

Hargreaves Lansdown

# **Independent Governance Committee Report**

## Workplace Pension

# 2025

# CONTENTS

- 3** Introduction
- 4** Your workplace pension dashboard for 2025
- 5** Our conclusion on value for money
- 8** Acquisition of HL by a private equity consortium
- 9** Workplace pensions: what we considered when doing our value for money assessment
- 29** Comparisons with other pension schemes
- 30** What we considered when completing the investment policies assessment
- 32** Understanding your views
- 33** The new “Consumer duty” rules
- 33** How HL cooperated with our assessment
- 33** Limitations of our assessment
- 34 Appendices:**
  - 35** Why we’re here
  - 36** The members of the IGC
  - 38** Value for money (VFM) framework
  - 39** Costs and charges information
- 40 Jargon buster**

# Introduction

Hello and welcome to our 2025 report, which covers the 2024 calendar year. We'll tell you whether we think your pension scheme gives you **value for money** and our opinion on Hargreaves Lansdown's investment policies.



My name is Kim, and I chair the committee (the Independent Governance Committee, or "IGC") who have written this report. Our role is to assess whether you get **value for money (VFM)** from your pension scheme. You can find how we did this and much more information on the background and role of the committee by reading the rest of this report. It's enough to say for now, though, that we're here to act in your interests and that we're independent of Hargreaves Lansdown (who from now on I'll call "HL").

The report includes some important "calls to action". These are things you need to do to make the most of your pension scheme.

Sometimes we've had to use industry jargon. Where we've done this, we've put the words in **bold** and given a definition in the jargon buster which you can find at the very back of the report.

We'd love to hear your views or comments on this report or your pension scheme. You can email us on [IGC@hl.co.uk](mailto:IGC@hl.co.uk)

**Or write to us at;**

FAO: IGC  
Freepost  
HARGREAVES LANSDOWN

Thank you for reading this report.

# YOUR WORKPLACE PENSION DASHBOARD FOR 2025

A committee of independent professionals (the “IGC”) have assessed whether your workplace pension plan gives you **value for money**. The key factors the IGC considered are summarised below, together with the IGC’s rating of each factor and where more work is needed.



# Our conclusion on value for money

The IGC is satisfied that most members are receiving **value for money** from their workplace pension. The IGC has found a number of areas of strength in the HL proposition, however, we have also identified some areas for improvement. This is represented by the increase in amber ratings in 2024. More detail can be found in our full report.

## Key:

The IGC uses a traffic-light system to assess **value for money**. Both **green** and **amber** ratings indicate that members are receiving **value for money**, with the distinction reflecting the scale or nature of any issues identified. A **red** rating highlights areas where value for money is not being achieved.

Saving to provide for retirement is one of the most important financial decisions you'll make. Good planning, the amount you contribute and the product and fund choices you make will all make a big difference to your retirement income. It's important to bear in mind when deciding how best to prepare financially for retirement that saving in a pension scheme offers valuable tax benefits to most of us that can considerably boost our retirement income.



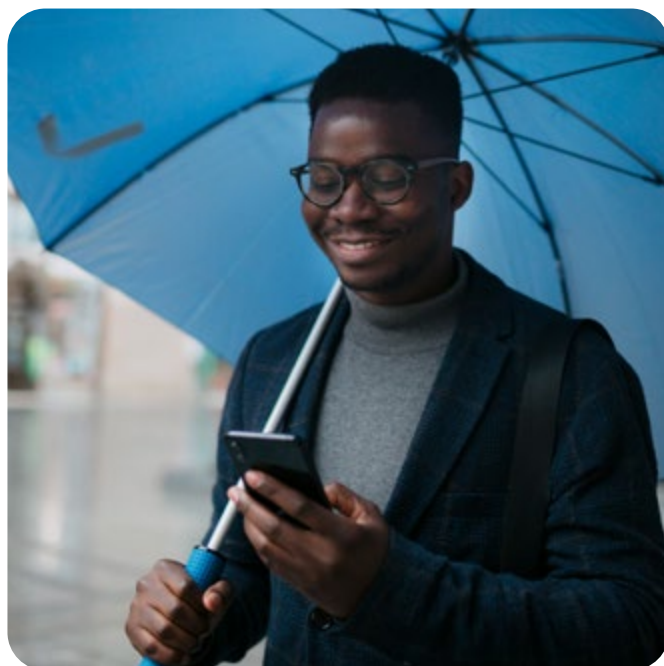
**GREEN** – Meets or exceeds the IGC's expectations. Some areas for improvement may be noted, but these do not affect overall **value for money**.









**AMBER** – Represents **value for money**, however, the IGC has identified more significant areas for improvement, or issues linked to emerging risks or regulatory changes, that require ongoing attention.



**RED** – Does not represent **value for money**. The IGC has identified material issues that have not been addressed and/or may significantly impact **value for money**.





VALUE FOR MONEY COMPONENT		RATING	CONCLUSION
Investments and performance	<p>For example, are investment strategies appropriate and reviewed?</p> <p>Are investments performing well?</p> <p>How adaptable are they?</p> <p>Is there an appropriate range of funds?</p> <p>Do HL consider <b>ESG</b>, stewardship and other financial and non-financial matters?</p>		Overall, we have rated Investments and performance green. Over the last year, HL has strengthened its member journey around complex products, the ABC funds were removed from the proposition and investment performance has been broadly as expected. We want to see HL consider how it can simplify the investment structure and ensure prominence of one suitably governed Default fund.
Communications, engagement and support	<p>For example, are communications to members clear, appropriately targeted and accessible?</p> <p>Is there robust support for vulnerable members?</p>		Overall, we have rated Communications, engagement and support green and see this as a strength of the HL proposition. Over the year HL has evolved its approach to how it creates and tracks communications and has focussed on improvements to the new joiner process through the introduction of the Pension Passport. Engagement statistics continue to be high and there is lots of support for engaged members. We want to see HL consider how they can improve the App, evolve their communications to be driven by member behaviours as well as consider how unengaged members can be supported.
Administration and service	<p>For example, are financial transactions processed promptly and accurately?</p>		Overall, we have rated Administration and service amber. We moved the rating of administration from green to amber due to a fall in <b>SLA</b> performance for drawdown applications in Q4 2024 and the continued pause in planned investments in automation following the <b>Pensions Investment Review</b> . We will be monitoring the implementation of planned automation, the process for drawdown and performance against SLAs in 2025.
Other features	<p>We considered other features that we thought relevant to <b>value for money</b>.</p>		Overall, we have rated Other features amber. We have moved the rating from green to reflect the need for continuous evolution of controls around internal governance as well as the potential impact of the <b>Pensions Investments Review</b> and the new owners on HL's strategic priorities. We will engage with HL on the impact of the Pensions Investment Review and new owners' priorities in 2025.
Costs and charges	<p>Are the charges reasonable for the product?</p>		Overall, we have rated Costs and charges amber. The IGC recognises that members within HL Growth would be rated green but there are still a majority of members within legacy defaults who are paying higher charges and therefore this makes the overall rating amber. We will engage with HL on governance of transaction costs and widening spread of charges in 2025.
Investment Policies	<p>Are the policies adequate and of sufficient quality to deliver good consumer outcomes?</p>		Overall, we have rated the adequacy and quality of the Investment Policies green. HL has made some changes to the policies over 2024 based on our feedback and we will continue to monitor their evolution in 2025.



# Acquisition of HL by a private equity consortium

Hargreaves Lansdown Limited (“HL”) is now owned by Harp Bidco Limited, a company ultimately controlled by a consortium. Harp BidCo Ltd (the consortium) has been formally renamed as Hargreaves Lansdown Group Limited, effective 11th September 2025.

As part of the acquisition, Hargreaves Lansdown PLC was re-registered as Hargreaves Lansdown Limited, and its shares were delisted from the London Stock Exchange on 25 March 2025.

The consortium comprises CVC Private Equity Funds, Nordic Capital, and Platinum Ivy (a wholly owned subsidiary of ADIA). It has committed to significant investment in a technology-led transformation, aimed at strengthening HL’s offering and supporting its mission to “make it easy to save and invest for a better future.”

The IGC looks forward to understanding the business’s strategic priorities and, in particular, how workplace pensions will feature in these plans. We will provide an update on any changes to their approach in our 2026 IGC report.





# Workplace pensions: what we considered when doing our value for money assessment

In this section I'll tell you how we went about assessing **value for money**, the factors we considered and why we arrived at our conclusion.

We've created a framework to assess the **value for money** ("**VFM**") you get.

The framework helps us to make sure we consider the factors that contribute to **VFM** in a robust and consistent way. You can find more information on this framework in Appendix 3.

Ultimately, the real value from your pension will be measured by you, based on what you receive when you need or want to start taking money out of it. Two of the most significant factors that'll influence that, however, are out of our control. They are what you and your employer pay into the scheme and the decisions you make just before you take the money – and that's why there are calls to action here:

## CALL TO ACTION

- Review how much you have in pension savings and make sure you (a) have enough to pay for the standard of living you want in retirement – the Retirement Living Standards have been developed to help you do that ([Pensions UK – Retirement Living Standards](#)) and/or (b) are paying in enough to fill any gap. You can speak to a financial adviser to help you do this.
- Before you take your pension, we strongly recommend you understand the options and check your chosen option is right for your circumstances. Take advice or guidance if you're unsure. The government provides a free and impartial service to help you understand your retirement options. Pension Wise is available online ([www.moneyhelper.org.uk](http://www.moneyhelper.org.uk)), by calling 0800 138 3944 or face-to-face.



## Investment strategies and performance

You'll be invested in either a "**Default fund**", one or more of the many other funds or exchange traded investments on offer or possibly holding your pension money as cash. Like many others, you may have selected funds from the 'ABC fund range', which were replaced in July 2024 by the 'HL Starter Funds'. In our **VFM** assessment, we looked at both the **Default funds** and the ABC range / HL Starter Funds.

You can find out which fund you are invested in by logging in to your online account, or by calling or writing to HL.

### The Default funds

The **Default funds** are:

- **HL Growth Fund**
- **BlackRock Consensus 85**
- **Schroder Managed Balanced**
- **BlackRock's MyMap 4 Fund** is the **default** for those of you approaching retirement. This is explained in more detail under Investment strategies: Lifestyling (see page 18).

## Default fund statement of aims and objectives

The way that HL describes the **Default funds**, and in particular their aims, objectives and the risks, is extremely important in helping you to choose where your money is invested.

The objectives of the **Default funds** are as follows:

- **HL Growth Fund** – 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. It could be higher or lower, for example during extreme market conditions.
- **BlackRock Consensus 85** – The aim of the Fund is to provide a return on your investment (generated through an increase in the value of the assets held by the Fund and/or income received from those assets) by investing in units or shares of collective investment schemes (i.e. other investment funds, which may be Associated Funds).
- **Schroder Managed Balanced** – To provide capital growth and income by investing in a diversified range of assets and markets worldwide.
- **Blackrock MyMap 4 (the lifestyling default)** – The aim of the Fund is to provide, over five year periods, a return on your investment (generated through an increase in the value of the assets held by the Fund and/or income received from those assets) through an actively managed portfolio, whilst also maintaining a risk profile (i.e. an evaluation of the risks (e.g. risk of losses) associated with the portfolio) for the Fund's portfolio of 6%-9%. The risk profile of the Fund's portfolio, for this purpose, is measured as the volatility (i.e. the degree of fluctuation) of the Fund's returns converted into an annual rate, over a five-year period. Generally, the higher the volatility, the riskier the investment.

We've highlighted over the last three years that we have had reservations about how HL communicated **the aims and objectives** of the **Default funds** as we believed these could be improved, to provide more clarity to members about what the funds in which they're invested are aiming to achieve.

In response to our feedback, HL updated the objectives of the HL Growth Fund in December 2024. The new objective retains the overarching aim to grow investments over any 10-year period and introduces more detail over the level of risk the fund aims to take on. We appreciate HL's action to update the objective and acknowledge that the new wording is more prescriptive around the fund's risk level.

While the objective does not explicitly reference Environmental, Social and Governance (**ESG**) or sustainability factors, HL has taken positive steps to provide this information to members through fact sheets, consumer-facing sustainability disclosures and by updating the investment policy to reflect its sustainability approach.

The Committee also acknowledges HL's decision to maintain the HL Growth fund's current comparator benchmark after carrying out a review. We agree that the alternative options did not better support member understanding.

Overall, the Committee is satisfied that the updated objective represents a step forward, but we'll continue to challenge HL on whether the wording of the objective can be simpler.

HL reviewed the objectives over the period and believes that it is a clear statement of **aims and objectives** and no changes were made to the Blackrock or Schroder funds. As the BlackRock and Schroder funds are not owned or managed by HL, it is reasonable to accept that these cannot be changed.

As well as assessing the **aims and objectives** of the funds, we also looked at how the investments, including **lifestyling**, are communicated to you, both in the welcome pack you receive when you join the scheme and when you are approaching retirement.

The HL Growth Fund became the **Default fund** in December 2021, and some members switched into it. Since April 2022, your contributions may have been paid into this fund unless you made an alternative investment choice. HL has control over the fund's strategy, asset allocation and day-to-day management of the funds, as well as deciding who the fund manager is, giving HL the ability to adapt the design of the fund from time to time. This is a positive development, as it allows HL to change the fund to reflect the changing needs of you and the other members.

