

Lifetime Retirement Income Fund

Fund Update for the quarter ending 30 June 2021



This fund update was first made publicly available on 28 July 2021.

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

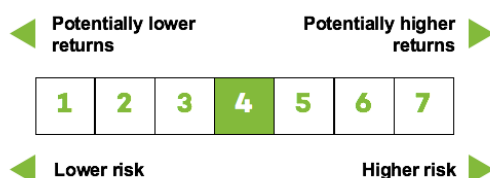
This Fund is a managed investment scheme. Your money will be pooled with other investors' money and invested in various investments. Lifetime Asset Management Limited (Lifetime, we, us, or our) will invest your money and charge you a fee for its services.

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	\$98,562,329
The date the Fund started	26 March 2021

What are the risks of investing?

Risk indicator for the Lifetime Retirement Income Fund¹



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

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 an alternative methodology for calculating volatility due to the use of the Risk Management Overlay and is based on the potential future volatility of the Fund³. 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)	Not Applicable ²
Annual return (after deductions for charges but before tax)	Not Applicable ²
Market index annual return (reflects no deduction for charges and tax)	21.87%

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 (search for 'Lifetime Retirement Income Fund').

What fees are investors charged?

Investors in the Fund are charged fund charges. Based on the PDS dated 26 March 2021 these are expected to be³:

	% of net asset value
Total fund charges	1.35% (estimate ³)
Which are made up of:	
Total management and administration charges	1.35% (estimate ³)
Including:	
• Manager's basic fee	0.93%
• Other management and administration charges	0.42% (estimate ³)
Total performance-based fees*	0.00%
Other charges	
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 disclose-register.companiesoffice.govt.nz (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

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

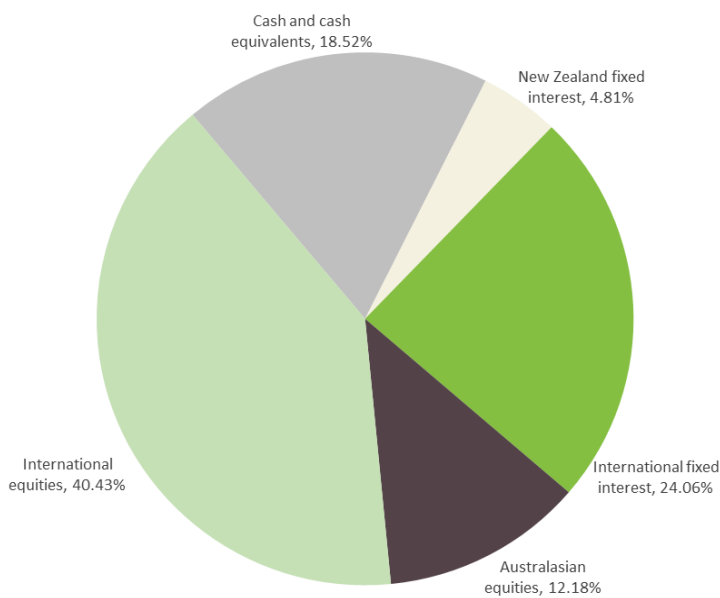
Example of how this applies to an investor

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 \$5,467.50 (that is 21.87% of his initial \$25,000). Ben also paid \$0.00 in other charges. This gives Ben a total return after tax of \$5,467.50 for the year.

What does the fund invest in?

