

# Future Lifestyle Plan

Fund Update for the year ended 31 March 2024

This fund update was first made publicly available on 27 June 2024.

## Lifetime Balanced Fund

### What is the purpose of this update?

This document tells you how the Lifetime Balanced 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 prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

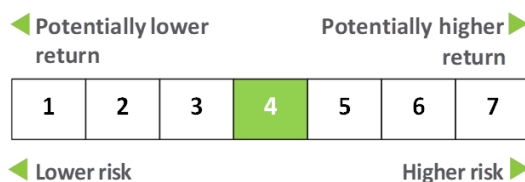
### Description of this fund

The Lifetime Balanced Fund seeks to track composite indices (before annual fund charge and tax). The Fund provides diversified exposure to both income and growth assets with investments spread across cash, fixed interest, equities and property. The Fund is expected to experience moderate volatility.

Total value of the Fund	\$120,154,339
Number of members in the fund	5,220
The date the Fund started	1 February 1991

### What are the risks of investing?

#### Risk indicator for the Lifetime Balanced 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-profiler/](https://sorted.org.nz/tools/investor-profiler/)

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. The risk indicator is based on the returns data for the five years to 31 March 2024. 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.

## How has the fund performed?<sup>1</sup>

	Average over past 5 years	Past Year
Annual return (after deductions for charges and tax)	3.90%	11.71%
Annual return (after deductions for charges but before tax)	4.16%	12.94%
Market index annual return (reflects no deduction for charges and tax)	5.96%	13.30%

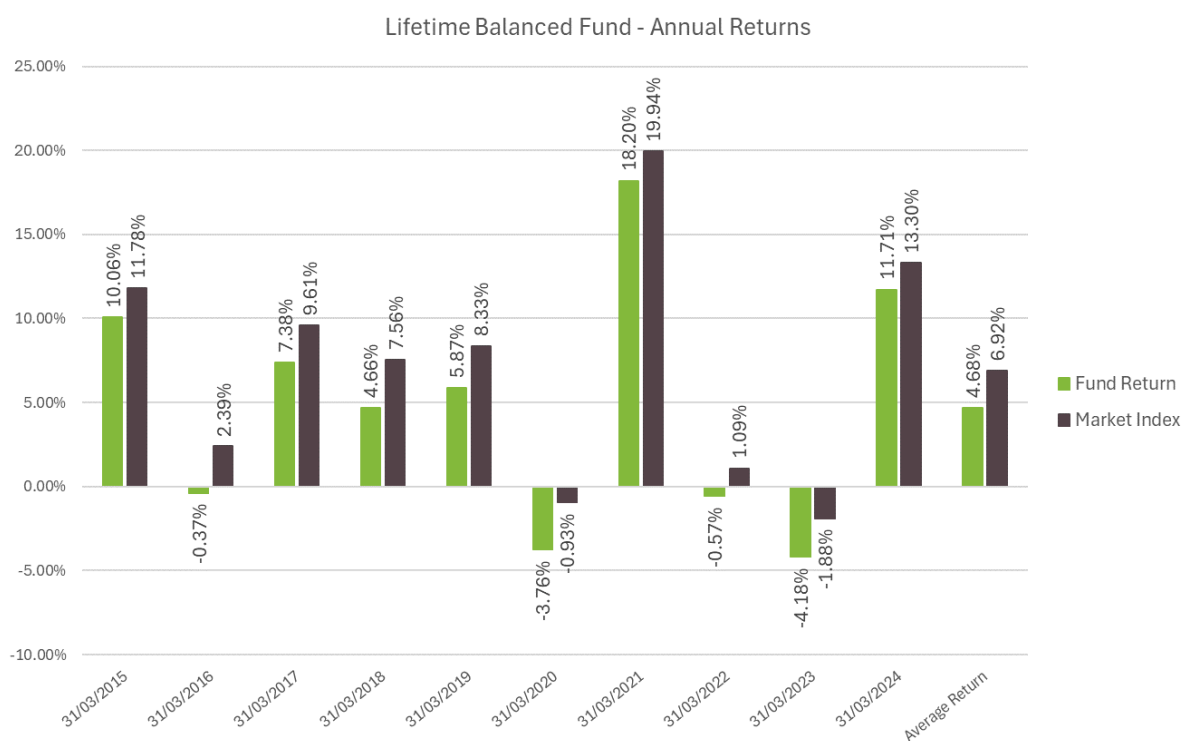
The market index annual return for the Fund is a composite index, calculated using the return of each asset class index the Fund invests in, weighted by the Fund's benchmark asset allocation. On 2 October 2023, the composite index was updated due to the changes to the underlying funds in which the Fund invests.