HL has not moved any pension savings you built up in Schroders or Blackrock before April 2022. This means, whether you are currently paying contributions or not, you may still have money invested in one of these, previous, **Default funds**. Because a lot of members are still invested in them, we will continue to monitor these funds.

HL has been liaising with the FCA over the possibility of switching members' investments in the old default funds into the new Default fund.

The **Pensions Investment Review** announcement had resulted in a pause on making the switch as HL determines the future direction of the **Default fund**.

The IGC challenged HL on their approach to the **Default fund** given the direction of travel and expectation of investing in **private markets**. The IGC was provided with initial thoughts on next steps in this decision-making process. Although the IGC understands the reasons behind pausing activity, we're keen to see all legacy **Defaults** transferred into one fully governed **Default** arrangement which includes the best thinking of HL as an investment manager. We'll continue to monitor progress over 2025 and into 2026.

The **Default funds** aim to achieve a balanced investment outcome across shares, bonds and cash to lower the overall fund risk in relation to returns.

Cash has also historically been used as a **Default** for a minority of you. It's important you review whether holding cash is appropriate to your long-term investment needs. Holding cash may be the right thing to do if you intend to access the money from your pension in the short term but is highly unlikely to be if this is not the case.



## CALL TO ACTION

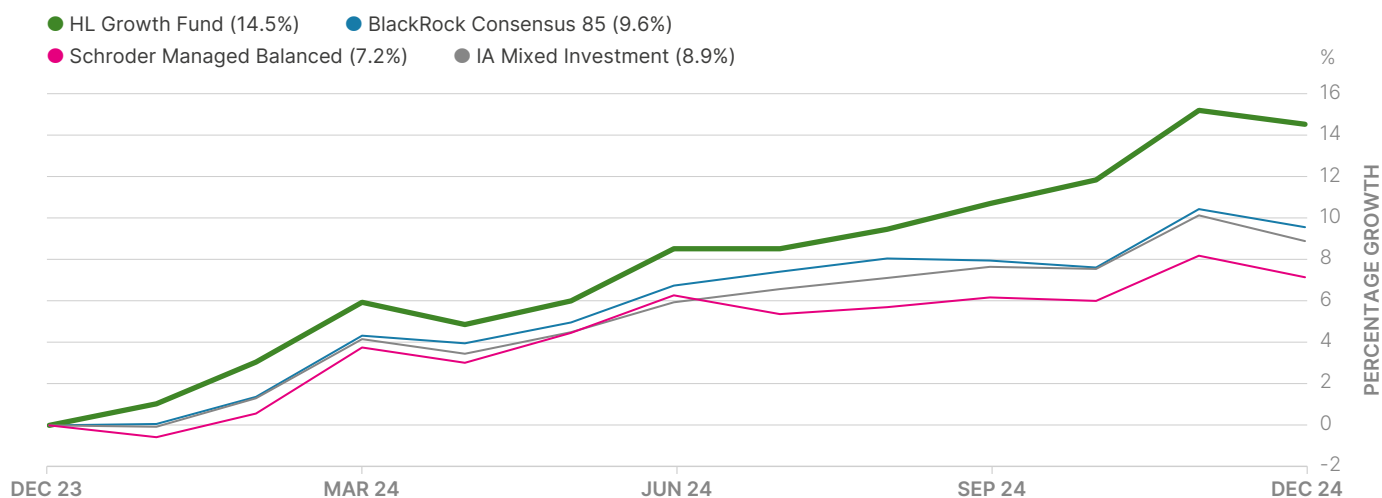
It's important to check your pension investments are right for your circumstances and goals. If you're holding a lot of cash in your pension, think carefully about whether this is right for you and ask for guidance or advice if you're not sure. You can get help by speaking to a financial adviser.



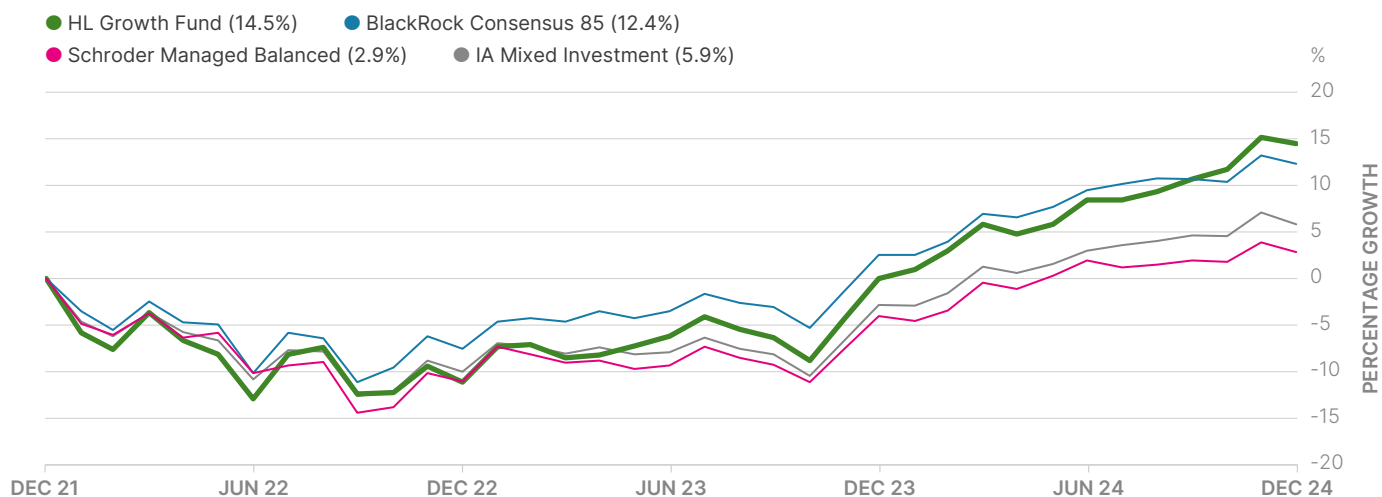
## Fund performance

When reviewing fund performance, we looked at a number of measures; the funds against their benchmarks and how they have performed against their peers.

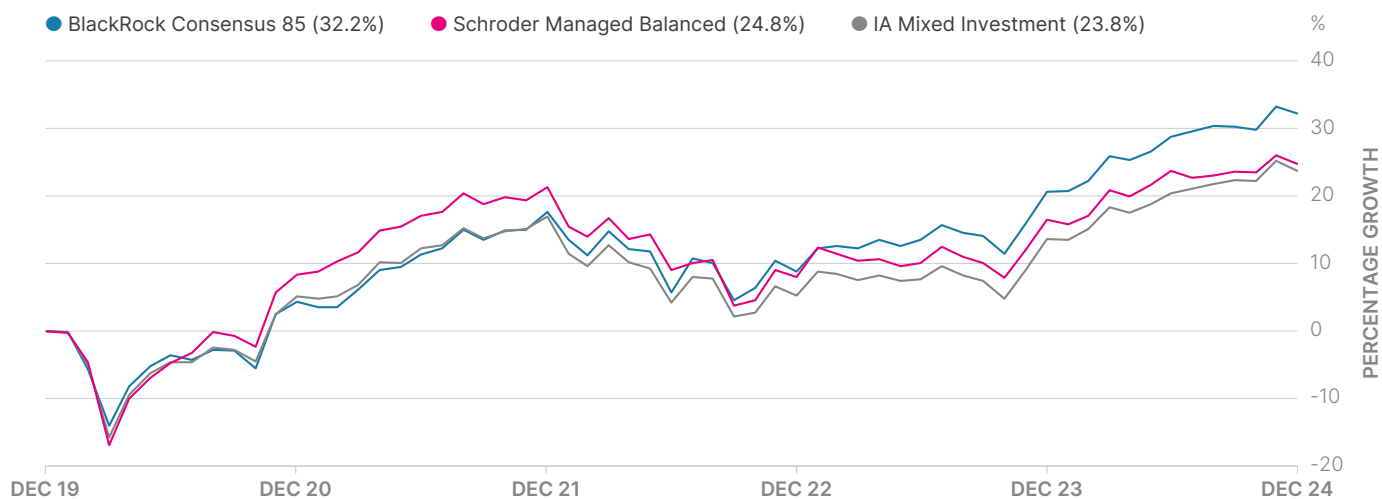
### DEFAULT FUND PERFORMANCE – 1 YEAR



### DEFAULT FUND PERFORMANCE – 3 YEAR



### DEFAULT FUND PERFORMANCE – 5 YEAR



Source: Lipper IM 31/12/2024

Past performance is not a guide to future returns



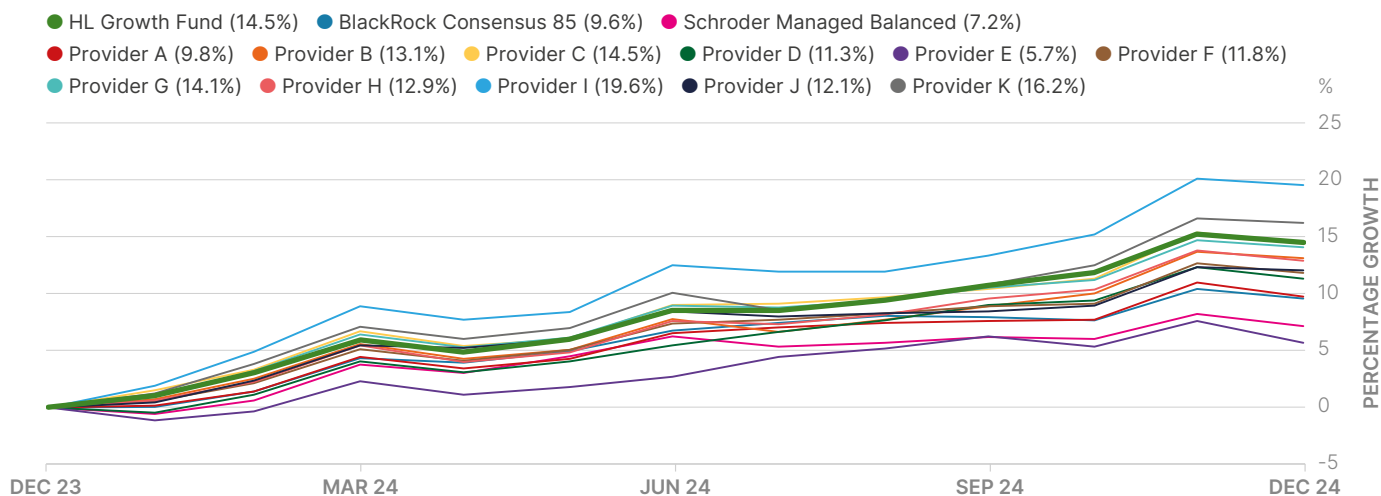
The graphs above show the performance of the **Default funds** over one, three and five years. The HL Growth Fund does not have a five-year performance track record yet, so is only included on the 1-year and 3-year graphs. Both older **Default funds** outperformed their benchmark (the IA Mixed Investment Sector 40-85%) over the last five years, with the BlackRock Consensus 85 Fund doing particularly well. Over one year, the BlackRock Consensus 85 has continued to show good performance; however, the Schroder Managed Balanced has underperformed the benchmark. The HL Growth Fund has also performed strongly over one and three years, benefitting from generally strong stock market growth, and a larger exposure to shares than either of the previous **Default funds**. While a review of short-term performance is useful and allows us to see how the **Default funds** have performed during the period this report covers, pension fund performance is best assessed over the longer term due to the fact most of us will be saving into our pensions for a very long period of time (which is why we look at performance over a five year period as well where possible).

Turning to how the funds performed compared to the **Default funds** of other workplace pension schemes, we used performance data to 31 December 2024 produced by the independent company Lipper for a selection of providers we believe represent a good peer group for comparison. As you can see from the graphs below, all **Default funds** performed broadly in line with the average of their peers.

