

# Lifetime Retirement Income Fund

Fund Update for the quarter ended 31 December 2022



This fund update was first made publicly available on 9 February 2023.

## What is the purpose of this update?

This document tells you how the Lifetime Retirement Income Fund (**Fund**) has performed and what fees were charged. The document will help you to compare the Fund with other funds. Lifetime Asset Management Limited (**Lifetime**) prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

## Description of this fund

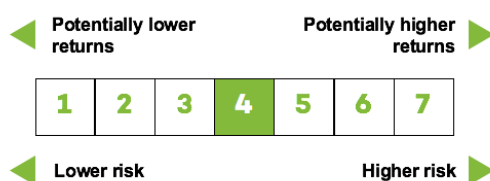
This Fund is a managed investment scheme. Your money will be pooled with other investors' money and invested in various investments. Lifetime Asset Management Limited (**Lifetime, we, us, or our**) will invest your money and charge you a fee for its services.

The Fund invests in diversified index funds with underlying exposure to international and Australasian equities and fixed interest. The Fund's investment objective is to maintain sufficient capital to support the provision of retirement income for life, delivering a target return of 4.50% per-annum (before taxes and fees) over the long term and limit average annualised volatility between 5.0% and 10.0% over the long-term.

Total value of the Fund	\$93,007,543
The date the Fund started	26 March 2021

## What are the risks of investing?

### Risk indicator for the Lifetime Retirement Income Fund



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the Fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.



To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at [sorted.org.nz/tools/investor-kickstarter](https://sorted.org.nz/tools/investor-kickstarter)

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. As the Fund has not been in existence for five years the risk indicator is based on the fund's returns data for the period 1 May 2021 to 31 December 2022 and market index data for the period 1 January 2018 to 30 April 2021. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.



See the Product Disclosure Statement (**PDS**) for more information about the risks associated with investing in this Fund.

## How has the fund performed?

	Past Year
Annual return (after deductions for charges and tax)	-12.21%
Annual return (after deductions for charges but before tax)	-12.38%
Market index annual return (reflects no deduction for charges and tax)	-12.40%

The market index annual return for the Fund is a composite index, calculated using the return of each asset class index the Fund invests in, weighted by the Fund's benchmark asset allocation. To the extent that imputation or franking credits are available, they are included in the market index.



See the Statement of Investment Policy and Objectives (**SIPO**) for details of the Fund's benchmark asset allocation and the asset class indices.



Additional information about the market index is available in the 'Other Material Information' document on the 'Offer Register' at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) (search for 'Lifetime Retirement Income Fund').

## What fees are investors charged?

Investors in the Fund are charged fund charges. In the year to 31 March 2022 these were<sup>1</sup>:

	% of net asset value
Total fund charges	1.09%
Which are made up of:	
<b>Total management and administration charges</b>	1.09%
Including:	
• Manager's basic fee	0.56%
• Other management and administration charges	0.53%
<b>Total performance-based fees*</b>	0.00%
<b>Other charges</b>	
The Fund may incur additional charges from the Underlying Funds when making an investment or withdrawal. Additional information about these charges is available in the PDS document on the 'Offer Register' at <a href="https://disclose-register.companiesoffice.govt.nz">disclose-register.companiesoffice.govt.nz</a> (search for 'Lifetime Retirement Income Fund').	

\* There are no performance fees charged by the Fund.

All fees are inclusive of GST (if any).

Investors may also be charged individual action fees for specific actions or decisions (for example, buy/sell spread). See the PDS for more information about those fees.

## Example of how this applies to an investor

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Small differences in fees and charges can have a big impact on your investment over the long term.

