

A young woman with long blonde hair, wearing a red and blue plaid shirt and blue jeans, is smiling and looking down at a wicker basket filled with red and green apples. She is standing in an orchard with blurred trees in the background.

HL GROWTH FUND

The essential guide
to your default
pension fund

HARGREAVES
LANSDOWN

INTRODUCTION

One of the great things about your workplace pension is that if you don't want to choose your own investments, you don't have to.



NICK CLOUGH
Product Specialist

Some people are happy to make their own investment choices. But if you don't choose where to invest your contributions, they'll be invested into the default fund.

The default fund for your workplace pension is the **HL Growth Fund**, managed by our sister company Hargreaves Lansdown Fund Managers Ltd. It aims to grow your pension money over the long term. But it's not a personal recommendation or guaranteed to be suitable for your circumstances. If you're not sure where to invest, please ask for advice.

In this guide, we take a closer look at the HL Growth Fund, what it is and how it works.

Setting aside just a few minutes to read this guide could make all the difference to when you can retire and how much income your pension could provide.

“

Saving for your life after work is important. The HL Growth Fund is designed to help your pension grow over time.

WHAT IS A FUND?

A fund pools together the money of lots of different investors, and a fund manager invests on their behalf.

Funds offer an easy and convenient way to invest, and are popular with novice and experienced investors alike. They offer an easy way of diversifying across a number of different investments, and access to the skills of a professional fund manager.

As with all investments, the value of funds can go down as well as up over time. This means you could get back less than you invest.

The HL Growth Fund is actively managed. The fund manager's goal is to maximise the value of the fund over time by selecting investments that are expected to perform well.

FUNDS AT A GLANCE

- You can hold shares, bonds and cash in one investment
- Potential to grow money over the long term
- Investment decisions made and reviewed by a professional fund manager
- The HL Growth Fund is the default fund for your workplace pension if you don't choose your own investments

IMPORTANT INFORMATION

We wrote this guide to give you useful information about your workplace pension default fund, but it's not personal advice. If you're not sure whether a particular investment is right for you, please ask about advice.

The information in this guide was correct as at 21 January 2025 unless otherwise stated. Pension and tax rules can change, and their benefits depend on your circumstances. The HL Growth Fund is managed by our sister company Hargreaves Lansdown Fund Managers Ltd.

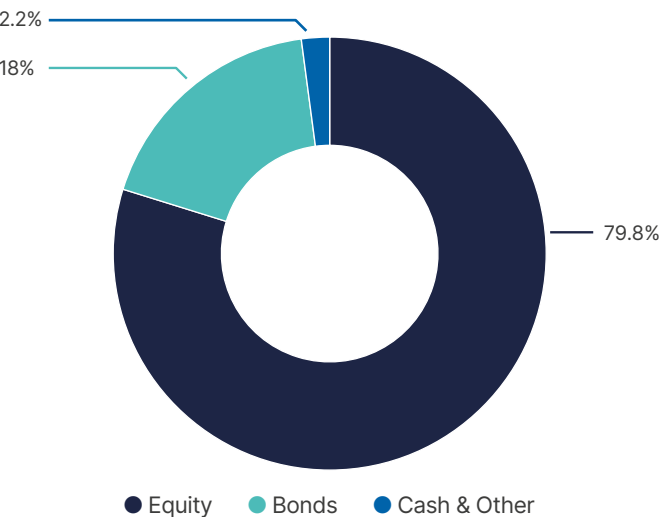
The performance of the HL Growth Fund isn't guaranteed – its value can fall as well as rise and we therefore believe investing should only be considered for the long term (5+ years). As with all investments, you could get back less than you put in.

You can't usually get money you put in a pension back until age 55 (rising to 57 in 2028).

HL GROWTH FUND

ASSET ALLOCATION – FUND LEVEL

Asset Type Split



Regional Exposure	% Holding
North America	55.1
UK	12.7
Europe ex UK	12.4
Emerging Markets	11.5
Japan	5.5
Asia Pac ex Japan	2.8

Top Ten Holdings	% Holding
Nvidia	3.1
Microsoft	2.8
Apple	2.7
Alphabet	1.1
Amazon	1.0
Meta	0.9
AstraZeneca	0.7
Taiwan Semiconductor Manufacturing	0.7
Unilever	0.7
HSBC	0.7

LGIM, BlackRock, HL, correct as of 31 December 2024
subject to rounding error

OBJECTIVE & INVESTMENT POLICY

The objective of the Fund is to deliver long term growth over rolling 10-year periods.