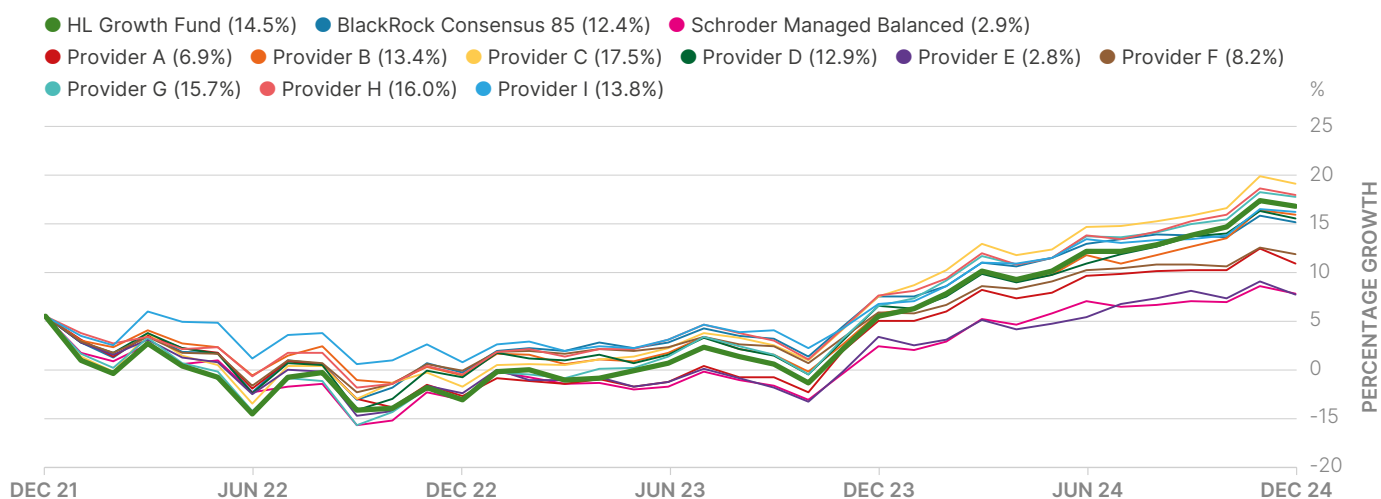


## Default funds vs Competitors

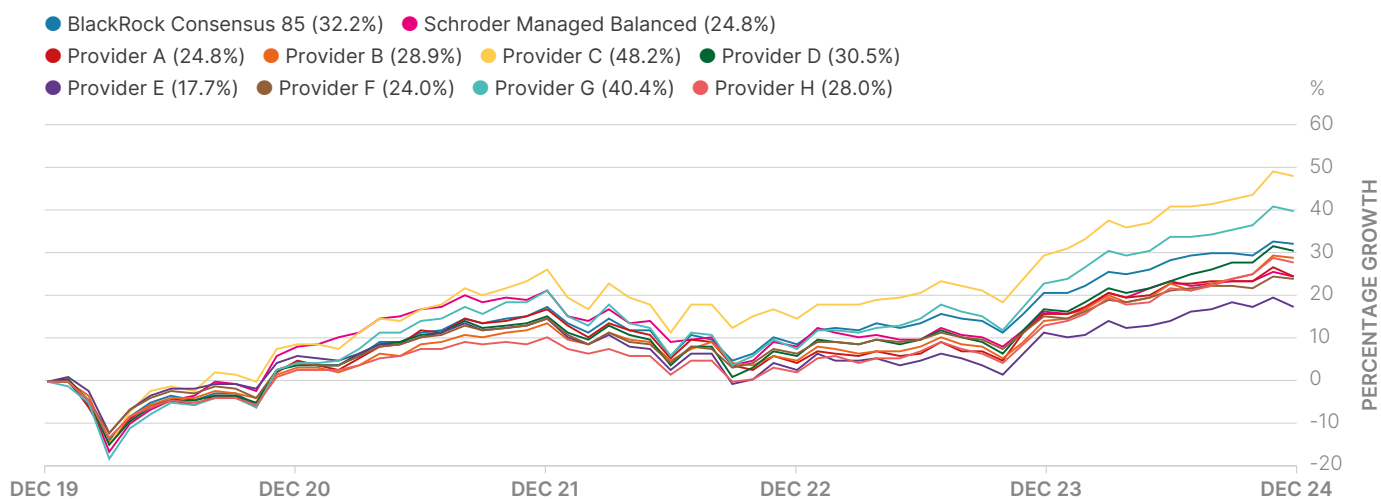
### DEFAULT FUNDS vs COMPETITORS – 1 YEAR



### DEFAULT FUNDS vs COMPETITORS – 3 YEAR



### DEFAULT FUNDS vs COMPETITORS – 5 YEAR



## ESG, stewardship and other considerations

Alongside fund performance, we have also assessed the funds' focus on **ESG**, stewardship and other considerations, and how HL governs the funds to ensure they remain appropriate for members.

**ESG** considerations are factors related to the sustainability and societal impact of an investment in a company or business. These criteria help to better determine the likely future financial performance of companies (return and risk). Stewardship relates to the way a pension provider or fund manager engages with the companies in which they're investing to encourage positive change, such as on matters involving corporate strategy and culture, their efforts on reducing climate change and workplace policies and practice. Examples of **ESG** criteria, alongside other considerations, are covered on page 30 of this report. The two previous **Default funds** (BlackRock Consensus 85 and Schroder Managed Balanced) do not have a specific focus on **ESG**, however, **ESG** is fully integrated into the HL Growth Fund investment process and at least 85% of the fund will be invested in assets subject to **ESG** measurement.

This **ESG** integration within the HL Growth Fund is a positive development and we continue to receive information from HL on how this integration is developing. We are comfortable with the approach taken but believe HL could do more to provide clarity to members on the approach and impact.

## Fund governance

Fund governance is the process used by HL to oversee the various funds used by you and other members, to ensure they remain appropriate. The process includes considering fund strategy, performance and other factors. It also describes the way HL makes decisions about these funds and any resultant changes they make.

We are satisfied that there is evidence of regular reviews of the **Default**, ABC funds and Starter Funds, however we are less satisfied with the time taken to act on the issues they identify. We are still waiting for information on how concerns flagged through the review process result in actions being taken and will continue to focus on this area in next year's report.

## Investment strategies: ABC Funds

The HL ABC funds are designed with reference to the level of investment risk each can take: "A" stands for adventurous; "B" stands for balanced and "C" for conservative. In broad terms, the idea of the funds is that A is higher risk, C is lower risk, and B is in the middle of the two.

The ABC Funds were removed from the proposition in July 2024, with the Starter Funds introduced in their place shortly afterwards.

- The **A** fund was the **Rathbone Global Opportunities fund**. This invests almost completely in company shares, including those of smaller companies (which can produce higher returns but with a matching level of higher risk). Presently, the fund mainly invests in developed markets, such as the US, the UK and Europe.
- The **B** fund was the **BNY Mellon Multi-Asset Balanced fund**. It invests between 40% and 85% of its value into company shares.
- The **C** fund was the **Troy Trojan fund**. The manager invests in four main areas: shares (focusing on larger companies although the manager has the flexibility to invest in smaller companies), bonds, gold, and cash. The portfolio is concentrated because the manager holds large positions in each of his investments, so each one has the potential to contribute significantly (positively or negatively) to the fund's performance. The manager can also invest in "derivatives" (a type of financial contract whose value is dependent on an underlying asset or assets), but both of these factors increase the risk of the fund.

The risk level typically indicates the chance that an investment's actual return will differ from its expected return. This includes the possibility of losing some or all your original investment. Typically, the greater the investment risk taken, the greater the potential gains but also the greater the potential losses. By 'gains' and 'losses', we mean the amount you see your pension investment increase or fall in value.





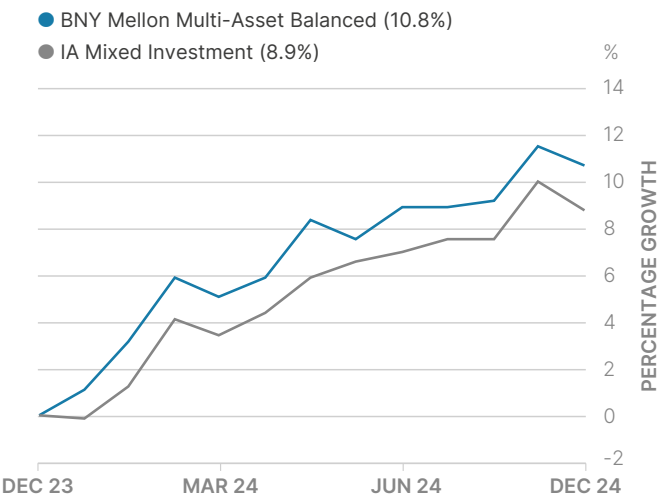
# ABC fund performance

## ABC FUND PERFORMANCE – 1 YEAR

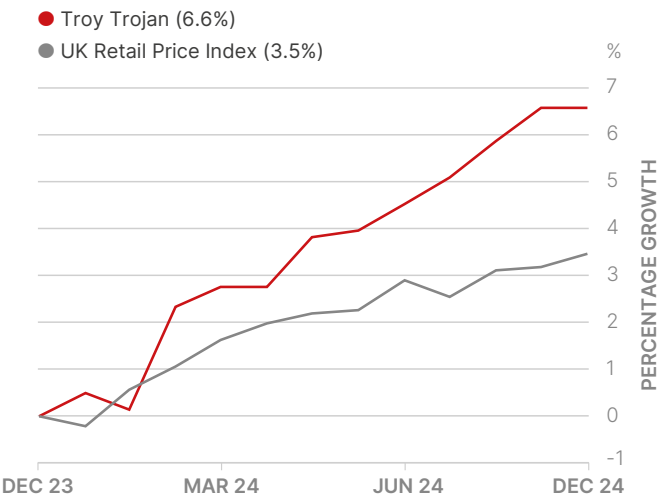
### FUND A



### FUND B



### FUND C

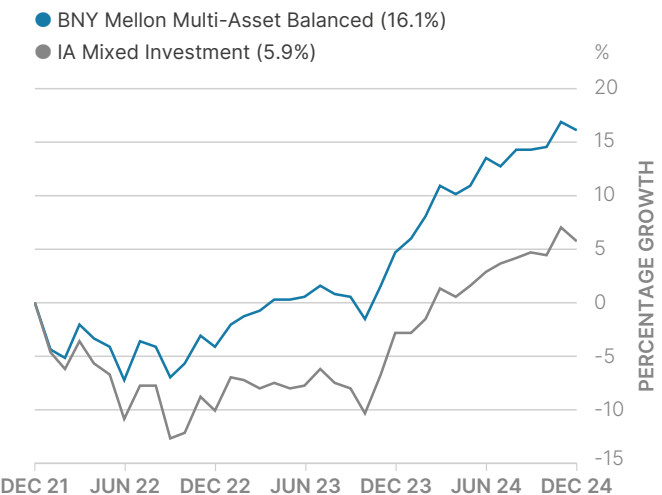


## ABC FUND PERFORMANCE – 3 YEAR

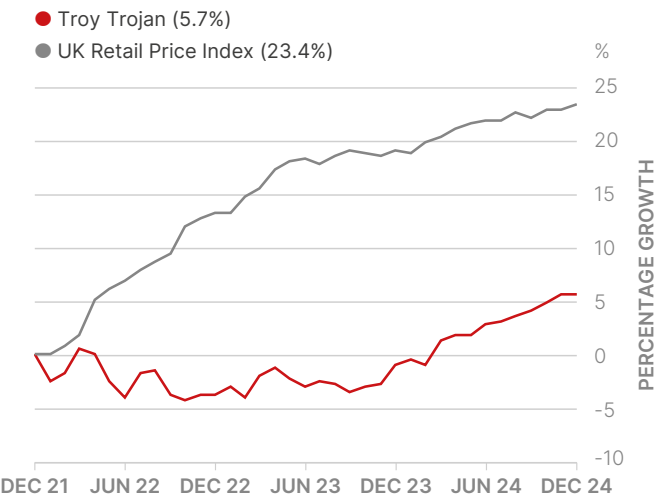
### FUND A



### FUND B



### FUND C



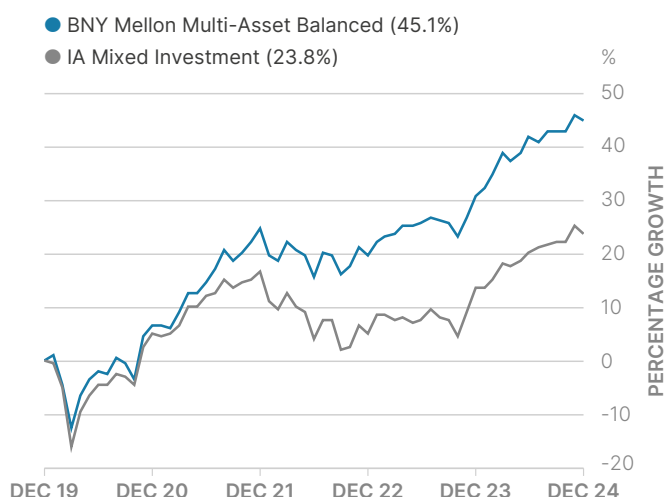


## ABC FUND PERFORMANCE – 5 YEAR

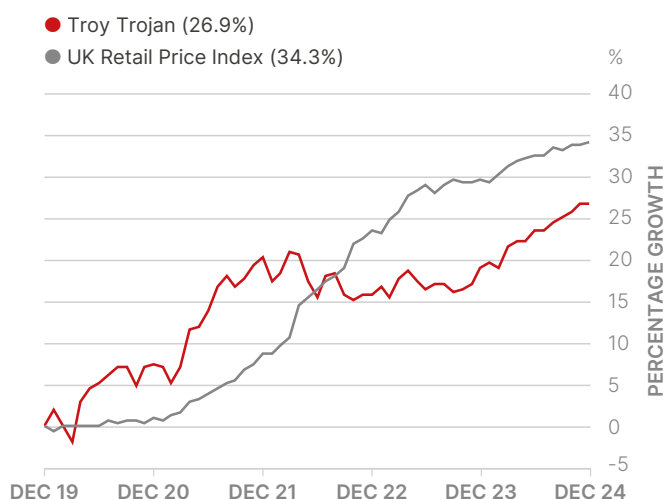
### FUND A



### FUND B



### FUND C



Source: Lipper IM 31/12/2024

The graphs above cover the past one, three and five years to 31 December 2024. The ABC Funds ceased to be promoted from July 2024 and the IGC wants to ensure that members who remain invested in these funds have been provided with sufficient information to assess whether or not these funds continue to meet their needs. The discontinuation of the ABC range and launch of the HL Starter Funds were detailed to members in separate communications, so members were not directed from one set of funds to another. We're discussing how the funds are presented with HL and will provide further information in our 2026 report.