### Example of how this applies to an investor

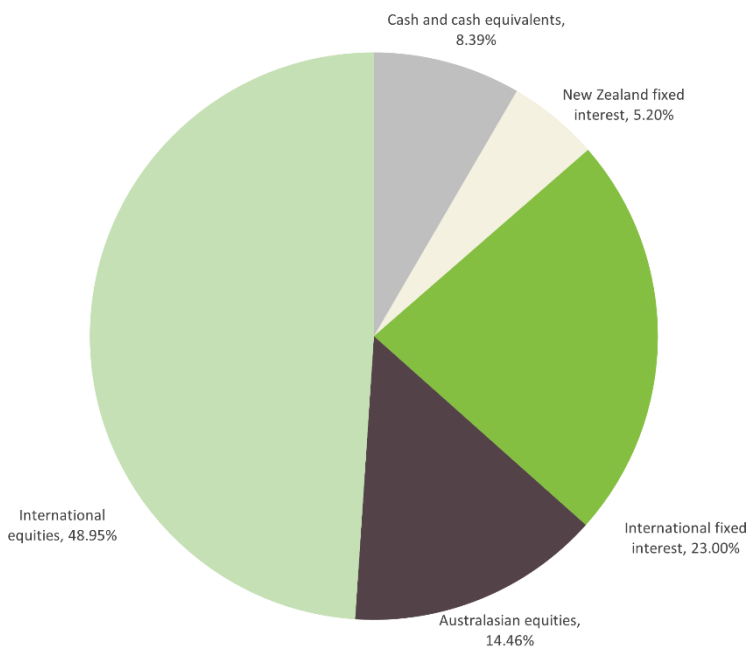
Ben had \$25,000 in the Fund at the start of the year and did not make any further contributions. At the end of the year, Ben received a return after fund charges were deducted of -\$3,095.00 (that is -12.38% of his initial \$25,000). Ben also paid \$0.00 in other charges. This gives Ben a total return after tax of -\$3,052.50 for the year.

## What does the fund invest in?

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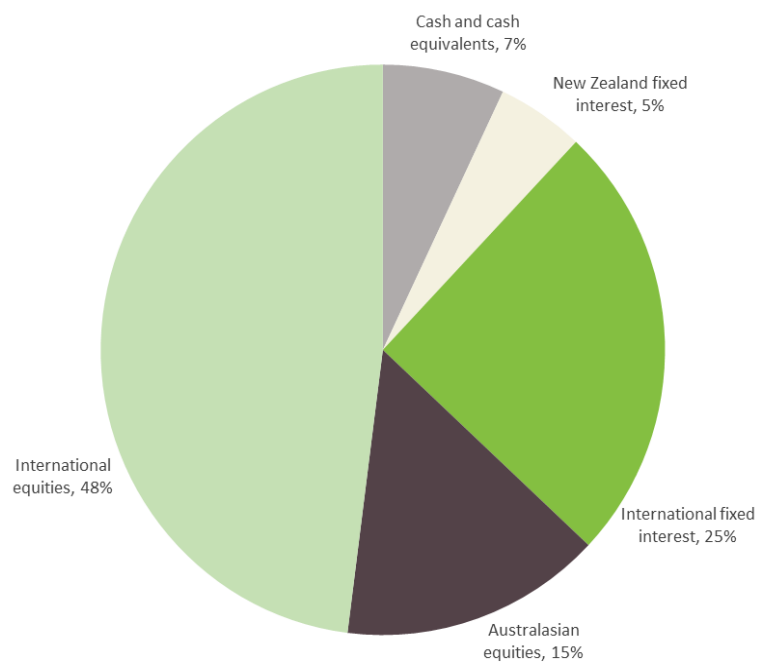
### Actual investment mix

This shows the types of assets that the fund invests in.



### Target investment mix

This shows the mix of assets that the fund generally intends to invest in.