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 'Statement of Investment Policy and Objectives' on the 'Scheme Register' at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) (search for 'Future Lifestyle Plan').



This shows the fund return after fund charges and tax for each of the last 10 years ending 31 March. The last bar shows the average annual return for each of the 10 years, up to 31 March 2024.

**Important:** This does not tell you how the fund will perform in the future.

## What fees are investors charged?

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Investors in the Fund are charged fund charges. In the year to 31 March 2024 these were:<sup>2</sup>

	% of net asset value
Total fund charges	1.61%
Which are made up of:	
<b>Total management and administration charges</b>	<b>1.61%</b>
Including:	
<ul style="list-style-type: none"> <li>• Manager's basic fee<sup>3</sup></li> </ul>	1.40%
<ul style="list-style-type: none"> <li>• Other management and administration charges</li> </ul>	0.21%
<b>Total performance-based fees*</b>	<b>0.00%</b>
<b>Other charges – Account Fee</b>	Members who joined the Scheme prior to or on 19 May 1997 are charged an annual account fee of \$60 on the anniversary date of their account establishment. When the member's balance is over \$30,000, as at the plan anniversary, this fee is waived. These members may also receive a reduced management fee in the form of a rebate. Members can refer to their product documentation or contact us to determine the fee structure applicable to them.

\* 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, for withdrawing from or switching funds).

## 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.

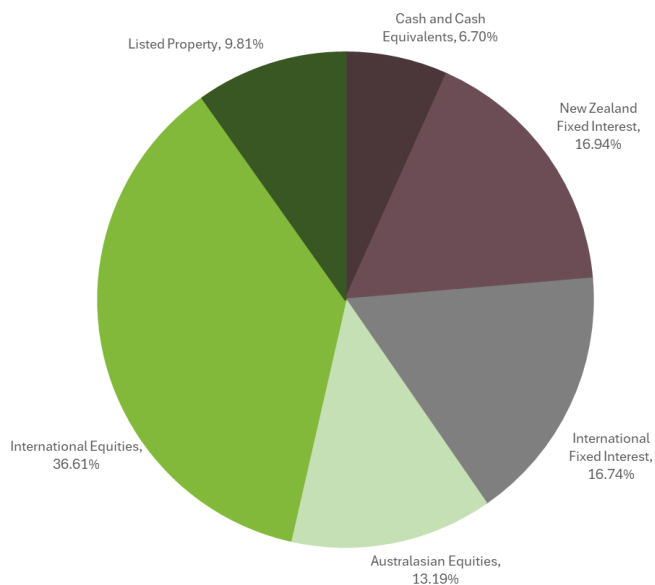
### Example of how this applies to an investor

Ben had \$10,000 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 and tax were deducted of \$1,170.74 (that is 11.71% of his initial \$10,000). Ben also paid \$0 in other charges. This gives Ben a total return after tax of \$1,170.74 for the year.