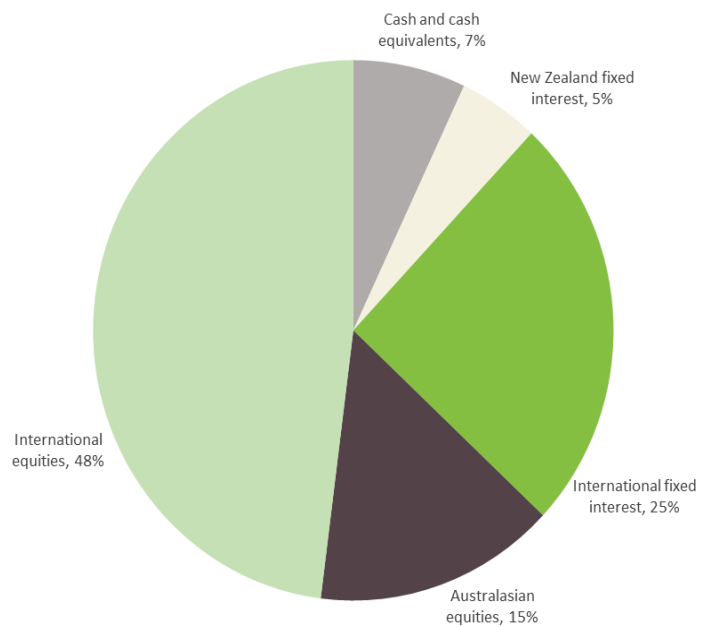
Actual investment mix

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

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	40.43%	International equities	Australia	-
Vanguard International Fixed Interest Index Fund (Hedged)	17.32%	International fixed interest	Australia	-
Vanguard Australian Shares Index Fund	12.18%	Australasian equities	Australia	-
ANZ 'On Call' Cash Account	11.47%	Cash and Cash Equivalents	Australia	AA-
ANZ 'On Call' Cash Account	6.83%	Cash and Cash Equivalents	New Zealand	AA-
Vanguard Australian Fixed Interest Fund	6.74%	International fixed interest	Australia	-
Harbour Enhanced Cash Fund	4.81%	New Zealand fixed interest	New Zealand	-
AUD / NZD Forward Contract (Matures September 2021)	0.14%	Cash and Cash Equivalents	Australia	-
AUD / NZD Forward Contract (Matures August 2021)	0.10%	Cash and Cash Equivalents	Australia	-
AUD / NZD Forward Contract (Matures July 2021)	0.10%	Cash and Cash Equivalents	Australia	-

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

Currency hedging

Asset categories	Benchmark hedging rate	Benchmark range	Actual hedging level as at 30 June 2020
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%	96.00%
Australasian equities	100% hedged to New Zealand dollar	+ / - 5.00%	96.00%
International equities	100% hedged to New Zealand dollar	+ / - 5.00%	96.00%
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 (search for 'Lifetime Retirement Income Fund').

Key personnel

This shows the directors and employees 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	7 years and 1 month	Chief Executive, Accident Compensation Corporation	1 year and 4 months
Martin Hawes	Director, Lifetime Asset Management Limited	5 years and 7 months	Authorised Financial Adviser (<i>current position</i>)	18 years and 7 months
			Chair, Summer Investment Committee (<i>current position</i>)	4 years and 9 months
James Beale	Director, Lifetime Asset Management Limited	2 years and 2 months	Chief Executive, Oriens Capital (<i>current position</i>)	4 years and 9 months
			Head of Investment Management, Craigs Investment Partners	3 years and 4 months
Charles Hett	Member, Lifetime Asset and Liability Committee	1 year and 3 months	Appointed Actuary, Lifetime Income Limited (<i>current position</i>)	3 years and 1 month
			Head of Actuarial Services, Deloitte New Zealand	8 years and 9 months
Victor Huang	(Australia) Principal and Head of Investment Solutions Asia-Pacific - Milliman Inc	13 years and 6 months	Interest rate derivative trader, NAB	1 year and 4 months

Further information



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 (search for 'Lifetime Retirement Income Fund').

Notes

1. This Fund came into existence on 26 March 2021. To calculate the risk indicator, market index return data has been used for the five-year period ended 30 April 2020. Using index return data may make the risk indicator a less reliable indicator of how much fund values are likely to go up and down in future.
2. The Fund has not yet been in existence for a 12-month period.
3. The Fund has not been in existence for a 12-month period, so the Annual Fund Charges are based on an estimate of assets under management, fund performance, fees and expenses forecast to occur in the 12-months following the first unitisation of the Fund. More information about the estimated Annual Fund Charges is available on the Offer register at disclose-register.companiesoffice.govt.nz (search for 'Lifetime Retirement Income Fund').