

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.

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

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 17 January 2023 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).

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.

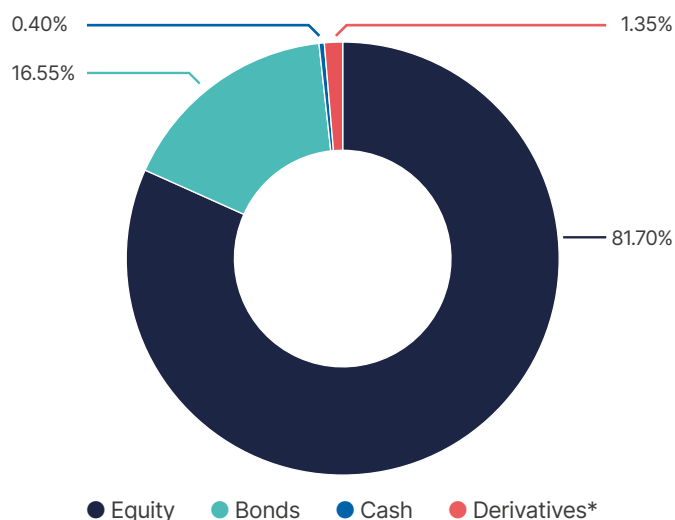
FUNDS AT A GLANCE

- 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

HL GROWTH FUND

ASSET ALLOCATION – FUND LEVEL

Asset Type Split



Regional Exposure	% Holding
North America	52.43
Europe ex UK	12.64
UK	11.56
Asia Pac ex Japan	2.93
Emerging Markets	14.87
Japan	5.56

Top Ten Holdings	% Holding
Microsoft	3.27
Apple	2.87
Nvidia	1.41
Amazon	1.12
Taiwan Semiconductor Manufacturing	1.00
AstraZeneca	0.75
Meta	0.69
Tesla	0.62
Alphabet	0.59
HSBC	0.57

LGIM, BlackRock, HL, correct as of 31 December 2023

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.

*Derivatives are 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.



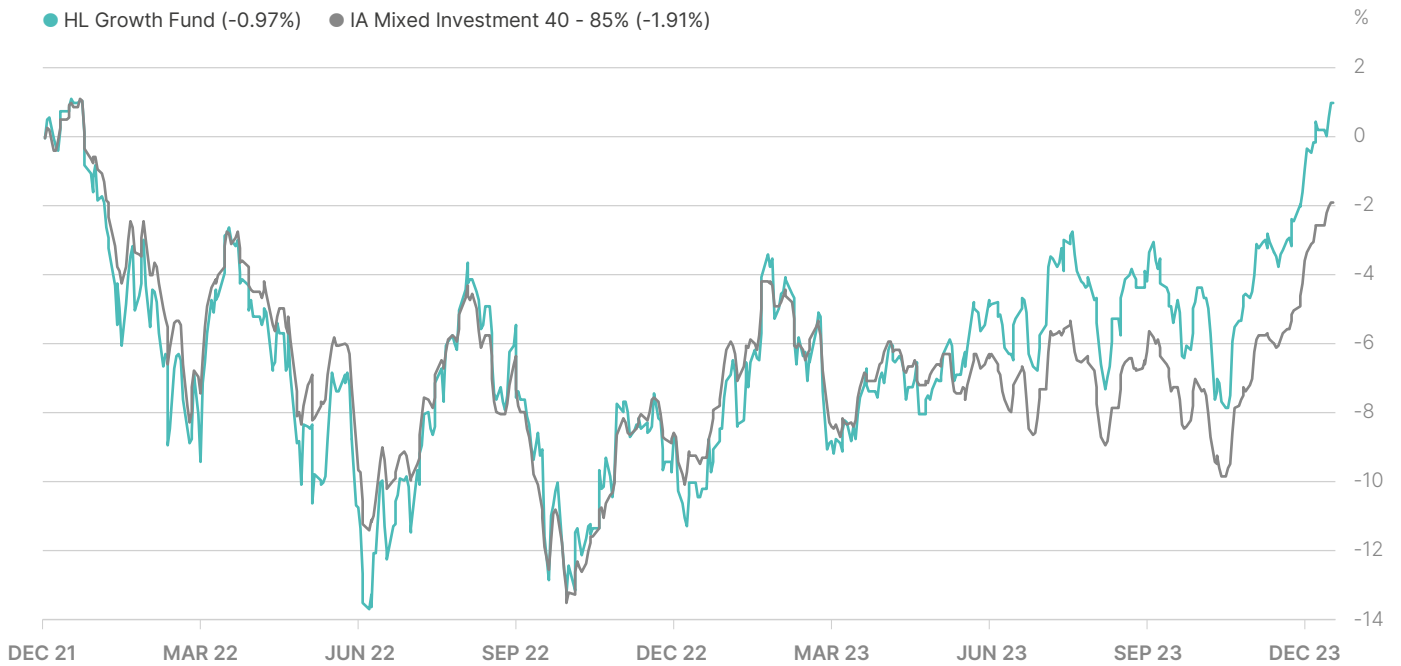


KEY FACTS

Launch date	15 December 2021
Fund size*	£875.57 million
Pricing frequency	Daily
Valuation point	12:00
Income treatment	Accumulation
Initial charge	0.00% through HL
OCF	0.10%

*Source: Lipper, correct as of 29 December 2023.