In the longer term, the A and B funds have performed in line with their objectives, delivering returns after charges above their benchmarks. The charges are in line with our expectations for funds of each type. Do note that charges for these funds are higher than the **Default funds**.

The C fund aims to achieve growth in capital (net of fees), ahead of inflation, as measured by the UK Retail Prices Index, over the longer term (5 to 7 years). The fund has not delivered on its objective over the 5 years to 31 December 2024, although it has over the last twelve months. Three-year performance to 31 December 2024 is 5.71% compared to its benchmark of 23.42% and shows the fund has not delivered during the period it represented the C solution within the ABC range. We have pressed HL on the fund's performance over the course of 2024, and while they accept it is disappointing, they are satisfied that the unusually high inflation we have experienced recently is a sufficient justification. HL retain confidence in the fund's ability to deliver on its aims over the long term and have been encouraged by their interactions with the fund's management team. In particular, HL has been pleased that the fund has stayed true to its investment process throughout this tough spell and note that recent performance is heading in the right direction.

During 2024, following a challenge from us and their own internal review, HL replaced the ABC range with its own Multi-Index range of funds. Although it is early days for the Starter Funds to draw meaningful performance comparisons, the signs are good. So far tracking in line with volatility and investment return expectations and performance against comparators is strong. The IGC will continue to monitor their performance and will share this once a fuller record is in place.

The IGC is concerned around the complexity of the fund choice available to members and that the **Default fund** is not a prominent choice. We'd prefer to see a single, well-governed **Default fund**, supported by a shorter self-select list of funds for those who wish to consider making their own choices and with the full fund range available for engaged members. We'd like HL to be more positive about the **Default** arrangement given the governance structure which sits around this fund, as members will be potentially better off in the **Default** rather than selecting their own funds. We've raised this with HL and will report further in our 2026 report, which will cover the 2025 calendar year.

Past performance is not a guide to future returns



## Investment strategies: Lifestyling

As you approach retirement the scheme may automatically switch your investments in a phased way over a period to align them with how you'll take your benefits in retirement. This is a process called **lifestyling**.

If you have the **lifestyling** option switched on, your pension will gradually be moved into BlackRock MyMap 4 fund during the ten years approaching your selected retirement age.

BlackRock's MyMap 4 Fund aims to grow your money, whilst being mindful of risk. HL expects the fund to be consistently lower risk compared to the HL Growth Fund. The purpose is to try and limit the risk of your investment falling in value compared to when investing in the **Default fund**, although there are no guarantees. BlackRock invests less of the MyMap 4 fund in the stock market compared to the approach taken by the **Default funds**. Typically, around half of the fund is invested in company shares, with the remainder invested in lower risk assets such as bonds issued by companies and governments. BlackRock will change the exposure to higher risk investments depending on stock market conditions, adding more protection when things are less certain, and increasing exposure to shares when conditions allow.

The previous HL **lifestyling** strategy moved your investments into cash five years before your selected retirement age. If you have already moved into the previous **lifestyling** strategy of cash, this will continue unless you actively choose to move into BlackRock MyMap 4.

You do also have the flexibility to increase or reduce the ten-year timescale and switch into other funds instead of cash or BlackRock MyMap 4.

If members access their funds, this may stop **lifestyling**. It will stop completely if you enact **drawdown**. This means your investments will remain the way they were at the point you accessed your funds, which may be inappropriate given your stage of life. The IGC is concerned that members in the **default** are typically less engaged than those self-selecting, so may not understand the implications of this. We want HL to consider how they can resolve ceasing of **lifestyling** and also how they support members to understand the risks they're exposed to once they access their funds and enter drawdown.

HL had been working on a solution to this, but this has been paused pending the outcome of the **Pensions Investment Review**. The IGC wants to see these developments restarted and HL to carefully consider how they can support members.



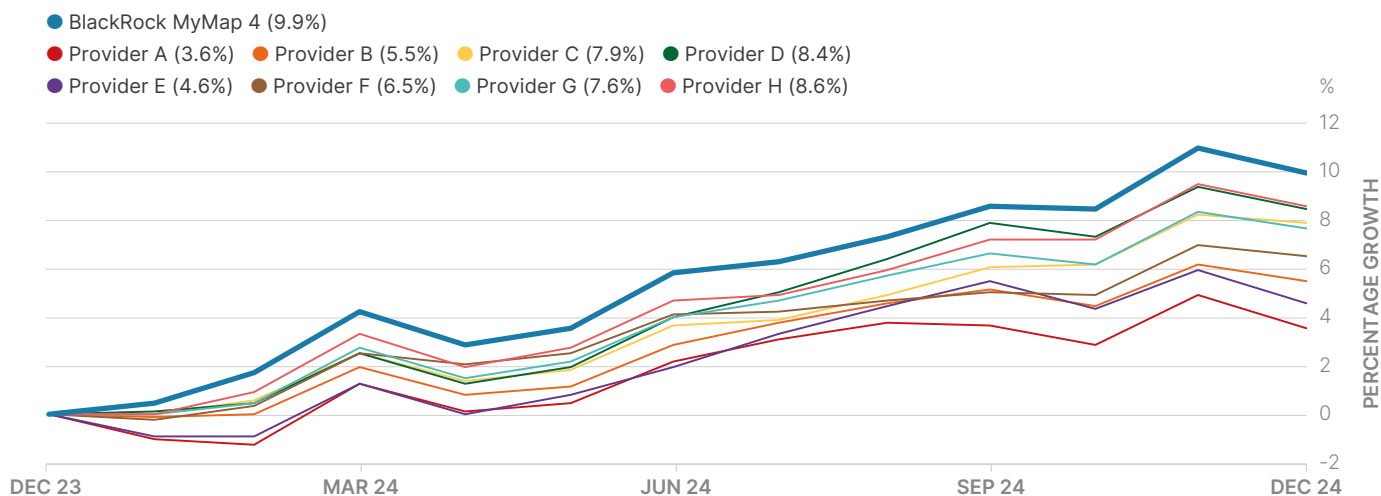
### CALL TO ACTION

If you're getting close to retirement you should check the **lifestyling** approach set up by HL is right for you.

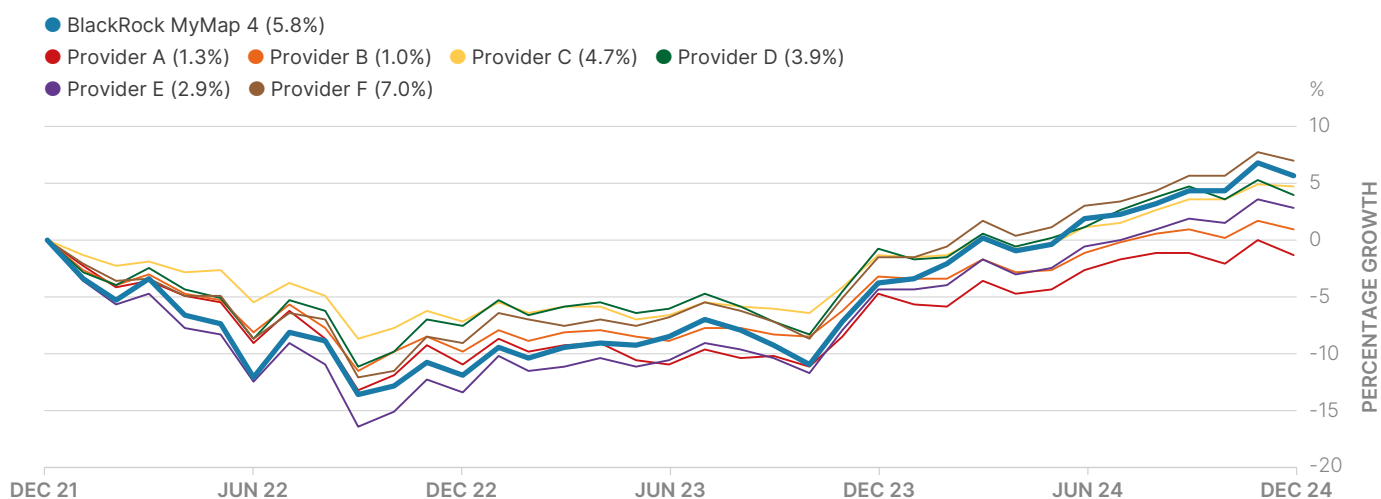
If you've taken money from your pension, consider reviewing your arrangements as **lifestyling** does not apply drawdown, therefore you may be holding a higher risk portfolio relative to the risk reduction path you were following.

# Lifestyling fund performance

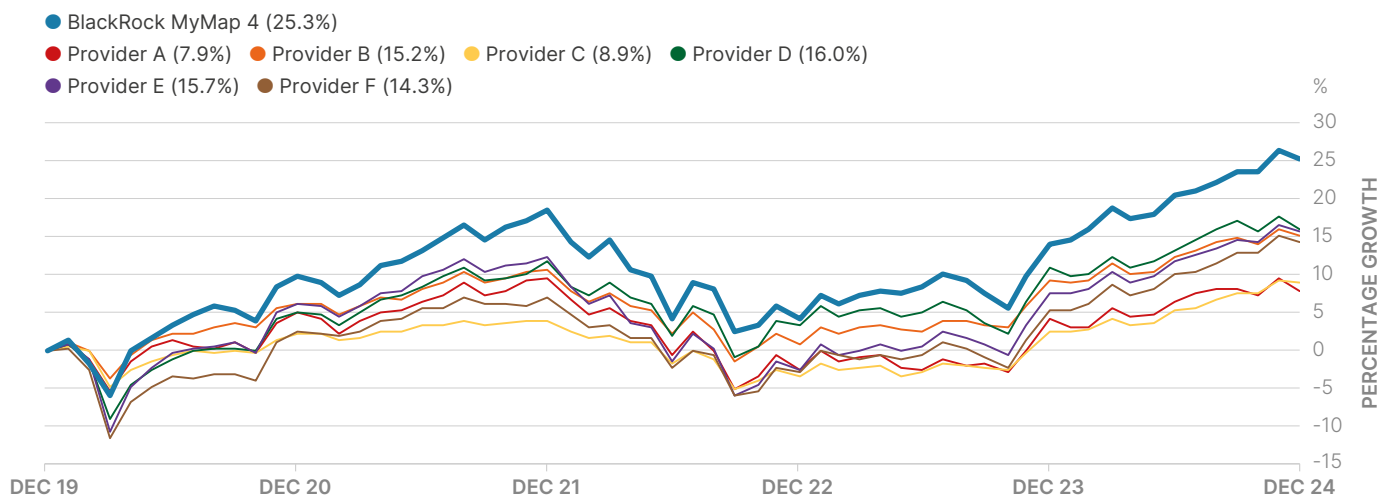
## LIFETSYLING FUND vs COMPETITORS – 1 YEAR



## LIFETSYLING FUND vs COMPETITORS – 3 YEAR



## LIFETSYLING FUND vs COMPETITORS – 5 YEAR



Source: Lipper IM 31/12/2024

Past performance is not a guide to future returns



We examined the performance of the **lifestyling** fund over the past year and over the past three and five years against a selection of providers we believe represent a good peer group for comparison (as we did with the **Default funds**). Unlike the other funds, BlackRock MyMap 4 does not have a formal benchmark, however, when compared to its peers, it has performed well over both the one-year, three-year and five-year periods. The IGC will continue to monitor performance.

We meet regularly with the investment team, and we're satisfied the characteristics and net performance of the funds are regularly reviewed by HL to ensure alignment with your interests and that they take action to make any necessary changes.

There is evidence that reviews are undertaken and concerns flagged. For example, over the year the following actions were undertaken:

- A new objective was agreed for the HL Growth Fund
- The approach to **lifestyling** was put on hold due to the **Pension Investment Review**
- Completed **stress testing and scenario modelling** for BlackRock MyMap 4

## Investment strategies: Other accumulation options

For members wishing to choose their own funds either as a replacement for the **Default fund** or HL Starter Funds, there is a broad range of choice, with specific focus given to the Wealth Shortlist. We are satisfied that there is more than sufficient choice for members seeking to move away from the **Default fund**. In particular, the Wealth Shortlist includes several Responsible Investment funds, all covered by HL's research and analysis.

## Investment strategies: "Complex products"

A "complex product" is an investment that is difficult to understand, value or assess the risks in relation to. Examples of complex products include leveraged instruments, some Exchange Traded Funds (ETFs), complex bonds and warrants. These pose a greater risk of harm and may not be suitable for everyone. Because of their nature, it is important HL makes sure members using complex products can demonstrate they have appropriate knowledge about and experience of them and can make informed decisions before and during the time they use them.

To be able to access complex products, members need to pass an appropriateness test. During 2024, HL amended the member journey around this test and saw the percentage of members try the test three times or more fall from 17.5% to 1.58%. This shows that members are either attempting the test and passing or failing the test and proceeding with different investment options. All internal HL audit actions in relation to this topic have been closed.

According to analysis done by HL, 1,117 (0.5%) workplace pension members are using complex products.

The IGC also received details of the proportion of individual members pots which are invested in complex products and for the majority of members this was less than 10% of their portfolio and there were no concerns identified.



