

# 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.



## Corporate Bond Fund Halifax Class S Accumulation

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: GB00BD498X29

### Objectives and investment policy

To provide above average income by investing in investment grade corporate bonds\* and other fixed interest securities.

The Fund is actively managed by the Fund Manager who selects a portfolio to provide a running yield\*\* with the aim of outperforming the gross redemption yield\*\*\* of the iBOXX Sterling Corporate and Collateralised Index (the "Index") by 0.75% per annum on a rolling 3 year basis, before deduction of fees. At least 80% of the Fund will invest in a diversified portfolio of investment grade corporate bonds\*. At least 70% of the Fund will be invested in Sterling denominated investment grade corporate bonds. The Fund may also invest in Sterling and non-Sterling denominated non-investment grade corporate bonds\*, government and supranational bonds (these are a type of security issued by two or more governmental organisations), covered bonds, emerging market bonds and asset backed securities such as securitised loans.

Investment in the asset classes will be direct, and indirect using derivatives as an additional way for the Fund to invest with the aim of meeting the Fund's investment objective. The extent of derivative use for investment purposes is dependent on market conditions and will be limited as the intention is that this should not change the risk profile of the Fund. The Fund may invest in cash and cash like investments. Derivatives and stock lending may be used for the purpose of managing the Fund in a way that is designed to reduce risk (for example by hedging) or cost and/or generate extra income or growth (often referred to as efficient portfolio management).

80% of the Fund's assets will be sterling denominated or hedged back to sterling. The extent of hedging of the remaining 20% is at the discretion of the Fund Manager. Hedging involves the use of the derivatives to offset the effect of currency exchange rates.

\*Credit ratings indicate the likelihood that an issuer will be able to make their payments. Investment grade bonds have achieved or exceeded a minimum credit rating awarded by a credit rating agency. Therefore they are considered lower risk than bonds with a lower credit rating. Non-investment grade bonds, also known as high yield bonds, have a lower credit rating than investment grade bonds, and so are considered higher risk.

\*\* A running yield represents annual income from bonds in the Fund as a percentage of its current value.

\*\*\* The gross redemption yield represents the total return from a bond (income plus any growth), assuming the bonds are held to their maturity date.

The iBOXX Sterling Corporate and Collateralised Index has been selected as an appropriate benchmark as it provides a representation of the returns of securities in the sterling investment grade corporate bond 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 is retained in the Fund and has the effect of increasing the share price.

### 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



- The Fund is ranked at 4 because it has experienced medium 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:
  - The value of a bond / fixed interest security could fall if the issuer's credit rating falls. Values are also likely to fall if interest rates rise (but increase when interest rates fall). In addition issuers might fail to make their income payments and/or repay capital.
  - The fund invests in non-investment grade bonds / securities, which carry increased risks that the issuers might have their credit rating cut or might not be able to make their payments.
  - 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.
  - Using derivatives for investment purposes is not intended to increase the Fund's risk profile, but may increase volatility. Derivative strategies could increase or reduce the impact of market movements which has the potential to result in greater losses, or gains, to the Fund.

## 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

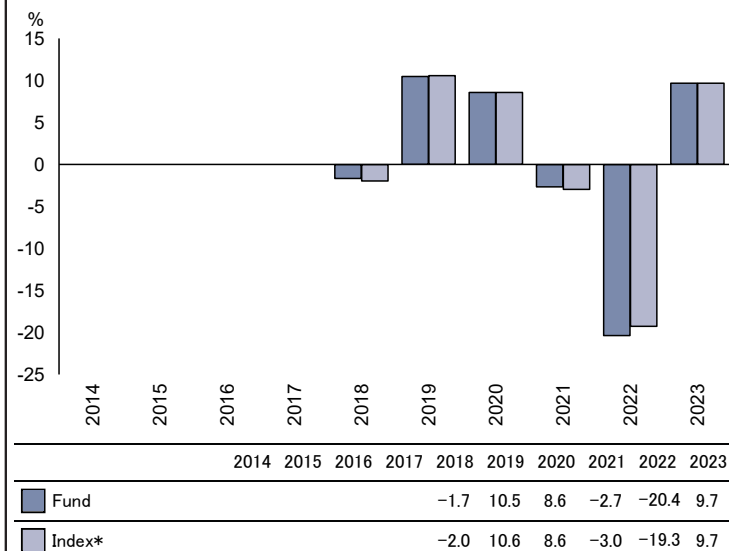
Ongoing charges	0.26%
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### Charges taken from the Fund under specific conditions

Performance fee	NONE
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- 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 31/01/24
- The annual report for each financial year will include detail on the exact charges made.
- The Ongoing Charge is taken from the income of the Fund. 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](http://www.scottishwidows.co.uk/kiids/kiids-hbos)

## Past performance



- You should be aware that past performance is not a guide to future performance.
- Fund launch date: 12/10/2000.
- Share/unit class launch date: 20/02/2017.
- Performance is calculated in GBP.
- Performance is net of charges.
- The Index and the Fund performance figures are shown on an annual basis.
- As explained in the 'Objectives and investment policy' section, the Fund has an income target which is measured over a rolling 3 year basis.
- In addition, the index is calculated without deduction of charges whereas fund performance is calculated after deduction of charges.
- As at 31/01/2024 the Fund's average running yield over the past 3 years was 4.14%, the target it aimed to outperform was 5.00%.
- In addition, the Index is calculated without deduction of charges whereas Fund performance is calculated after deduction of charges.
- \* iBoxx Sterling Corporate & Collateralized

## Practical information

- The Fund Manager to the Fund is Schrodgers Investment Management Limited.
- The depositary for the Fund is State Street Trustees Limited.
- The Fund prices are available from [www.scottishwidows.co.uk/funds](http://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 the HBOS UK Investment Funds 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](http://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/groupepremun.pdf>. A paper copy is available free of charge upon request.