The Fund will invest indirectly via other collective investment schemes in a variety of asset classes globally, including equities, fixed income securities, money market instruments, and cash. The Fund may also invest indirectly in property and commodities. The Fund's exposure to equities (via indirect or direct investment) is expected to fall between 70% and 85% of its net asset value in normal market conditions.

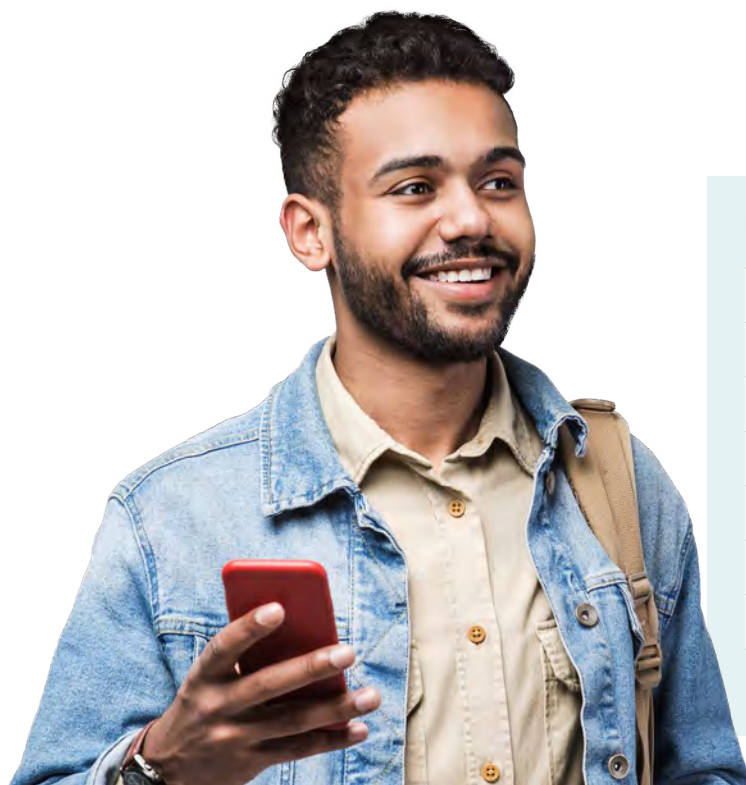
The Fund will invest principally or entirely in index tracking funds which are designed to replicate the performance of an index. The underlying funds in which the Fund will invest will generally be established in Europe (including the UK, Jersey and Guernsey). The Fund will invest at least 70% of its net asset value in assets which are included in indices in respect of which certain environment, social and/or governance ("ESG") requirements apply. The nature and extent of such ESG requirements will vary depending on the specific indices in which the Fund is seeking to invest.

The fund may use financial instruments that are linked to an indicator or commodity, and through which specific financial risks can be traded in financial markets in their own right. Please note the use of derivatives is a higher risk approach.

SUSTAINABLE INVESTMENT APPROACH

Sustainable investment labels help investors find products that have a specific sustainability goal. The HL Growth Fund doesn't meet the requirements of any of the four label categories so this product does not have a UK sustainable investment label. The Fund has a financial objective to deliver risk-adjusted returns to investors. The Fund doesn't have a sustainability objective, however it does incorporate certain sustainability characteristics which can be found [here](#).





KEY FACTS

Launch date	15 December 2021
Fund size*	£1.567 Billion
Pricing frequency	Daily
Valuation point	12:00
Income treatment	Accumulation
Initial charge	0.00% through HL
OCF	0.10%

*Source: Lipper, correct as of 31 December 2024.

PERFORMANCE SINCE LAUNCH*



Past Performance is not a guide to future returns.

