volatility in the market price of the shares and may cause the Company's results for a particular period not to be indicative of its performance in a future period. Another element of the total return is capital appreciation. The amount of any capital appreciation will depend upon, amongst other things, the Company successfully pursuing its investment policy and the performance of the Company's assets.

Prospective investors should not treat the contents of this Key Information Document as advice in relation to legal, taxation, investment or any other matters. Prospective investors must rely upon their own legal advisers, accountants and other financial advisers as to legal, tax, investment or any other related matters concerning the Company and an investment in the shares.

## How can I complain?

As a shareholder of the Company, you do not have the right to complain to the Financial Ombudsman Service about the management of the Company.

Complaints about the Company or the key information document should be sent to the Company Secretary at Link Company Matters Limited (email: [aewu.cosec@linkgroup.co.uk](mailto:aewu.cosec@linkgroup.co.uk) and address: 6th Floor, 65 Gresham Street, London EC2V 7NQ).

## Other relevant information

The cost, performance and risk calculations included in this Key Information Document follow methodology prescribed by EU Regulations.

Depending on how you buy these shares, you may incur other costs, including broker commission, platform fees and stamp duty. The distributor will provide you with additional documents where necessary.

The prospectus and additional information documents are available on the following websites:

<http://www.aewukreit.com>

<http://www.londonstockexchange.com>