## Top 10 investments

Name	Percentage of the net asset value of the Fund	Type	Country	Credit rating (if applicable)
Vanguard International Shares Select Exclusions Index Fund - AUD Hedged	48.95%	International equities	Australia	-
Vanguard International Fixed Interest Index Fund – AUD Hedged	16.66%	International fixed interest	Australia	-
Vanguard Australian Shares Index Fund	14.46%	Australasian equities	Australia	-
Vanguard Australian Fixed Interest Fund	6.34%	International fixed interest	Australia	-
Harbour Enhanced Cash Fund	5.20%	New Zealand fixed interest	New Zealand	-
Goldman Sachs NZD Margin Account	4.26%	Cash and Cash Equivalents	United Kingdom	A+
ANZ 'On Call' Cash Account	3.71%	Cash and Cash Equivalents	New Zealand	AA-
AUD/NZD Forward Currency Contract (Matures January 2023)	1.20%	Cash and Cash Equivalents	Australia	-
AUD/NZD Forward Currency Contract (Matures February 2023)	0.81%	Cash and Cash Equivalents	Australia	-
ANZ 'On Call' Cash Account - AUD	0.48%	Cash and Cash Equivalents	New Zealand	AA-

The top 10 investments make up 102.07% of the net asset value of the Fund.

## Currency hedging

Asset categories	Benchmark hedging rate	Benchmark range	Actual hedging level as at 31 December 2022
Cash and cash equivalents	Dynamic hedging that is continuously changing	-	-
New Zealand fixed interest	No foreign exchange exposure	-	-
International fixed interest	100% hedged to New Zealand dollar	+ / - 5.00%	104.25%
Australasian equities	100% hedged to New Zealand dollar	+ / - 5.00%	104.25%
International equities	100% hedged to New Zealand dollar	+ / - 5.00%	104.25%
Unlisted property	No foreign exchange exposure	-	-
Other	No foreign exchange exposure	-	-



Additional information about currency hedging is available in the 'SIPO' on the 'Scheme Register' at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) (search for 'Lifetime Retirement Income Fund').

## Key personnel

This shows the directors, employees and Investment Committee members and advisors who have the most influence on the investment decisions of the Fund.

Name	Current position	Time in current position	Previous or other position	Time in previous or other position
Ralph Stewart	Managing Director, Lifetime Asset Management Limited	8 years and 7 months	Chief Executive, Accident Compensation Corporation	1 year and 4 months
			Chief Executive, AXA New Zealand	10 years and 1 month
Martin Hawes	Director, Lifetime Asset Management Limited	7 years and 1 month	Authorised Financial Adviser	19 years and 6 months
James Beale	Director, Lifetime Asset Management Limited	3 years and 8 months	Chief Executive, Oriens Capital ( <i>current position</i> )	6 years and 3 months
			Head of Investment Management, Craigs Investment Partners	3 years and 4 months
Cameron Bagrie	Member, Lifetime Investment Committee	1 year and 8 months	Managing Director & Chief Economist, Bagrie Economics ( <i>current position</i> )	5 years and 0 months
			Chief Economist, ANZ	11 years and 10 months
Charles Hett	Member, Lifetime Investment Committee	2 years and 9 months	Appointed Actuary, Lifetime Income Limited	4 years and 1 month
			Head of Actuarial Services, Deloitte New Zealand	8 years and 9 months
Kevin Stirrat	Member, Lifetime Investment Committee	1 year and 8 months	Director/Strategy Wealth Management Research, Forsyth Barr Limited	15 years and 10 months
Victor Huang	Advisor, Lifetime Investment Committee	2 years and 9 months	(Australia) Principal and Head of Investment Solutions Asia-Pacific – Milliman Inc ( <i>current position</i> )	15 years and 0 months
Paul Robertshawe	Advisor, Lifetime Investment Committee	1 year and 8 months	Chief Investment Officer, Octagon Asset Management Limited ( <i>current position</i> )	1 year and 2 months

## Further information

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You can also obtain this information, the PDS for the Lifetime Retirement Income Fund, and some additional information from the offer register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) (search for 'Lifetime Retirement Income Fund').

## Notes

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1. The Fund only charged fees for the period of 4 May 2021 to 31 March 2022. This means that the fees stated are not reflective of a whole year and the fees for next year may differ.

# Lifetime

RETIREMENT INCOME