	Dec 19 To Dec 20	Dec 20 To Dec 21	Dec 21 To Dec 22	Dec 22 To Dec 23	Dec 23 To Dec 24
HL Growth Fund	N/A*	N/A*	-11.1%	12.4%	14.5%
Comparator	5.2%	11.2%	-10.1%	8.1%	9.0%
	3 Months	1 Year	3 Years	5 Years	Since Launch*
HL Growth Fund	3.5%	14.5%	14.5%	N/A	15.7%
Comparator	1.2%	9.0%	6.0%	24.0%	6.9%

The comparator is the IA Mixed Investment 40-85% Shares sector.

*The HL Growth Fund launched on 15 December 2021. N/A means full year figures are not available.

Source: Lipper IM, to 31 December 2024.

COSTS AND CHARGES

These examples show the effect of charges, time and performance on returns. They are for illustrative purposes only – your actual returns could be higher or lower depending on fund performance.

HL GROWTH FUND

MAIN CHARGES

There's a tiered annual charge to hold funds with Hargreaves Lansdown, with a maximum of 0.45% each year. The fund also has its own annual charge of 0.10%. Add the two together and you get the **annual charge of 0.55%**.

HOW MUCH MIGHT IT COST OVER 5 YEARS?

The following charges are based on an investment of £5,000 within a SIPP over 5 years, assuming 4% growth.

Total charges over 5 years	£174.90
Average annual charge	0.64%*
Illustrative 5 year value	£5,890.86
Illustrative 5 year value with no charges applied	£6,083.26

See also the Key Investor Information later in this guide. If you'd like a more detailed breakdown of costs and charges, please contact us.

*This differs from the quoted annual charge of 0.55% because it includes the fund manager's additional costs (e.g. transaction costs).

ILLUSTRATION:

These tables show what your pension value and income might be for a range of gross/employer contributions and years to retirement. **Assumptions:** 4% annual growth, 0.55% charges and retirement at 65. Amounts are in real terms, assuming 2% annual inflation. Actual rates of return and charges will depend on your investments and their performance and may be better or worse than shown. The annual income is a single life, level annuity, paid in advance monthly installments, with a 5-year guarantee and no tax-free cash.

Years to retirement		MONTHLY SAVINGS			SINGLE PAYMENT		
		£50	£100	£300	£10,000	£20,000	£40,000
5 Years	Value	2,960	5,920	17,700	10,600	21,300	42,700
	Income	196	393	1,180	710	1,420	2,840
10 Years	Value	5,840	11,600	35,000	11,400	22,800	45,600
	Income	385	771	2,310	754	1,500	3,010
15 Years	Value	8,670	17,300	52,000	12,200	24,400	48,800
	Income	566	1,130	3,400	797	1,590	3,190
20 Years	Value	11,400	22,900	68,800	13,000	26,100	52,200
	Income	741	1,480	4,440	843	1,680	3,370
25 Years	Value	14,200	28,500	85,500	13,900	27,900	55,800
	Income	911	1,820	5,460	892	1,780	3,560
30 Years	Value	17,000	34,000	102,000	14,900	29,800	59,600
	Income	1,070	2,150	6,470	943	1,880	3,770
35 Years	Value	19,800	39,700	119,000	15,900	31,800	63,700
	Income	1,240	2,480	7,460	999	1,990	3,990
40 Years	Value	22,700	45,400	136,000	17,000	34,000	68,100
	Income	1,400	2,810	8,460	1,050	2,110	4,230

The table opposite shows the effect of charges on your workplace pension, assuming £300 monthly contributions.

End of year	Total paid in to date	Before charges are taken	After all charges are taken from this SIPP
1	3,560	3,600	3,590
3	10,400	10,800	10,700
5	17,100	18,000	17,700
20	59,400	73,200	68,800

Charges reduce the yearly growth rate from 1.90% to 1.30%

KEY INVESTOR INFORMATION

HARGREAVES
LANSDOWN

NON UCITS RETAIL SCHEME 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.

Class A Accumulation Shares

HL Growth Fund (“the Fund”)

The Fund is established as a non-UCITS retail scheme (‘NURS’) as a Sub-Fund of HL ICVC 1 Umbrella Fund. ISIN GB00BL6L0369. This fund is managed by Hargreaves Lansdown Fund Managers Limited, part of Hargreaves Lansdown PLC.

