

31 January 2024

Pension Fund

Clerical Medical UK Equity Tracker

Fund Aim

To match as closely as possible the performance of the FTSE All-Share Custom Screened Index (the "Benchmark Index"), before deduction of fees, by investing in UK shares. The Fund aims to invest in shares of all of the companies within the Benchmark Index. This is often referred to as a 'full replication' approach. Where HIFML believes it can provide an advantage to the Fund in managing costs, to achieve a more efficient way of tracking the Benchmark Index, or where there are exceptional market circumstances, the Fund may include or exclude specific shares and/or other security types which are representative of a share in the Benchmark Index (such as depositary receipts). The Fund may also invest, up to 10%, in other funds to gain exposure to the Benchmark Index. Derivatives and stock lending may only be used for efficient portfolio management purposes. The Benchmark Index measures the performance of a sub-set of equity securities within the FTSE All-Share Index (the "Parent Index"). The Parent Index provides a representation of the returns of securities in the UK equity market by measuring the performance of shares of small, medium and large companies listed in the UK. The Benchmark Index excludes companies from the Parent Index based on the HIFML exclusions screening criteria in relation to controversial weapons, violations of United Nations Global Compact principles, Thermal Coal and Tar Sands as well as Tobacco.

'Fund Changes'
'ESG Metrics'

This document is provided for the purpose of information only. This factsheet is intended for individuals who are familiar with investment terminology. Please contact your financial adviser if you need an explanation of the terms used. This material should not be relied upon as sufficient information to support an investment decision. The portfolio data on this factsheet is updated on a quarterly basis.

Information Statement

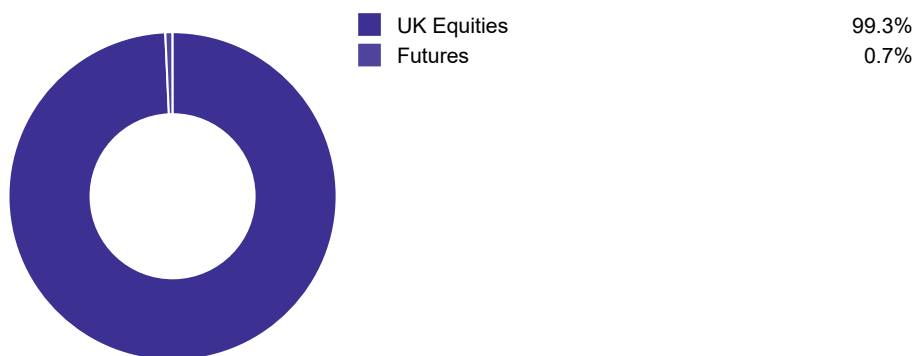
The fund invests via the HBOS Investment Fund Managers Limited (HIFML) UK Equity Tracker OEIC Fund. A shortened version of the OEIC Fund aim is detailed under the heading Fund Aim.

From 28th March 2022 we excluded certain companies from the fund and the fund tracks a new benchmark index in order that it invests more responsibly. Please see Fund Changes link for more details. Clerical Medical produce Environmental, Social and Governance themed fund metrics. Selected data can be found using the ESG metric link.

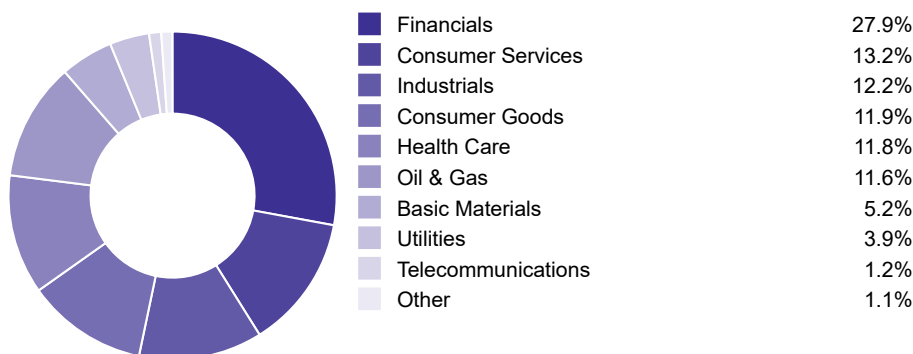
Basic Fund Information

Fund Launch Date	01/12/2000
Fund Size	£59.5m
Benchmark	FTSE All Share Custom Screened
ISIN	GB0005001242
MEX ID	CMUEQU
SEDOL	0500124
Manager Name	EMEA Portfolio Engineering Team
Manager Since	07/03/2022

