Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

UK Equity Income Fund Halifax Class E Income

A sub-fund of the HBOS UK Investment Funds ICVC.
The Fund is managed by HBOS Investment Fund Managers Limited, part of the Lloyds Banking Group.
ISIN: GB00B29M8S45

Objectives and investment policy

To provide income, along with potential capital growth by investing in shares of companies which are part of the FTSE All-Share Index (the "Index").

Investments are selected by the Fund Manager which, collectively, aim to deliver an income of 110% of the dividend yield† of the Index on a rolling 3 year basis, before deduction of fees, and outperform the Index by 1.25%* per annum on a rolling 3 year basis, before deduction of fees.

At least 80% of the Fund will invest in companies which are part of the Index. The majority of these companies are those which are incorporated, or domiciled, or have a significant part of their business in the UK.

Companies will be selected which have the potential to provide higher than average dividend yields† and to achieve long term capital growth. The Fund seeks to hold more in these companies in comparison to the Index. Therefore, while the Fund will invest in a large number of companies in common with the Index, the amount held in any one company may be significantly different to the Index. The Fund is limited in the extent to which it can hold more (overweight) or less (underweight) in sectors†† relative to the Index, but it aims to hold more in sectors which are expected to provide a higher than average dividend yield.

The limits help to provide a balance between the spread of assets within the Fund and risk management. They also provide a balance between the amount the Fund can vary from the Index and providing the Fund Manager with flexibility to seek to outperform the Index. As a result the Fund's performance may differ from the Index.

*Note: Charges for this share class may exceed the Fund's outperformance target relative to the Index. If the charge (OCF) exceeds the outperformance target, the investment return will underperform the Index after deduction of fees even if the fund outperformance target is achieved. You should be aware there is a possibility of capital loss during periods of lower performance.

† The dividend yield is calculated by dividing the annual dividend paid in respect of a share by its share price.
†† A sector is a business area, industry or economy which shares the same characteristics. Company shares are typically grouped into different sectors depending on the company's business, for example travel and leisure or telecommunications.

The FTSE All-Share Index has been selected as an appropriate benchmark as it provides a representation of the returns of shares in the UK equity market.

Investors should aim to hold their investment in the Fund for the medium to long term (at least five to ten years). Any Income received by the Fund will be paid out to you. Derivatives and stock lending may be used for the purpose of managing the Fund in a way that is designed to reduce risk or cost and/or generate extra income or growth (often referred to as efficient portfolio management). Shares can usually be bought and sold on any working day.

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

Typically lower rewards, lower risk — **Typically higher rewards, higher risk**

1	2	3	4	5	**6**	7

- The Fund is ranked at 6 because it has experienced high levels of volatility over the past 5 years.
- The value of your investment and any income from it is not guaranteed and can go up and down depending on investment performance. Specific investment risks for the Fund are:
- Company shares ('equities') generally offer higher long term growth potential than some other asset classes. Values can fluctuate considerably. There's a greater risk you might not get back all of your money.
- The use of derivatives for Efficient Portfolio Management might not achieve the described outcomes and may result in greater fluctuations of the value of the Fund, however it is not intended that this will cause the risk profile of the Fund to change.
- As the Fund invests predominantly in companies which are part of the FTSE All Share Index, performance, before charges, may fall and rise with the Index.

Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	0.00%
Exit charge	0.00%

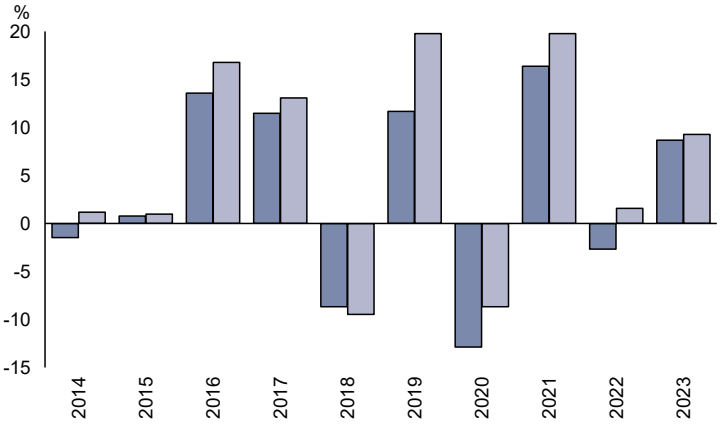
These are the maximum charges that we might take out of your money before it is invested and before we pay out the sale proceeds of your investment. In some cases, you might pay less and you should speak to your financial adviser about this.