This fund is authorised in the United Kingdom and regulated by the Financial Conduct Authority.

OBJECTIVES AND INVESTMENT POLICY

The Fund aims to grow your investment over any 10-year period. The Fund also aims to maintain a level of risk ranging between 80% and 90% of the global stock market's volatility, as represented by the MSCI All Countries World Index (GBP Total Return, Net). The Fund's volatility is assessed at least monthly on a forward-looking basis but may not remain within the risk range.

At least 90% of the Fund's net asset value will be invested in collective investment schemes (including regulated schemes and index tracking exchange traded funds), established in Europe and the UK, which aim to track the performance of various indices across a range of asset classes, including Equity and Fixed income securities. The Fund can also invest, via collective investment schemes, in Commodities and Property. The Fund may also invest directly or indirectly up to 10% in money market instruments, cash and near cash. The Fund may also invest up to 10% of its net asset value in actively managed funds.

The Fund may often be invested entirely in regulated collective investment schemes managed or operated by an Investment Adviser, including investment of up to 100% of the Fund's net asset value in index tracking funds. The Investment Adviser will use their own method for managing their allocation of the Fund's portfolio.

Due to the risk profile, the Fund's exposure to equities will typically range between 70% and 90% of its net asset value. However, there may be periods when the Fund's exposure to equities may be outside this range due to market movements or in extraordinary market conditions.

The Fund is actively managed and uses strategic asset allocation to determine the Fund's long-term allocation to

different asset classes through collective investment schemes. The Fund will blend asset classes for diversification, aiming to provide returns consistent with the Fund's risk profile and return aim. The strategic asset allocation will be adjusted periodically.

The Fund will invest at least 85% of its net asset value in collective investment schemes which seek to track indices in respect of which certain environmental, social and/or governance (“ESG”) requirements apply. The nature and extent of such ESG requirements will vary depending on the specific indices such collective investment schemes seek to track. The ESG requirements may include the application of minimum ESG scoring or rating requirements, ESG tilted indices, and/or ESG exclusions or the application of techniques to lower the carbon intensity of the index. There may be periods when the Fund's investment in components which implement ESG techniques may be less than 85% of the Fund's net asset value.

The fund is benchmarked against the IA Mixed 40-85% Sector for comparative purposes.

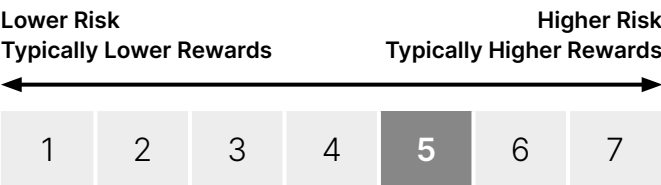
The Fund may use derivative instruments and forward transactions for the limited purposes of efficient portfolio management, including hedging.

Dividend income generated by the Fund is reinvested.

You can normally buy or sell shares in this Fund on each Business Day. Instructions received and accepted up until 13:30 (09:00 for HL platform clients) will be dealt at the price calculated at 22:30 that day.

Recommendation: this fund may not be appropriate for investors who plan to withdraw their money within 5 years.

RISK/REWARD PROFILE



The Fund is ranked at 5 because funds of this type have experienced moderate to high rises and falls in value in the past. The Fund's risk category has been calculated using historical data, which may not be a reliable indication of the future risk profile of the Fund.

The Fund's category is not guaranteed to remain the same and may change over time.

Even a fund in the lowest category is not a risk-free investment. The value of your investment and any income you take from it may fall as well as rise and is not guaranteed.

You might get back less than you invest.

The indicator does not take into account the following risks of investing in this Fund:

- The Fund's Net Asset Value can be influenced by factors such as stock market fluctuations, political and economic events, corporate earnings reports and catastrophic events. This means that the Fund may suffer losses and should not be regarded as a short-term investment.
- Economic factors such as changes in interest rates, inflation, deflation and supply and demand can affect the value of

your investment. As with any investment, inflation will reduce the real value (i.e. purchasing power) of the capital over time.