### CALL TO ACTION

If you're invested in a complex product, you should check you have appropriate knowledge about and experience of them and that they are right for you.





## Conclusion

Overall, we have rated investment green, and we believe the **Default funds** and **lifestyling options** are designed and executed in the interest of the members. Over the last year, HL has strengthened its member journey around complex products, the ABC funds were removed from the proposition and investment performance has been broadly as expected.

We'll be monitoring the following in 2025:

- Governance – while we're comfortable HL has review processes in place, we wish to continue to monitor that any findings from these reviews result in actions which are completed in a timely way.
- Once a member has entered **drawdown**, their remaining funds do not continue to **lifestyle** as they had done previously. There's a risk that members end up in inappropriate funds given their life stage. Structural changes are being considered at a platform level to remove this risk, but the IGC would like HL to provide mitigations in the short term.
- When HL Growth fund was established only future contributions were transferred into the new fund. The IGC would like to see remaining assets in the legacy **Default funds** transferred into a suitable single **Default fund** which is monitored and kept up to date to enable HL full control over how the assets are managed in a cost-effective vehicle.
- Progress towards a simpler investment structure and prominence of **Default fund** as an investment choice.
- We recognise HL has incorporated our previous feedback in its fund **aims and objectives** review, but far greater clarity is needed.

## Communications, engagement and support

During your life you'll have some very important decisions to make about retirement saving and HL has an equally important role to play in helping you to make those decisions and, more generally, in raising your awareness on pension matters.

The decisions you'll need to make include:

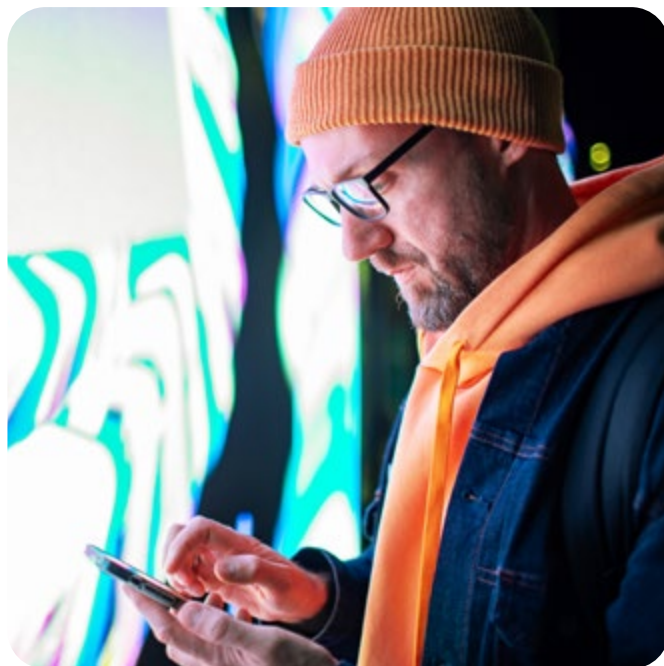
- whether to join or remain in the pension scheme offered by your employer
- how much money to pay into your scheme
- where to invest your savings
- what to do as you get close to retirement and
- what to do when you choose to take your retirement benefits

Our focus has been on whether HL's approach is based on promoting better retirement outcomes for you.

As part of our **VFM** assessment we revisited the process HL follows to prepare the communications sent to you. We also considered several aspects of communications, engagement and support.

### Communications

Over 2024, HL evolved its approach from a three-stage discovery, control and measurement approach to member communications into a more agile and collaborative approach. A new software agile task-management system was introduced to plan and track communications from creation to delivery.



In 2024, a risk assessment was introduced in line with **consumer duty** requirements. Each communication is assessed as high, medium or low risk based on intended audience, function of the communication and distribution channel. The risk assessment is designed to ensure better accountability and record-keeping.

When we assessed HL's communications in 2024, we focused on communications that relate directly to the important decisions you need to take, but HL does issue a broad range of communications on other aspects of your pension. We've assessed whether the communications to you are fit for purpose and properly consider your likely characteristics, needs and objectives. We've focused on the clarity of the communication including visual appearance.

### Periodic communication

HL sends you communications periodically. You will, for example, receive an annual illustration setting out how your savings are performing, what their estimated value is at your retirement and monthly newsletters and investment reports.

HL also sends communications to you to highlight the importance of specific aspects of your pension – such as getting online, monitoring the level of cash in your pension, logging in to keep track of your savings and transferring previous pension policies.

As you approach retirement, there are some important decisions you need to make. We therefore specifically assessed the support provided to you at this time by HL: a Fifties Retirement Planning guide together with a series of letters; a turning 50 letter; reminders; a six-months to retirement letter; and a two-months to retirement letter.

Finally, we looked at the communications sent to you around the time you make decisions on how you'll access your savings. HL implemented additional risk warnings in the drawdown process for transitional tax protections in 2024. Members have to confirm they've understood and applied for any protections ahead of drawing down any funds. We're pleased to see this enhancement.

Last year we asked HL to consider the wider range of situations where you may need to engage with your savings. Over 2024, HL focused on supporting new joiners to pension schemes through the introduction of the 'Pension Passport' of communications. The aim is to focus on the key actions which should be taken on joining, such as registering for online access and completing an Expression of Wish form. We would like to see this work continue to consider how communications can be linked to actions members take.

Overall, we considered the periodic communications sent to you by HL to be comprehensive and fit for purpose and we believe the additional work which HL has undertaken on the new joiner process and leaver process to be beneficial to members.

### **Engagement**

HL measures your engagement with your pension by considering several factors.

One of these factors is whether active members (those of you who are paying into your pension) with online access have logged into their account in the last 12 months. HL's statistics show 74% of you had done this as of December 2024, which is an increase from 71% in December 2023.

Another factor is the level of your contributions. We are particularly pleased to see that at the end of 2024, more than half of members where we measure minimum contribution levels were paying in more than required. This is very encouraging – the contribution you pay is the single most important decision you make about retirement saving after deciding to join the scheme.

Overall, HL states that member engagement is 80%, which represents the percentage of active members who have engaged with at least one of the factors HL measures. It is challenging to find evidence of how this compares with other workplace pension schemes as most providers do not publish this type of information, nor is there one cohesive set of measures for engagement. However, we believe the factors HL considers are relevant and demonstrate a high level of member engagement.

We also reviewed the multiple channels and communication tools used by HL to communicate with you. These may be emails, postal mailings, web pages, the HL mobile app, HL's secure messaging centre, videos, factsheets, articles, through contacting the helpdesk and onsite meetings (where HL specialists may attend sessions at your place of work).

Finally, we looked at the communication between HL and your employer. Your employer has an important role to play in supporting you, and research shows they are often the most trusted source of pension information, so the material provided to them by HL is an important part of the whole process.

It's important that HL regularly seeks your views about its service, and one of the ways HL does this is through carrying out surveys. We were particularly pleased to see an increase in response rate from members from 2.5% in 2023 to 2.8% in 2024 to the annual Client Satisfaction Survey (sent out in September 2024).

We were pleased to see that 98% responded positively – with an increase from 29% in 2023 to 34% in 2024 saying 'excellent'.

Some areas identified for development included giving members the opportunity to tell HL about any vulnerabilities they may have. 25% of members said they had a vulnerability, but when given the opportunity to formally register this, only 0.5% did. We've asked HL to focus on this in 2025, as having access to this information will enable HL to provide the most appropriate support to members at the most appropriate times. We will provide further comment on this in next year's report.

One issue that came to our attention in 2024 was that some members were having difficulty getting set up online. HL has subsequently rewritten the PIN letters, which are sent to members to enable them to get set up online. This has had a positive effect on the numbers of you registering for online access to your account. We've asked HL to focus on this further in 2025 and we will provide more information in our next report. It is our expectation that the technological updates which will make it easier for all clients to register for online access.

We feel the HL survey is a great way for you to influence the service HL provides you with and we encourage you to take part in surveys run by HL each year.

### **Support**

HL provides support, guidance and, for a fee, financial advice to help members understand their options – whether at the start of your retirement savings journey or at the end.

### **Workplace Financial Education programme**

HL has developed a wide range of tools to help educate and engage you. At the heart of this is HL's "financial wellbeing" programme where a team of specialists deliver live group presentations, webinars and one-to-one meetings.

During 2024, 5,782 members attended a Financial Wellbeing webinar and, 5,537 attended an individual one-to-one meeting.

HL's survey results following these sessions indicate people value them, with an overall rating of 4.69/5 given by members. This is a slight increase from 4.56/5 in 2023.

We believe that initiatives such as this go a long way to explaining why HL is achieving the levels of engagement and so significantly contributes to the value you get from your scheme.

### **Website**

HL's website has become an increasingly important medium for communicating with and supporting you. As well as the main website, HL also delivers scheme microsites which contain bespoke content for your specific employer's pension arrangement.

Our **VFM** assessment focused on the functionality provided on the website, including the range of online tools and calculators available to assist you with your decision making and we concluded the quality of the website, and the online functionality was good. There have been no significant changes since 2023.

## Mobile app

The mobile app is one of the main ways for you to interact and engage with your workplace pension. This is therefore an area we have been focusing on and we're pressing HL for development in this key technology.

There were a number of developments to the HL mobile app over 2024, including:

- Refreshed regular investment journey – members are now presented with three options when adding money, which has resulted in a 57% increase in regular investments over 2024.
- Transfer your pension functionality – some members are now able to initiate a transfer from another pension provider to their HL pension via the app, which resulted in 914 transfers over 2024.
- Uninvested cash nudges – communications are now being sent via the app to warn members in certain scenarios if they have high levels of uninvested cash.
- News section overhaul – improved presentation of relevant news has resulted in an 11% increase in engagement.
- Account opening – members can now open additional accounts through app. This is a new development, but HL is seeing evidence of members accessing other products through app, such as ISAs and savings accounts.

Overall, the IGC is pleased to see increased focus on the app over 2024 but want to see this continue given the importance of the app as an engagement tool.

## Vulnerable customers

A vulnerable customer is someone who, due to their personal circumstances, is especially susceptible to harm, particularly if HL does not act with appropriate levels of care. The characteristics of vulnerability can include poor health (such as mental impairment), a significant life event (such as a bereavement or taking on new caring responsibilities), a low ability to cope with financial or emotional shocks and low or poor literacy or numeracy skills.

It's important that vulnerable customers are protected and treated fairly.

The evidence we saw confirmed that HL does protect and are fair to those members they have identified as vulnerable, however, we feel there is more HL can do to identify potentially vulnerable members. HL is aware of this and changes are already underway to ensure identification of members with characteristics of vulnerability is improved.

## Comparative data study

In previous years, we've taken part in a study conducted by Redington, an independent pension consultancy, to see how HL's workplace pension compares to a selection of others that are available to employers. We chose not to take part in the same study this year as we concluded that much of the data collected by Redington does not change on an annual basis. Instead, we chose to engage an alternative independent pension consultancy – Willis Towers Watson (WTW) – and asked them to complete a research and comparison project focusing on HL's retirement journey, including the support available throughout, and their approach to digital member engagement.



WTW's overall assessment was that while there's lots of support for engaged members, HL needs to provide more support for those members who are less engaged with their pension, which would typically be workplace members.

There were a few areas which WTW commented HL performed strongly against peers:

- Non-digital support provided to members through the retirement decision-making process
- Annuity broking and drawdown offerings are strong, with competitive fees and accessibility
- Investment information and transactional functionality of the app and online portal are market leading

WTW also flagged some areas for improvement, which we've raised with HL:

- Introduction of an online journey for those wishing to take one-off or ad-hoc ("UFPLS") payments as well as widening the capabilities of the online drawdown proposition
- Consider key communications for members within drawdown, and which triggers would be needed for these communications (such as fund depletion risk and letting members know when their depletion date would be)
- Lack of non-investment capability within the app, such as expression of wish form and changing policy details – something many other providers facilitate
- Ability for tools to be used within member accounts, so data can be pulled from their accounts and details stored (rather than having to input personal information every time a tool is used)

It should be noted that WTW completed their assessment in 2025, so some of their conclusions were based on data they gathered outside the period this report covers (2024). However, we felt it was important to include this summary in this report given the positive areas highlighted and more importantly, the areas for development, which we will be encouraging HL to work on in the coming months. We will provide an update in next year's report.

## Conclusion

Our overall assessment of the communications, engagement and support provided by HL is that they're fit for purpose and properly consider your likely characteristics, needs and objectives and we have rated this area green. Over the year HL has evolved its approach to how it creates and tracks communications and has focussed on improvements to the new joiner process through the introduction of the Pension Passport. Engagement statistics continue to be high and there is lots of support for engagement members.

We will be monitoring the following in 2025:

- Reviewing how HL evolves its approach to make communications as timely as possible and driven by member behaviours.
- Further progress on identifying vulnerable customers to enable collection of vulnerability flags so that customers can be supported in the right way for them.
- Continuing investment in the app – including specific areas identified by WTW – to improve the member experience, as we recognise that the app is a primary tool members will use to interact and engage with their workplace pension.
- How HL plans to improve their communications following the results of the WTW research paper.

## Administration and service

Your pension savings are among some of your most important and substantial assets. When you need to interact with your scheme, it's critical that the process is smooth, efficient and secure. Whether you choose to use the website, mobile app or to speak to someone, your interactions should be seamless whether you're adding money, changing your address or taking your benefits.