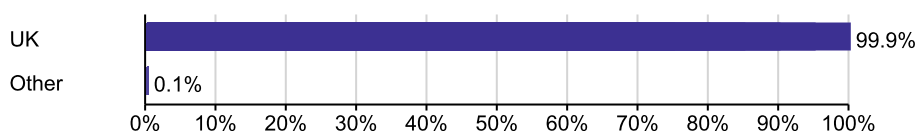
Asset Allocation (as at 31/12/2023)



Sector Breakdown (as at 29/12/2023)



Regional Breakdown (as at 31/12/2023)



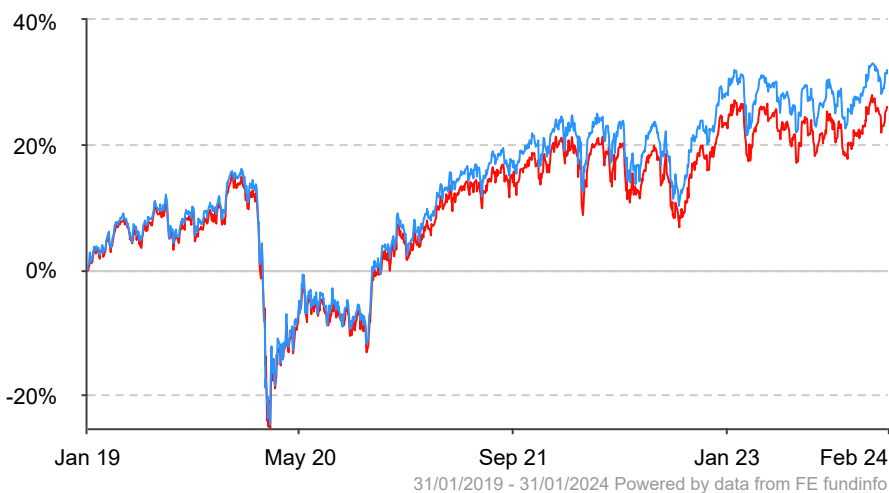
Top Ten Holdings

(as at 31/12/2023)

SHELL PLC	7.7%
ASTRAZENECA PLC	7.1%
HSBC HOLDINGS PLC	5.6%
UNILEVER PLC	4.3%
BP PLC	3.5%
RIO TINTO PLC	2.9%
DIAGEO PLC	2.9%
RELX PLC	2.7%
GLAXOSMITHKLINE	2.6%
LONDON STOCK EXCHANGE GROUP PLC	1.9%
TOTAL	41.2%

The composition of asset mix and asset allocation may change at any time and exclude cash unless otherwise stated

Past Performance



PP UK Equity Tracker Pn

FTSE All Share Custom Screened

The index tracked by the Fund changed from FTSE All-Share Index to FTSE All-Share Custom Screened Index. The index performance displayed shows the original index up to 28 March 2022 and the Custom Screened Index from 29 March 2022.

The Fund is not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). The LSE Group does not accept any liability whatsoever to any person arising out of the use of the FTSE All-Share Custom Screened Index or FTSE All-Share Index, or the underlying data.

Past performance is not a guide to future performance. Investment value and income from it may fall as well as rise, as a result of market and currency movements. You may not get back the amount originally invested.