- The Fund is potentially exposed to adverse movements in equity, bond, commodity, currency and other market prices, indices or rates (market risk) or changes in the anticipated or calculated volatility of these movements (volatility risk). This could result in a Fund losing value.
- In extreme liquidity conditions, redemptions in the underlying funds, and/or the fund itself, may need to be deferred or suspended.

- The Fund is valued using the latest available price for each collective investment scheme. These prices may not fully reflect changing market conditions.
- The Fund may use derivatives for efficient portfolio management purposes. There is a risk that any counterparty used does not fulfil its obligation.
- As a result of environmental, social and governance (ESG) investment restrictions the fund may not invest in certain companies, sectors, regions or countries. This may limit the universe of investments available to the fund and impact returns compared to funds with no such restrictions.

CHARGES

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

One-off charges taken before or after you invest	
Entry charge	1%
Exit charge	0%

These are the maximum charges that might be taken out of your money before it is invested and before we pay out the sale proceeds of your investment. Actual entry/exit charges can be obtained from your financial advisor or distributor.

Charges taken from the Fund over a year	
Ongoing Charges	0.10%

The ongoing charges have been fixed at 0.1%. Any additional costs will be met by the Fund Manager.

The Fund is single-priced. A dilution adjustment may be applied when you buy/sell units in the fund, which may increase/decrease the transaction price. Further information about charges can be found in the Prospectus.

Charges taken from the Fund under specific conditions	
Performance Fee	0%

PRACTICAL INFORMATION

This document describes a sub-fund of the HL ICVC 1 Umbrella Fund. The prospectus and periodic reports are prepared for the entire Fund.

The sub-funds of the HL ICVC 1 Umbrella Fund are segregated by law.

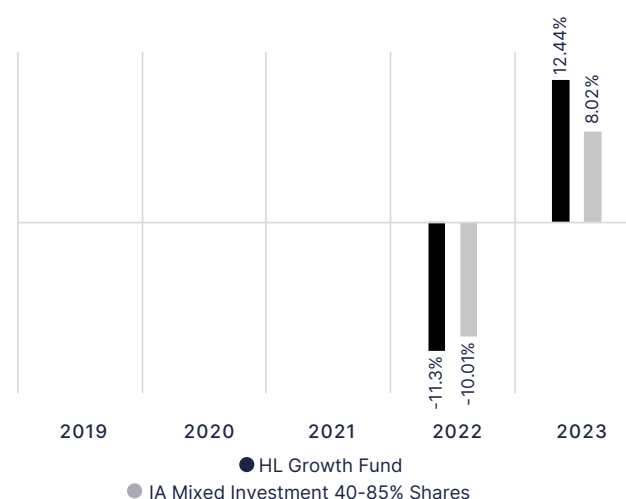
In the unlikely event of one sub fund having debts, the assets of the other sub funds may not be used to settle these.

Investors may switch into other sub funds of the HL ICVC 1 Umbrella Fund – further details can be found in the Prospectus (Section 3: Buying, Redeeming, Converting and Switching Shares)

Trustee/Depository: Northern Trust Investor Services Limited (NTISL), 50 Bank Street, Canary Wharf, London E14 5NT. NTISL is authorised and regulated by the Financial Conduct Authority (FCA).

Fund Registrar: Northern Trust Global Services SE (NTGS SE), 50 Bank Street, London E14 5NT. The Registrar is authorised by the Prudential Regulation Authority (PRA) and regulated by the FCA and the PRA.

PAST PERFORMANCE



Past performance is not a guide to future performance.

Fund launch date: 15/12/2021

Unit class launch date: 15/12/2021

Base currency: Pounds Sterling.

Fund Auditors: Ernst & Young Chartered Accountants, 25 Churchill Place, London E14 5EY.

Jurisdiction and Governing Law

This document is governed by English Law. HLFM will communicate with you in English (and you with us) in respect of this product.

Current fund unit prices may be obtained from www.hl.co.uk or on **0117 900 9000**

Any tax features of your investment in the Fund are not guaranteed: they can change at any time and their value will depend on your circumstances.

Changes to U.K. Tax legislation may have an impact on your personal tax position.

A full prospectus and most recent reports and accounts for this fund are available in English free of charge by visiting the HL website or contacting HL on **0117 900 9000**

This key investor information is accurate as at 29 November 2024