We all know poor administration and service when we experience it. Our **terms of reference** require us to assess whether HL processes core financial transactions promptly and accurately.

To help us make this assessment we consider a wide range of factors, including:

- the accuracy of service,
- timeliness of activities (which we assess by comparing performance against **SLAs**),
- whether administration is automated or requires intervention by a person – which increases the risk of human error and
- whether HL independently assesses the controls they have in place to ensure proper administration.

We also evaluate the quality of the service they provide to you. Factors considered included:

- how well HL protects you against fraud and scams,
- how happy people say they are with HL's service,
- whether your data is kept secure,
- the support given to members being auto enrolled into a pension scheme and
- the level of complaints HL receives about their service.

HL demonstrated that they process most transactions whether transferring, investing or paying out money, promptly and accurately. Most of HL's commonly used 'bulk' processes such as fund switches and retirement payments are automated through Straight Through Processing (STP). However, compared to peers, HL has generally lower percentage levels of automation. Transfers in and contribution processing are particularly cumbersome and manual. A number of these HL administrative processes use checklists and secondary checks to reduce errors rather than being fully automated.

HL previously announced greater investment in this area as part of their Digital Transformation programme and is in the process of creating a new Workplace Solutions Hub. The Hub will enable employers to self-serve and increase STP particularly for contribution management, auto enrolment and member data. Unfortunately, this development was put on hold in 2024 after publication of the government's **Pensions Investment Review**. The IGC understands the rationale for the pause, but we're keen to see this progressed once we have certainty over the future direction of travel and requirements.





We will continue to keep this development under review in 2025.

Your actual end-to-end transaction experience can vary, as some processes rely on other external parties outside of HL's control such as other insurance companies or providers (for example, when transferring another pension into your HL scheme), which can extend HL's processing times.

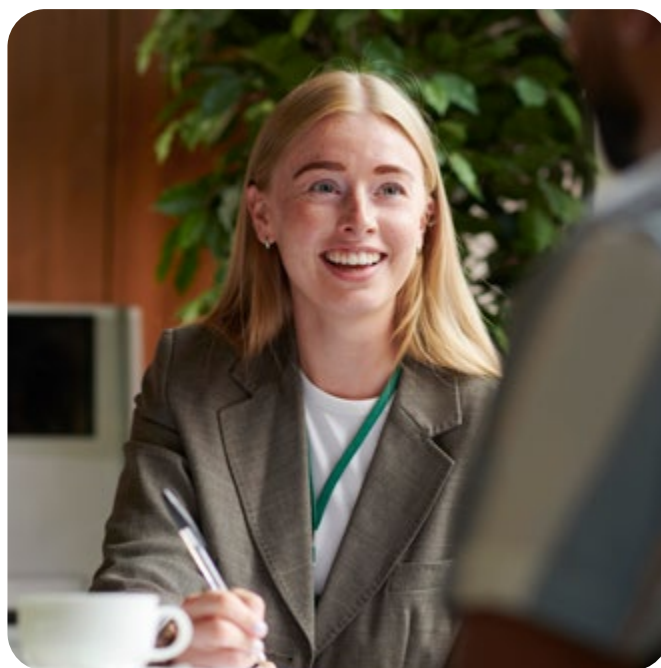
HL sets and monitors Service Level Agreements (**SLAs**) internally for its core transaction processes, which overall are being met. Within the industry, there remains a lack of consistency in how **SLAs** are measured. Some pension providers measure service standards on an end-to-end basis, while others adopt a step-by-step approach within each process. HL measures **SLAs** on an end-to-end basis, which provides a fuller picture of the member experience.

In addition to **SLAs**, HL operates Processing Completion Targets (PCTs) for some of its processes, which represent HL's expected timescales for transactions. These vary depending on market conditions and operational demand and are published on HL's website, providing transparency for members and investors. However, PCTs can differ significantly from **SLAs**, and this distinction is not always clear to members. While the publication of PCTs offers visibility, there is a risk that they act as a shield from scrutiny of **SLA** performance, as members may assume the PCT represents the formal service standard. During 2024, HL experienced a fall in performance against its **SLA** for drawdown applications, driven by a significant increase in demand. This resulted in extended PCTs, which were reflected on the website. Performance stabilised in early 2025 as demand reduced and HL allocated further resource to the drawdown team. HL also made improvements in transfer processing times over the course of 2024.

The IGC believes HL could do more to help members understand how long they can reasonably expect processes to take, and where timescales are extended, the reasons behind this. We consider that member experience should be a key factor in setting appropriate **SLAs** and in determining how expectations are managed. In an increasingly digital environment, members expect transactions to be near-instantaneous. A poor experience risks undermining HL's ambition to create "customers for life" and its ability to broaden the services it provides. We have used the Redington report from 2023 alongside the WTW research report to compare HL **SLAs** and approach to other providers.

In last year's report, we noted that there had been a processing error affecting 59 members in 2023 as the tax relief element of personal top up contributions wasn't invested correctly. This error has been resolved and members put back in the position they would have been should the error not have occurred.

HL's approach to protecting you from fraud and scams is noteworthy. HL has a strong set of internal measures to protect you including a dedicated fraud strategy. HL participates in several industry initiatives such as the Investment Association's Brand Cloning Working Group and Financial Crime Committee. They perform checks on pension transfers, with a pre-approved list of providers which have been assessed as presenting a very low risk of fraud in line with DWP pension transfer regulation. Transfers to pension providers not on this list are subject to a much higher level of scrutiny.



HL provides an Online Security Centre for members (and non-members) which provides information on existing threats, red flags and actions that you should take to protect yourself from fraud. HL is improving the Centre further by connecting its internal expertise from its Fraud, Information Security and Cyber Security teams to help provide clear and effective information for you.

## Conclusion

Overall, we have rated administration and service amber. Our assessment is that HL provides good administration and service, but there are areas where improvement is needed and progress has been made on these, albeit slowly. We moved the rating of administration from green to amber due to a fall in **SLA** performance for drawdown applications in Q4 2024 and the continued pause in planned investments in automation off the back of the Pensions Investment Review.

We will be monitoring the following in 2025:

- HL's progress on automation of administration processes through the implementation of STP once there is clarity post **Pensions Investment Review**.
- How HL will ensure their **SLAs** are fit for purposes relative to your reasonable expectations and other providers and meet member expectations in an increasingly digital world.
- The approach taken to the **Retirement** journey and how this process can be simplified for members.



## Choices at retirement

When you come to access your savings, you will have a wide range of needs. HL offers all the main retirement options, with and without financial advice.

If you're looking for some or all of your income to be guaranteed, then you may want to consider an **annuity**. HL offers an **annuity** service that shops around all the providers in the market on your behalf. An important part of the service involves encouraging you to provide health and lifestyle information to see if you qualify for a higher rate of income. The active support that HL provides in this regard meant that in 2024, almost 88% of applications received a higher rate of income – the market average for an enhanced rate is 35% (FCA's retirement income market data). This is a very welcome result.

If you wish to consider a higher risk but more flexible retirement option, then HL also provides **drawdown**. We are satisfied that HL communications in general appropriately reflect the risks associated with **drawdown**.

To help protect people moving into **drawdown** without the benefit of financial advice, the regulator introduced **Investment Pathways** in 2021. This important development is covered in a separate report.

You can also access your pension as a single or series of lump sums (known as an "Uncrystallised Funds Pension Lump Sum" or UFPLS).

You can get free guidance on your options from HL. They also offer financial advice for a fee. Additionally, Pension Wise (the government's free pension guidance service) is available to you when you are considering your retirement options. An appointment can be booked with Pension Wise or HL can book an appointment for you.

## Conclusion

We view HL's range of retirement offerings as a positive feature for members, particularly as some other workplace pension providers do not offer as full a range of options.

## Other features

There are some features of what HL provides that don't fit neatly into the other categories listed above but are essential to the smooth running of your Pension.

### Governance

As well as being sustainable, secure businesses, pension providers like HL can safeguard against things going wrong in the first place by ensuring they have robust governance and risk frameworks in place as well as the right people managing and overseeing their operations.

HL's internal audit function monitors the adequacy and effectiveness of controls within, and the governance model and risk management framework of, the business. The team focus on the areas which HL believes represent the greatest risk to the business and you, their members. The work of the internal audit team has been reviewed by an external independent provider and found to be effective. We recognise that controls and frameworks need to continuously evolve to meet changing market expectations and we're improving our relationship with risk and audit functions.

There is direct external independent checking of controls, including cyber security and keeping your assets safe.

We continue to discuss with HL the merits or otherwise of achieving wider external accreditation. In this regard, they are currently consulting with the Pensions Regulator and other industry experts to ensure their systems and processes reflect best practice and regulatory expectations.

Our assessment is HL does have sufficient governance and risk frameworks in place, but these need to continue to evolve as you would expect.

### Business sustainability and ongoing investment into developing the proposition

The sustainability of HL as a business and their commitment to the workplace pensions market, are crucial as you are trusting them to look after your savings for years to come. HL's financial stability also impacts on its ability to invest in improvements to the service you get and to ensure your savings keep pace with whatever changes occur in the future. This has been brought into greater focus in 2024 and 2025 with the **Pensions Investment Review** and new owners. Over the coming year, the IGC will assess the new owners' strategic priorities and how workplace pensions fit into their priorities and growth plans.

Last year we talked about the five-year investment plan and obtaining further details on how this money would be spent to support members. Given the announcement of **Pensions Investment Review** in 2024 many of the planned investments were put on hold until further details had been provided on the future regulatory environment. The IGC appreciate the rationale behind pausing the investment but want to ensure that momentum is established once we have sufficient clarity on longer term requirements.

### Reputation

If a provider has a good reputation, you're more likely to trust it. If you trust a provider, you're more likely to feel comfortable saving and investing with them. This means HL's reputation is important when we considering **VFM**.

This being the case, we considered whether there are any negative or positive aspects of HL's reputation that members should be aware of.

HL has a robust approach to managing its reputation. It regularly reviews and considers a number of matters that might impact it, including:

- investor confidence in the overall market
- how satisfied members are with HL's service
- how likely members are to recommend HL based on their interactions with our Helpdesk (known as the Client Service Net Promoter Score)
- how satisfied employees are working at HL
- third-party recognition and awards
- coverage in the traditional press
- social media, and
- review websites such as Trustpilot and Google

Overall, our assessment is that HL has a good reputation and has an effective internal process to manage it.

### Cyber Security and Robustness of IT Systems

HL needs to provide secure and resilient IT infrastructure to keep both your savings and the administration processes they use safe from cyber-attacks.

We were provided with a variety of evidence to show HL's approach to cyber security, such as adhering to external standards and external reviews of HL's approach. This external assessment has been reviewed at the most senior level of HL's management, showing the seriousness with which they take cyber security. However, this is a complex area and is fast moving and we expect HL to continue to evolve their approach to cyber security. We'll be monitoring the focus on this risk and how HL mitigates it as far as possible.

### Security of your funds

HL is regulated by the **FCA** and have to comply with strict rules on how they look after your money and investments. HL holds more reserve capital than they are required to and maintain a conservative and prudent approach to accounting. They submit regular financial reports to the **FCA**.

If HL were to cease trading, what you would get back would depend on the financial position of HL. Further details can be found [by visiting HL's website](#) or the [FSCS website](#).

## Conclusion

Overall, we have rated other features amber. We have moved the rating from green to reflect the need for continuous evolution of controls around internal governance as well as the potential impact of Pensions Investment Review and new owners on HL's strategic priorities.

We will be monitoring the following in 2025:

- HL response to **Pensions Investment Review** and how it will achieve the necessary scale ahead of 2030.
- New owners' strategic priorities and how workplace pensions fit into the approach to future growth.
- Monitoring the restart of strategic investments previously outline which had been placed on hold due to **Pensions Investment Review**.
- Continuous evolution of controls around internal governance and regulatory compliance

## Costs and charges

Every investment, including an investment within a pension, has a cost.

There are many kinds of cost and charge, but they'll have one thing in common: the money is coming out of your savings.

What you're paying for is the management of your savings and the underlying investments. These charges can include platform fees, investment management fees and other expenses.

### Why are costs and charges important?

Costs and charges can add up, compounding along with your investment returns. This means you aren't just losing the amount of money you have paid in charges, but also any growth that money might have had if it had stayed in your savings into the future.

The UK Government has set a cap on charges for all **Default funds** within workplace pension schemes of 0.75% of the value of an individual's pension savings each year. HL's **Default funds** are subject to this charge cap. It's important to note that **transaction costs** aren't included within the calculation of the charge cap.

We've analysed the costs and charges applicable to the **Default fund** and the Starter Funds.

The costs and charges for all the funds and investments offered through HL, including for the **Default fund** and the Starter Funds are available on their website here: [www.hl.co.uk/funds](http://www.hl.co.uk/funds).

Although it's important that you understand what you are paying in costs and charges, it's equally important to know the returns achieved by each of the funds after costs and charges have been taken out. Ultimately, this "net return" is one of the key determinants of **VFM**.