Discrete Performance

	31/12/2022 - 31/12/2023	31/12/2021 - 31/12/2022	31/12/2020 - 31/12/2021	31/12/2019 - 31/12/2020	31/12/2018 - 31/12/2019
Clerical Medical UK Equity Tracker	7.7%	-0.7%	16.4%	-9.7%	18.2%
FTSE All Share Custom Screened	9.0%	0.0%	18.3%	-9.8%	19.2%

Information is shown as unavailable if prior to the launch of fund.

Cumulative Performance

	31/12/2023 - 31/01/2024	31/10/2023 - 31/01/2024	31/01/2023 - 31/01/2024	31/01/2021 - 31/01/2024	31/01/2019 - 31/01/2024
Clerical Medical UK Equity Tracker	-0.9%	6.3%	2.8%	24.2%	26.0%
FTSE All Share Custom Screened	-1.2%	6.7%	2.7%	28.5%	31.5%

Source: FE fundinfo as at 31/01/2024

Performance figures are in £ Sterling on a single pricing basis, with income (where applicable) reinvested net of UK tax and net of total annual fund charges. These figures do not include any initial charge or other product charge(s) that may be applicable.

Fund Rating Information

Overall Morningstar Rating -

Morningstar Medalist Rating -

FE fundinfo Crown Rating 5

The FE fundinfo Crown Rating relates to this fund. However, the Morningstar ratings are based on the underlying fund. These are supplied by the respective independent ratings agencies and are the latest available at the time this factsheet was issued. Past performance is not a reliable indicator of future results.

Other Information

The views, opinions and forecasts expressed in this document are those of the fund manager. Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statement of fact, nor should reliance be placed on these views when making investment decisions.

For further information contact your local sales office or phone Customer Services on 0345 030 6243 (Life and Pensions) 0345 300 2244 (OEIC). Details are also available at www.clericalmedical.co.uk

Not all products have access to this fund, please refer to the relevant product literature. Full terms and conditions are available on request from us using the contact details provided. Charges, terms and the selection of funds we make available may change. Information on the general and specific risks associated with investing in this fund is available in the relevant fund guide, or KIID where applicable. All information is sourced from Scottish Widows or the relevant fund management group unless otherwise stated.

Quarterly Fund Manager Review

UK equities rose over the quarter, although they underperformed global equities, benefiting from the improvement in sentiment as markets priced in multiple rate cuts from the US Federal Reserve (Fed) in 2024. However, the recovery was hampered by a rising pound against the US dollar, as the Bank of England (BoE) was expected to be slower to ease monetary policy than its US counterpart. This impacted the larger, international companies, whereas small- and mid-cap stocks outperformed, as domestically focused areas of the economy were stronger. In addition, the UK's higher weighting to the energy sector and lower exposure to technology were negatives over the quarter. Inflation fell from 6.7% in September to 3.9% in November, the lowest reading since September 2021 and well below forecasts. Economic news remained disappointing as the UK economy shrank by 0.1% in the third quarter, where initial estimates had given a flat reading. In November, Chancellor Jeremy Hunt announced the Autumn Statement, which showed that inflation had resulted in increased tax receipts. This allowed the government to commit to some fiscal easing measures, including tax cuts, updated welfare benefits, and an extension of the 100% capital expenditure allowance, which allows companies to deduct capex from taxable income. Following these announcements, however, GDP was still forecast to rise a mere 0.7% in 2024. On the brighter side, the composite PMI for November rose back into expansionary territory, at 50.7 (a reading above 50 indicates growth). Consumer confidence fell in October but improved in November, albeit to a still-negative -24, as people became less pessimistic about their financial situation. The improved inflation outlook, along with weak economic data, spurred hopes that the BoE may go in the direction of the Fed and soon indicate multiple rate cuts in 2024. The BoE held interest rates steady over the quarter at a 15-year high of 5.25%. However, in contrast with Fed policymakers, the Monetary Policy Committee still projected 'higher-for-longer' rates, with the first cut not expected until the third quarter of 2024, and rates not falling to 4.25% until the end of 2026.

EMEA Portfolio Engineering Team 31/12/2023

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