PERFORMANCE SINCE LAUNCH*



Past Performance is not a guide to future returns.

	Dec 18 To Dec 19	Dec 19 To Dec 20	Dec 20 To Dec 21	Dec 21 To Dec 22	Dec 22 To Dec 23
HL Growth Fund	N/A*	N/A*	N/A*	N/A*	12.44%
Comparator	15.96%	5.22%	11.17%	-10.06%	8.12%
	3 Months	1 Year	3 Years	5 Years	Since Launch*
HL Growth Fund	6.72%	12.44%	N/A*	N/A*	0.97%
Comparator	5.78%	8.12%	8.11%	31.90%	-1.91%

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 2023.

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	£186.14
Average annual charge	0.68%*
Illustrative 5 year value	£5,878.49
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	176	353	1,060	638	1,270	2,550
10 Years	Value	5,840	11,600	35,000	11,400	22,800	45,600
	Income	346	692	2,070	677	1,350	2,700
15 Years	Value	8,670	17,300	52,000	12,200	24,400	48,800
	Income	509	1,010	3,050	716	1,430	2,860
20 Years	Value	11,400	22,900	68,800	13,000	26,100	52,200
	Income	665	1,330	3,990	757	1,510	3,030
25 Years	Value	14,200	28,500	85,500	13,900	27,900	55,800
	Income	818	1,630	4,910	801	1,600	3,200
30 Years	Value	17,000	34,000	102,000	14,900	29,800	59,600
	Income	969	1,930	5,810	847	1,690	3,390
35 Years	Value	19,800	39,700	119,000	15,900	31,800	63,700
	Income	1,110	2,230	6,700	897	1,790	3,590
40 Years	Value	22,700	45,400	136,000	17,000	34,000	68,100
	Income	1,260	2,530	7,600	950	1,900	3,800

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

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

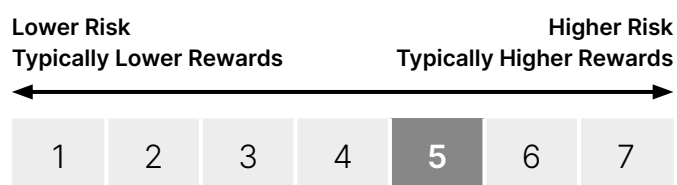
The Fund may use derivative instruments and forward transactions for the limited purposes of efficient portfolio management, including hedging.

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 10.00am will be dealt at the price calculated at 12.00am 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 in any particular period, 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 price of all investments, and so affect the value of your investment in a Fund. 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 can apply a ‘fair value price’ to all or part of its portfolio to mitigate this risk.
- 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%
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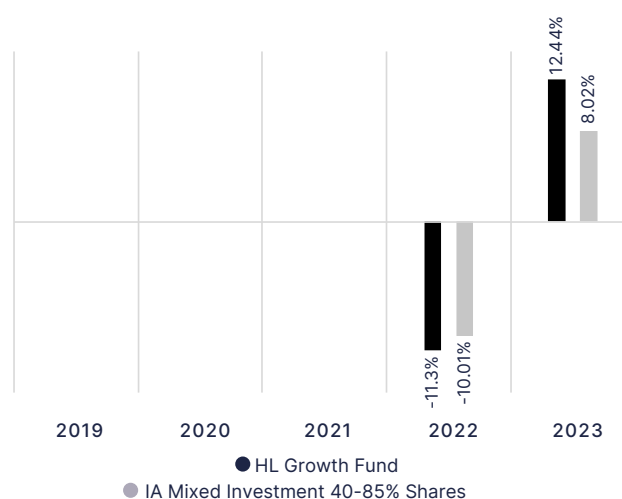
The ongoing charges have been fixed at 0.1%. Any additional costs will be met by the Fund Manager.

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%
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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.

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/Depositary: 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.

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**



Hargreaves Lansdown
One College Square South
Anchor Road Bristol BS1 5HL

0117 314 1795
invest@hl.co.uk
www.hl.co.uk

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