## What does the fund invest in?

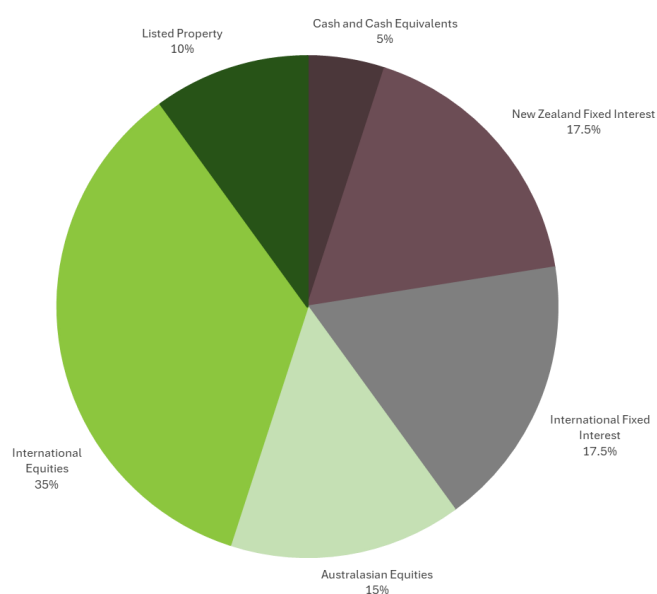
### Actual investment mix

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<sup>4</sup>

Name	Percentage of the net asset value of the Fund	Type	Country	Credit rating (if applicable)
Mercer Socially Responsible Overseas Shares Index Portfolio	18.50%	International Equities	New Zealand	-
Mercer Hedged Socially Responsible Overseas Shares Index Portfolio	17.95%	International Equities	New Zealand	-
Fisher Institutional New Zealand Fixed Interest Fund	16.86%	New Zealand Fixed Interest	New Zealand	-
Mercer Ethical Leaders Hedged Global Fixed Interest Index Fund	16.66%	International Fixed Interest	New Zealand	-
Kernel NZ Commercial Property Fund	9.77%	Listed Property	New Zealand	-
Mercer Macquarie Australian Shares Fund	6.74%	Australasian Equities	New Zealand	-
Fisher Institutional New Zealand Cash Fund	6.57%	Australasian Equities	New Zealand	-
Simplicity NZ Share Fund	6.39%	Australasian Equities	New Zealand	-
Cash at Bank	0.56%	Cash & Cash Equivalents	New Zealand	AA-

The top 10 investments make up 100% of the net asset value of the Fund.

## Currency hedging

The following foreign currency exposure targets will apply to international assets:

- International Fixed Interest – 100% hedged to New Zealand dollars.
- Australian Equities – unhedged. However, the underlying fund manager has the discretion to hedge the underlying fund back to New Zealand dollars.
- International Equities – 50% hedged to New Zealand dollars. However, we may aim to add value by tactically adjusting the strategic hedging level on international shares above or below the benchmark of 50% depending on our view of how the New Zealand dollar will perform.

The Fund has a target of 25% unhedged currency 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 'Future Lifestyle Plan').

## Key personnel<sup>5</sup>

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	9 years and 10 months	Chief Executive, Accident Compensation Corporation	1 year and 4 months
			Chief Executive, AXA New Zealand	10 years and 1 month
Peter Verhaart	Contract Chief Investment Officer, Investment Committee Chair	0 years and 1 month	Head of Investment Consulting EriksensGlobal Limited (current position)	2 years and 4 months
			Head of Wholesale and Private Investment, Kiwi Wealth	5 years and 7 months
Cameron Bagrie	Member, Lifetime Investment Committee	2 years and 11 months	Managing Director & Chief Economist, Bagrie Economics ( <i>current position</i> )	6 years and 3 months
			Chief Economist, ANZ	11 years and 10 months
Kevin Stirrat	Member, Lifetime Investment Committee	2 years and 11 months	Director/Strategy Wealth Management Research, Forsyth Barr Limited	15 years and 10 months
Ellen Cheyne	Chief Financial Officer & Member, Lifetime Investment Committee	5 years and 9 months	Head of Finance, The Co-operative Bank	7 years and 10 months
Paul Robertshawe	Advisor, Lifetime Investment Committee	2 years and 11 months	Chief Investment Officer, Octagon Asset Management Limited ( <i>current position</i> )	2 years and 5 months

## Further information

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You can also obtain this information and some additional information from the offer register at **disclose-register.companiesoffice.govt.nz** (search for 'Future Lifestyle Plan').

## Notes

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1. Lifetime Asset Management Limited became the licensed manager of the Future Lifestyle Plan on 2 October 2023. Performance is therefore a blend of Lifetime Asset Management Limited and the previous licensed manager. Lifetime updated the underlying fund management for this fund at this time.

2. On 2 October 2023, Lifetime Asset Management Limited took over as manager of the scheme from AMP Wealth Management New Zealand Limited. The fees disclosed are a blend of the fees charged throughout the year.

	1 April 2023 – 29 September 2023	2 October 2023 – 31 March 2024	Average fee for the year
Manager's basic fee	1.50%	1.30%	1.40%
Other management and administration charges	0.21%	0.21%	0.21%
<b>Total Fund charges</b>	<b>1.71%</b>	<b>1.51%</b>	<b>1.61%</b>

When Lifetime Asset Management took over as manager the total fund charges reduced to 1.51% from 1.71%. Fees were not charged on the weekend of the 30<sup>th</sup> of September and the 1<sup>st</sup> of October as the scheme was transitioning. For further information about Lifetime Asset Management Limited, please visit: [www.lifetimeinvestments.co.nz/investments/future-lifestyle-plan/](http://www.lifetimeinvestments.co.nz/investments/future-lifestyle-plan/)

3. Members may receive fee rebates based on qualifying criteria. These rebates have not been included in the calculation of the fees. Members can refer to their product documentation or contact us to identify the fee structure applicable to them.

4. The top 10 investments have been calculated excluding operational cash items.

5. This is the first update with these members as key personnel. These are the directors, employees and Investment Committee members and advisors who have had the most influence on the investment decisions of the Fund from when Lifetime Asset Management Limited became the licensed manager on 2 October 2023.