Charges taken from the Fund over a year	
Ongoing charges	1.21%

Charges taken from the Fund under specific conditions	
Performance fee	NONE

- The ongoing charges figure is based on the last year's expenses and may vary from year to year. It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).
- The Ongoing Charges Figure (OCF) is as at 07/23
- The annual report for each financial year will include detail on the exact charges made.
- Part or all of the OCF is taken from the Fund's capital. For more information about charges, please refer to the Prospectus of HBOS UK Investment Funds ICVC (Ref: E1652)
- www.scottishwidows.co.uk/kiids/kiids-hbos

Past performance



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Fund	−1.5	0.8	13.6	11.5	−8.7	11.7	−12.9	16.4	−2.7	8.7
Benchmark 1 *	1.2	1.0	16.8	13.1	−9.5	19.8	−8.7	19.8	1.6	9.3

Source: FE fundinfo 2024

- You should be aware that past performance is not a guide to future performance.
- Fund launch date: 03/12/1984.
- Share/unit class launch date: 26/11/2007.
- Performance is calculated in GBP.
- Performance is net of charges and net of tax.
- The Index plus outperformance target and the Fund performance figures are shown on an annual basis.
- In practice, as explained in the 'Objectives and investment policy' section, the Fund's outperformance target applies over a rolling 3 year basis.
- In addition, the Index plus outperformance target is calculated without deduction of charges whereas Fund performance is calculated after deduction of charges.
- As at 31/01/2023 the average annual dividend yield over the past 3 years was 3.73% for the Fund, and the target it aimed to outperform was 3.65%. The Fund also aims to outperform the Index by 1.25% per annum on a rolling 3 year basis, before deduction of fees. This outperformance target is applied to the index and we illustrate it in the figures from 07/08/2019 onwards.
- * Benchmark 1 – Benchmark

Practical information

- The Fund Manager to the Fund is Schroders Investment Management Limited.
- The depositary for the Fund is State Street Trustees Limited.
- The Fund prices are available from www.scottishwidows.co.uk/funds
- The tax regime applicable is that of the United Kingdom and may have an impact on your tax position.
- HBOS Investment Fund Managers Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.
- HBOS UK Investment Funds ICVC is a UCITS with a number of different funds. The assets and liabilities of each fund are segregated by law. Therefore, the assets of this fund belong exclusively to it and are not available to meet the liabilities of any other fund of this ICVC. This KIID describes a single fund of the UCITS. The Prospectus and Report and Accounts are prepared for the entire UCITS and are available in English and free of charge at www.scottishwidows.co.uk/kiids/kiids-hbos
- Further details can be found in the Supplementary Investor Information Document for the product you're invested in.
- You can find further details on the Fund including its risks and the Fund's objective and policy in the Prospectus.
- You can make switches into other shares or funds. See "Switching Shares" in the Prospectus.
- Details of our remuneration policy, which includes a description of how remuneration and benefits are calculated, the identities of the persons responsible for awarding remuneration and benefits and the composition of the remuneration committee can be found here –
- http://reference.scottishwidows.co.uk/docs/groupremun.pdf. A paper copy is available free of charge upon request.

The Fund is authorised in the United Kingdom and regulated by the Financial Conduct Authority. HBOS Investment Fund Managers Limited is authorised in the United Kingdom and regulated by the Financial Conduct Authority.

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This Key Investor Information is accurate as at 14/02/2024.