Fund Name	Platform Charge*	Net OCF	Transaction Costs	Total Charge*
<b>Default Funds</b>				
HL Growth Fund	0.45%	0.10%	0.05%	0.60%
BlackRock Consensus 85	0.45%	0.08%	0.02%	0.55%
Schroder Managed Balanced	0.42%	0.33%	0.03%	0.78%
BlackRock MyMap 4	0.45%	0.14%	0.06%	0.65%
<b>Starter Funds</b>				
HL Multi Index Adventurous	0.45%	0.30%	0.12%	0.87%
HL Multi Index Balanced	0.45%	0.30%	0.13%	0.88%
HL Multi Index Cautious	0.45%	0.30%	0.09%	0.84%
<b>ABC Funds</b>				
Rathbone Global Opportunities	0.45%	0.51%	0.03%	0.99%
BNY Mellon Multi Asset Balanced	0.45%	0.56%	0.07%	1.08%
Troy Trojan	0.45%	0.63%	0.06%	1.14%

\*HL Platform Management Charge for holding a fund with a value under £250,000 – this is the highest charge members will pay as some may receive a discount from headline rate.

\*\*The overall annual cost for investing, as a percentage of the amount you invest. It includes direct costs such as the fund manager charges and HL's platform charge, and indirect costs such as the fees associated with buying and selling investments within the funds (transaction costs).

We've seen evidence of HL's approach to monitoring **transaction costs** and they're comfortable these are within expected ranges. For 2025, we'd like to see further evidence of funds which have been discussed and reviewed through the internal governance process to see this governance framework in action.

Over 2024 we noted an increasing disparity between the costs and charges for members depending on which employer they worked for. As the market becomes more competitive, costs and charges need to be reassessed over the life of a Scheme as well as at initial appointment. This means that we have members within the workplace pension book who are receiving the same service but paying different costs and charges. This is not unusual within the market but is an increasing trend within the HL book of business. The IGC will continue to monitor this trend and question the business on their controls and processes to ensure all members receive **value for money**.

## Conclusion

Overall, we have rated costs and charges amber. The IGC recognises that members within HL Growth would be rated green but there are still a majority of members within legacy defaults who are paying higher charges and therefore this makes the overall rating amber. We'll engage with HL on governance of transaction costs and widening spread of charges in 2025.



# Comparisons with other pension schemes

We've compared what you have with other similar workplace pension arrangements.

Before doing this comparison, we considered whether it would also be appropriate to compare your pension with one you could buy for yourself. We decided against this as the comparison wouldn't be entirely valid (the individual and workplace markets are quite different, not least in relation to the charges that apply), would require a disproportionate amount of work and, probably, produce little useful data.

Across the market there are around 30 providers of schemes like this one, and about a dozen of them are large enough to have an IGC.

A number of these providers, including HL, participated in a research study, carried out by a firm called Redington (the **Redington study**), which analysed data across their schemes. We thought this was a robust, useful, reasonable and proportionate way to do a comparison. In particular, taking part in this study meant all of the providers had to disclose quantitative and qualitative data that would not have otherwise been available to us.

Our aim was to assess whether what you and your employer were getting from HL was **VFM** compared to what could have been obtained elsewhere.

To ensure we could do this, where relevant we looked at data from the survey for other pension schemes similar in size to yours, by reference to the number of members and the total asset size (referred to as "comparable cohorts"). We did this because scheme size is the key determinant of the price you pay.

The study gathered data on how they, the pension providers, engage with their members, investment performance, how you can access your savings when you want to, their administration service and their charges, i.e. various components that contribute to **VFM**. To be clear the study did not capture or use any member data.

The output of the study was a report which allowed us to compare your scheme and how it performed against similar sized schemes provided by those who took part in the study, and we used that data to inform our conclusions. While HL participated in the study in 2023, It was determined that many of the metrics would not have changed significantly since 2023 so we continue to use that data to undertake our comparative assessment alongside the WTW research report which focused on Communications, engagement and member experience metrics.



# What we considered when completing the investment policies assessment

In this section we'll tell you how we went about assessing the quality and adequacy of HL's investment policies on Environmental Social and Governance (or "**ESG**") matters, non-financial matters and Stewardship.

We have a duty to consider and report on the adequacy and quality of HL's policies on Environmental, Social and Governance (or "**ESG**") financial considerations, non-financial matters, stewardship and other financial considerations, as well as how these policies have been implemented. If HL don't have these policies, we need to examine the reasons for that.

Let's start by first looking at what these terms mean.

## ESG

**ESG** financial considerations are factors related to the way companies operate. This is important because your savings are invested in funds which invest in companies and those companies need to operate in a sustainable way if they are to give you a good return over time. Examples of **ESG** criteria include:

- Environmental factors: a company's impact on climate change, its carbon emissions and its conservation efforts.
- Social factors: a company's attitudes to human rights, equal employment opportunities and community development.
- Governance factors: a company's anti-corruption policies, the diversity of its board members and approach to executive remuneration.

## Non-financial considerations

Non-financial matters are factors which might influence investment decisions that are motivated by ethical concerns, such as improving quality of life or showing disapproval of certain industries. Although the financial case for making an investment is a vital part of the decision-making process, non-financial factors can also be important to some people.

## Stewardship

Stewardship relates to the way a pension provider or fund manager engages with the companies in which they're investing to encourage positive change, such as on matters involving corporate strategy and culture, their efforts on reducing climate change and workplace policies and practice.

## Other financial considerations

When saving into a pension it's likely you'll be invested for a long time and so will be exposed to longer-term financial risks. References to other financial considerations may include risks in relation to interest rates, liquidity (how easy it is to buy and sell the asset or investment), concentration (avoiding having too many eggs in one basket), currency exchange rates, politics and counterparties (the other parties invested with or through and whether they can deliver what is expected of them).

During 2024 HL implemented two policies:

- An **ESG** Investment Policy and
- A Stewardship and Engagement Policy

We have assessed each policy for its adequacy and quality in line with the **FCA**'s requirements. These requirements include us forming a view as to whether:

- the policy sufficiently characterises the relevant risks or opportunities,
- the policy seeks to appropriately mitigate those risks and take advantage of those opportunities,
- the firm's processes have been designed to properly take into account those risks or opportunities,
- the policy is appropriate in the context of the expected duration of the investment,
- the policy is appropriate in the context of the main characteristics of the actual or expected relevant policyholders or pathway investors,
- in relation to **ESG** financial considerations, non-financial matters and other financial considerations, the policy is clear how these are considered in the firm's investment strategy or investment decision making,
- the policy is sufficiently robust to achieve good consumer outcomes and
- the extent to which the policies have been implemented.

During 2024, there were some changes made to the **ESG** policy based on our feedback. Statements covering non-financial matters and other financial considerations are now included in the **ESG** Investment Policy. Over 2024 HL created and integrated a new Climate score into the investment process, expanded the scope of HL engagement activities, tightened their net zero requirements covering the fund management groups they work with, and bolstered their decarbonisation commitments. These changes were reflected in HL's PRI assessment report, which showed improved scores across several modules, with an 'above average' rating in the 'Policy Governance & Strategy' module.

The IGC is pleased to see the policies reviewed annually and changes made to strengthen the approach. We also want to ensure that policies are taken into account during the investment process, and HL has provided us with evidence of this implementation.

During 2024, HL undertook a client survey to understand their engagement priorities and deforestation was a key theme that clients did not want to be invested in. Although 47% of HL clients were prepared to invest in funds which didn't meet their values as long as HL were pushing for change, there was a significant minority who wanted to avoid investing in funds which didn't meet their values. We recognise that there will be a divergence of views regarding **ESG**, but the survey shows the importance of continuing to engage with companies and also to provide clients with the information they need to make an informed decision about their investments.

The responsible investment hub gives members access to information at varying complexity levels on sustainability and the approach taken by HL.

## Conclusion

Our conclusion of HL's 2024 **ESG** Investment and Stewardship and Engagement policies is that they are adequate and of sufficient quality to deliver good consumer outcomes. We have therefore rated this area green. We'll monitor future iterations of HL's policies during 2025 and how these are communicated to members.





# Understanding your views

In our 2023 report, we outlined IGC commissioned research undertaken by HL to understand which elements of your workplace pension you specifically value. The research was carried out in May/June 2024 which we reported in last year's report.

The top items elements you told us you value were:

- "Seeing my pension grow"
- "A reputable financially strong pension provider"
- "Controls and safeguards for my pension"

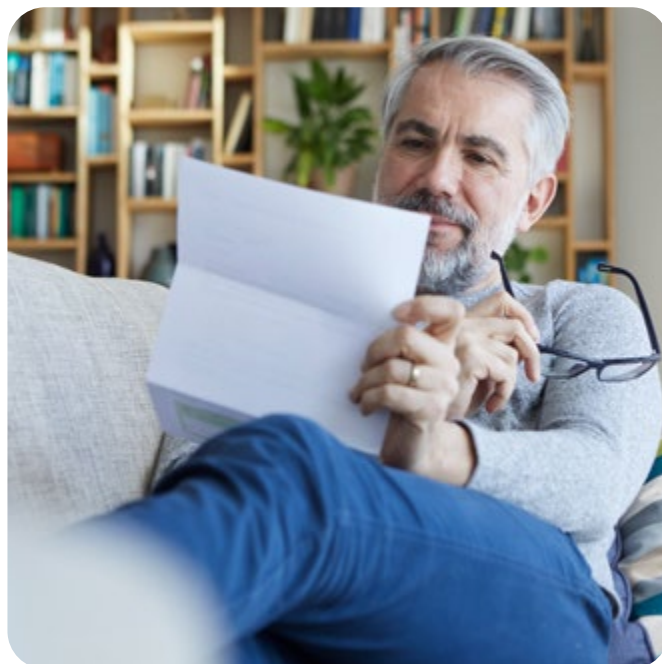
We have continued to engage with HL on both our and your expectations in these areas. These elements can be grouped into one overarching heading that of 'peace of mind' for your pension. Our focus is to further explore how HL is delivering on these key attributes and where they can be improved. An additional important part of **VFM** is Cost & Charges. From our research survey, it is a consideration for you also but only one part. The overall **value for money** - the fund range, quality and delivery of service as well as peace of mind, as noted above, collectively is key. We'll continue to reflect on the research findings and encourage HL on its efforts to enhance their pension provision based on your feedback.

You can let us know your views by emailing us on [IGC@hl.co.uk](mailto:IGC@hl.co.uk)

**Or by writing to us at;**

FAO: IGC  
Freepost  
HARGREAVES LANSDOWN

Please note we cannot deal with complaints or general enquires. These should be raised with HL.





# “Consumer duty”

The **FCA** has introduced “Consumer Duty”, which took effect from 31 July 2023. It introduced a new requirement that all financial services firms (and any firms who distribute financial products) “act to deliver good outcomes for retail customers”. In recognition of the barriers many consumers face to pursuing their financial objectives, the **FCA** wants to see firms deliver a higher standard of customer care and protection, and to go further to equip consumers to make effective decisions in their interests. More information on the Consumer Duty can be found on the **FCA**’s website:

[www.fca.org.uk/publications/policy-statements/ps22-9-new-consumer-duty](https://www.fca.org.uk/publications/policy-statements/ps22-9-new-consumer-duty).

We have seen the programme that HL has established to comply with their obligations under Consumer Duty. They have established seven separate “frameworks” including an overarching one on Client Outcomes. As your IGC we have been monitoring these developments very closely and inputting our own thoughts. We will continue to do so, given the importance of not only meeting the requirements but also ensuring that HL continue to remain compliant and make any necessary changes.

## HL and us

You’ll have seen from elsewhere in this report that we’re independent of HL. That said, we could not have carried out our **VFM** assessment without their support. As well as acting as our secretary, HL has constructively and openly answered the questions we’ve asked and responded to the challenges we raised.

## Limitation of our VFM assessment

Our conclusions are based on performing analysis on features, benefits, service and costs and charges of the workplace pension administered by and investment strategies designed and managed by HL. It hasn’t been possible to look on a member-by-member basis. As a result, you may have a different experience of **VFM** compared to others.

If you are in one of the investment pathways, you should read the corresponding report which sets out our assessment of its **VFM**. If you’re not a pathways investor, you can speak to a financial adviser to help you do this.

[Read our 2025 paper on the investment pathways](#)



# APPENDICES



# Appendix 1

## Who the committee is and why we're here.

We're an Independent Governance Committee (or "IGC").

### What is an IGC?

An IGC is a committee whose purpose is to represent the interests of members of workplace pension schemes, including members who are still in the scheme and those who have left.

Your IGC is currently made up of four individuals (including the Chair), three of whom are independent of HL. The fourth is an employee of HL but they still have a duty to represent your interests. We are currently undergoing a rigorous recruitment process and will have 2 new independent members join later in 2025.

Each of us has extensive knowledge, insight and experience within the pensions and finance industry; and of working with and for members, acting in their best interests and championing good member outcomes.

### What does the IGC do?

Our primary objective is to assess the 'value for money' (VFM) members of workplace pension schemes and pathway investors get from their pension scheme.

We're committed to assessing **VFM** in a member-focused way, and with an emphasis on ensuring you have the best possible chance of achieving good outcomes at retirement.

#### As a minimum, we have a duty to:

- act solely in the interests of workplace pension members and pathway investors,
- operate independently from HL, in accordance with our **terms of reference**,
- assess and, where necessary, challenge HL on whether its workplace pension provides **VFM** for members,
- report on HL's policies on environmental, social and governance (**ESG**) issues, member concerns and stewardship.

This report documents our **VFM** assessment for 2024.

You can find a copy of our IGC **Terms of Reference** and reports for previous years online at: [www.hl.co.uk/igc](http://www.hl.co.uk/igc)

### Who sits on the IGC?

You can find information on the current members of the IGC in Appendix 2.



# Appendix 2

## Who is on the committee?

The current members of the committee are shown below.



**Kim Nash**  
Independent chair

Kim Nash is the Managing Director of Zedra Governance Limited. Kim is a qualified Actuary and been a professional Trustee for 13 years. As an experienced Professional Trustee with a proven track record in DB, DC, DCMT, IGC, GAA, Registered and Excepted Group Life Master Trust roles, Kim is adept at overseeing pension schemes. She retains a commitment to member outcomes and maintaining the highest standards of governance. Kim is able to bring her significant DC experience both as a Trustee and a member of governance committees to lead the IGC to evolve the **Value for Money** framework and make comparisons on Hargreaves Lansdown's performance against the wider industry.

Kim is qualified to be a member of an IGC by her experience of pensions, investments, member communications and comparisons she can bring across the market from working with a number of pension providers. Kim has experience of working as a member of an IGC for the last decade and understands the regulatory requirements.



**Rita Bajaj**  
Independent member

Rita is an independent Non-Executive Board Director for several financial services companies and has over 25 years' broad financial services experience. She has held senior investment positions at Global and UK asset managers and is a former Financial Conduct Authority regulator. Currently, Rita serves on the Boards of Fidelity International Life Insurance Ltd, Benefact Group PLC, Wesleyan Assurance, Columbia Threadneedle ACD Boards. Rita is passionate about improving retirement outcomes and **value for money** for members, including sustainable investing and **ESG** considerations.

Rita is qualified to be a member of an IGC by merit of her significant direct Global Equity markets investment & **ESG** expertise and knowledge of the asset management/custody industry, her risk & controls management experience both as a former **FCA** regulator supervising asset management firms and as a controls executive.



**Helen Carey**  
Independent member

Helen is Compliance & Operations Director at AV Trinity. She has over 25 years' experience working in a variety of roles in the pensions industry, including workplace pensions. This includes supporting employers when making important decisions for their members and directly advising scheme members pre- and post-retirement. Helen is passionate about good member outcomes and financial education, having played an active role in improving financial understanding in schools and in the workplace. Helen is a Chartered Financial Planner and Fellow of the Personal Finance Society.

Helen is qualified to be a member of an IGC by merit of her extensive knowledge and experience of pensions and investments, her in-depth technical understanding of how these products work, **ESG** risks and opportunities and the regulations applying to workplace pensions, and her hands-on experience of advising consumers on their retirement planning and in-retirement needs.



**Ellen Powley**  
HL-employed member

Ellen joined Hargreaves Lansdown in 2003. She is responsible for managing client assets invested within HL's Multi-Manager portfolios, specialising in portfolios designed for income as well as ensuring **ESG** is fully integrated into the investment process. Outside of Hargreaves Lansdown, Ellen chairs the Advisory Committee of Bristol and Bath Regional Capital, a Community Interest Company.

Ellen is qualified to be a member of an IGC by merit of her extensive experience of the fund management industry (including markets, investments and custodian) and a deep passion for ensuring clients are empowered to make suitable financial decisions.



## Notes

Our **terms of reference** state that all members of the IGC must act solely in the interests of workplace scheme members and pathway investors. This applies to HL members, who are free to participate in the IGC without it conflicting with the other terms of their employment.

The members of the IGC were appointed after a robust recruitment process. For the HL employed member this included advertising the role to all HL staff. For the external members, HL advertised the position on their website and other channels. For all positions, multiple rounds of interviews took place which were conducted by panels independent of each other. The recruitment process was also overseen by HL's human resources and talent acquisition team.

Our respective histories mean that together, we've sufficient expertise and experience to act in your interest.

In addition, we're sufficiently independent to act in your interest. This is because three of us are independent of HL and the one who is an employee is contractually able to be independent during our meetings.



# Appendix 3

## Our value for money framework.

### Our Value for Money (VFM) Assessment Framework

We have developed a robust framework to assess the **value for money** ("VFM") delivered by your workplace pension scheme. This framework ensures we consistently evaluate the key factors that contribute to **VFM**, enabling a balanced and evidence-based view.

Over time, the framework has evolved as our understanding of what drives **VFM** has deepened. A summary of the framework is set out below.

#### 1. Investments and Performance

We assess whether investment strategies are designed and managed in members' best interests. This includes evaluating short- and long-term performance and the effectiveness of investment governance and oversight including approach to sustainability.

#### 2. Communications, Engagement and Support

We examine the clarity and relevance of the communications you receive, the tools available to help you engage with and manage your pension, and how effectively the scheme supports all members, including those in vulnerable circumstances.

#### 3. Administration and Service

We consider whether core financial transactions (such as contributions and investment switches) are processed promptly and accurately. We also assess the level of automation, the efficiency of processes, and member satisfaction with the service provided.

#### 4. Costs and Charges

We review the fees associated with administration, platform, and investment management, as well as the overall cost to members.

#### 5. Other features

We review other areas of the product design which adds value to members including how data is kept safe and the internal governance structures.



### Benchmarking against peers

Across all relevant areas, we compare HL's performance against other workplace pension providers. This helps us understand HL's relative position in the market and identify areas for improvement or reinforcement.

# Appendix 4

## Costs and charges information.

### HL annual platform fee

HL applies an annual charge to the value of funds you hold in your pension as follows:

Value of funds	Charge
On the first £250,000	0.45%*
On the value between £250,000 -£1m	0.25%
On the value between £1m - £2m	0.1%
On the value over £2m	No charge

No platform fee is applied to cash. Full details of charges are in the tariff of charges on the last page of [HL's Terms and Conditions](#).

\* Some schemes are on a lower charge for this tier. This table shows the number of schemes at each fee level:

Platform fee on first tier of fund holdings	Default investment option	Number of schemes	Percentage of total
0.45	HL Growth	414	44.81
0.45	HL Growth (with SMB* 0.42%)	275	29.76
0.42	HL Growth (with SMB and BRC** 0.42%)	3	0.32
0.4	HL Growth	48	5.19
0.37	HL Growth	2	0.22
0.35	HL Growth	40	4.33
0.3	HL Growth	14	1.52
0.25	HL Growth	97	10.5
0.22	HL Growth	2	0.22
0.2	HL Growth	7	0.76
0.17	HL Growth	3	0.32
0.15	HL Growth	1	0.11
0.45	Cash	7	0.76
0.35	Cash	5	0.54
0.3	Cash	2	0.22
0.25	Cash	3	0.32
0.15	Cash	1	0.11

\*SMB = Schroder Managed Balanced

\*\*BRC = BlackRock Consensus 85

## Find your illustration

How much your pension is worth will depend on a number of factors. The most important one is usually how much you and your employer pay in. How your investments perform, and the impact of charges make a significant difference too. All investments have their own charges. The level of charges will vary in different investments and this will affect your pension value.

Hargreaves Lansdown are required to publish illustrations to help you understand how charges can affect what your pension might be worth in future. They're not a prediction of what might happen – instead they're illustrations based on assumptions that the Financial Conduct Authority requires HL to use.

HL will email you with confirmation of which platform fee applies to your scheme and send you a link to the illustration that applies to your scheme too. Links to all of the illustrations can be found below:

Platform fee on first Tier of fund holdings	Default investment option	Link to illustration
0.45%	HL Growth Fund	<a href="#">Download Illustration (PDF)</a>
0.42% (on SMB, 0.45% on all other funds)	HL Growth Fund	<a href="#">Download Illustration (PDF)</a>
0.42% (on all default funds)	HL Growth Fund	<a href="#">Download Illustration (PDF)</a>
0.40%	HL Growth Fund	<a href="#">Download Illustration (PDF)</a>
0.37%	HL Growth Fund	<a href="#">Download Illustration (PDF)</a>
0.35%	HL Growth Fund	<a href="#">Download Illustration (PDF)</a>
0.30%	HL Growth Fund	<a href="#">Download Illustration (PDF)</a>
0.25%	HL Growth Fund	<a href="#">Download Illustration (PDF)</a>
0.22%	HL Growth Fund	<a href="#">Download Illustration (PDF)</a>
0.20%	HL Growth Fund	<a href="#">Download Illustration (PDF)</a>
0.17%	HL Growth Fund	<a href="#">Download Illustration (PDF)</a>
0.15%	HL Growth Fund	<a href="#">Download Illustration (PDF)</a>

## Jargon buster

### Glossary of certain terms used in this report

#### Aims and Objectives (Investment)

An investment fund's aims and objectives should set out what the fund intends to achieve and how it intends to achieve it; for example, to grow at x% a year measured over a x year cycle, by taking no more than x risk. The aims and objectives allow you to choose a fund that matches your own aims and objectives.

#### Annuity

See **Guaranteed income** below.

#### Bold

When a thicker typeface is used to give the word or words more prominence.

#### Consumer Duty

A set of rules from the Financial Conduct Authority (FCA) designed to ensure that financial firms put customers' needs first.

Consumer Duty means that pension providers (and other financial services firms) must deliver good outcomes for customers - including clear communication, fair value, helpful customer support and products that meet customers' needs. It aims to raise standards across the industry and ensure customers are treated fairly at every stage.

#### Default fund

How your savings are invested if you or your financial adviser (if you had or have one) didn't make an alternative investment choice.

#### De-risking or lifestyling

De-risking or lifestyling is a process where, as you get older and so closer to the time you will take money out of the scheme, it automatically switches your investments in a phased way over a period to align them with how you'll take your money. This process generally reduces the risk balance of your investments helping shelter them from stock market falls.



**Drawdown (sometimes called flexible access drawdown)**

This describes you taking your benefits directly from your savings in regular or irregular and varying amounts at any time. This is available to you after you reach age 55 (57 from 2028).

**ESG (Environment, Social, Governance)**

ESG refers to the three central factors in measuring the sustainability and societal impact of an investment in a company or business. These criteria help to better determine the future financial performance of companies (return and risk).

**FCA**

The Financial Conduct Authority, a regulatory body for financial services companies.

**FSCS**

The [Financial Services Compensation Scheme](#), an independent and free to use body set up by the government to provide compensation if a financial firm has gone out of business and can't pay everything it needs to its policyholders.

**Guaranteed income**

This describes using all or part of your savings to buy an insurance policy (an “annuity”) that'll continue to pay a guaranteed regular and perhaps increasing amount of pension for the rest of your life. This is available to you after you reach age 55 (57 from 2028).

**Lifestyling**

See De-risking or lifestyling.

**Net OCF**

OCF stands for “ongoing charges figure”. It represents the annual cost of investing in the fund, including the fund managers fee and other expenses associated in the day-to-day management of the fund. The net OCF is the fund's standard ongoing charges figure, less any discounts HL have secured for their clients.

**Pensions Investment Review**

The Pensions Investment Review, launched in July 2024, supports legislation to implement reforms that will form part of the forthcoming Pension Schemes Bill. The reforms will deliver a major consolidation in the Defined Contribution (DC) workplace pensions market. [Read the Pensions Investment Review final Report](#).

**Private Market Investments**

Investments that are not traded on public stock exchanges.

In the context of workplace pensions, private market investments include things like private equity (ownership in private companies), private debt (loans to businesses not issued on public markets), infrastructure (e.g. roads, energy projects) and real estate. These investments can offer long-term growth potential and diversification, but they are usually less liquid (harder to sell quickly) and are valued less frequently than public investments.

**Redington study**

Redington were commissioned by a group of IGCs to conduct a comparative data study. They focused on the key areas IGCs use when assessing VFM, including member engagement, investments, access, service, and charges. We have used the study as part of our own VFM assessment to assist with drawing comparisons between the HL workplace pension scheme and others available in the market. See the section headed “Comparisons with other pension schemes” for more information.

**Who are Redington?**

Redington are independent of all of the IGCs and pension providers who took part in the comparative data survey. Their particular expertise is in investment consultancy but, over the last number of years, they have gained significant knowledge of workplace pension providers through supporting IGCs with this sort of analysis.

**Scenario modelling**

Scenario Modelling is projecting forward how the fund might perform across thousands of plausible paths for inflation and interest rates in order to determine an expected long-term return and returns in a number of alternative scenarios.

**SLAs or Service Level Agreements**

HL's **SLAs** set out how quickly and accurately they will complete items of work.

**Stress testing**

Stress testing is analysing how the investments held within a fund would have performed historically during times of crisis. For example, during the global financial crisis of 2008, or the inflation spike of 2022.

**Terms of reference**

The [IGC's terms of reference](#) set out what we will do.

**Transaction Costs**

Transaction costs are part of the total costs of managing investment funds and are reflected in the return you receive from your fund. They are incurred when investment managers buy, sell, borrow or lend investments. Transaction Costs include such items as tax, stamp duty and dealing commission and custodial fees.

**Value for Money**

The balance of cost versus benefits. Value for money has been defined (by the National Audit Office) as “The optimum combination of whole-life costs and quality”.

Because, however, there is a lack of perfect information about what's available and at what price and because some parts of the proposition are qualitative, what's “optimum” can only be theoretical.

Nevertheless, a value for money assessment must take account of the quality of the pension proposition as well as its cost and consider how that compares to what's available for equivalent schemes from other providers in the marketplace.

