

# NZD Conservative Fund

This fund update was first made publicly available on 02 February 2022.

## What is the purpose of this update?

This document tells you how the NZD Conservative 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.

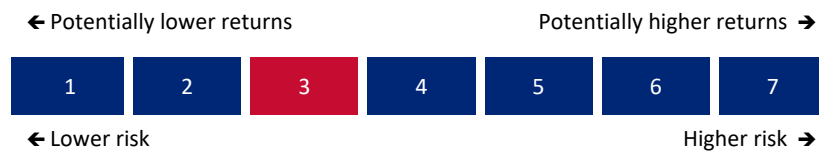
## Description of this Fund

New Zealand Dollar denominated fund employing an active asset allocation strategy and a passive investment management strategy invested 70% in income assets (New Zealand and international fixed interest), with 30% exposure to growth assets (Australasian and international equities). Seeks to track composite indices (before annual fund charge and tax), comprising 10% S&P/NZX Bank Bills 90-Day Index, 40% Bloomberg NZ Bond Govt 0+ Yr Index, 20% Bloomberg Barclays Global Aggregate Corporate Index, 20% S&P/NZX 50 Gross Index (including imputation credits) and 10% MSCI World Ex Australia Custom ESG Leaders Index.

<b>Total value of the Fund</b>	NZD \$4,608,828.69
<b>Number of investors</b>	38
<b>The date the Fund started</b>	3 December 2018

## What are the risks of investing?

### Risk indicator for the NZD Conservative 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 January 2019 to 31 December 2021 and market index data for the period 1 January 2017 to 31 December 2018. 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 (Note 1) <sup>1</sup>
<b>Annual return</b> (after deductions for charges and tax)	-4.92%
<b>Annual return</b> (after deductions for charges but before tax)	-6.63%
Market index annual return (reflects no deduction for charges and tax)	-4.86%

The market index annual return for the Fund is a composite index (before annual fund charge and tax), comprising 80% Bloomberg NZBond Govt 0+ Yr Index and 20% S&P/NZX50 Index. To the extent that imputation or franking credits are available, they are included in the market index. The market index has not changed since the Fund's inception.

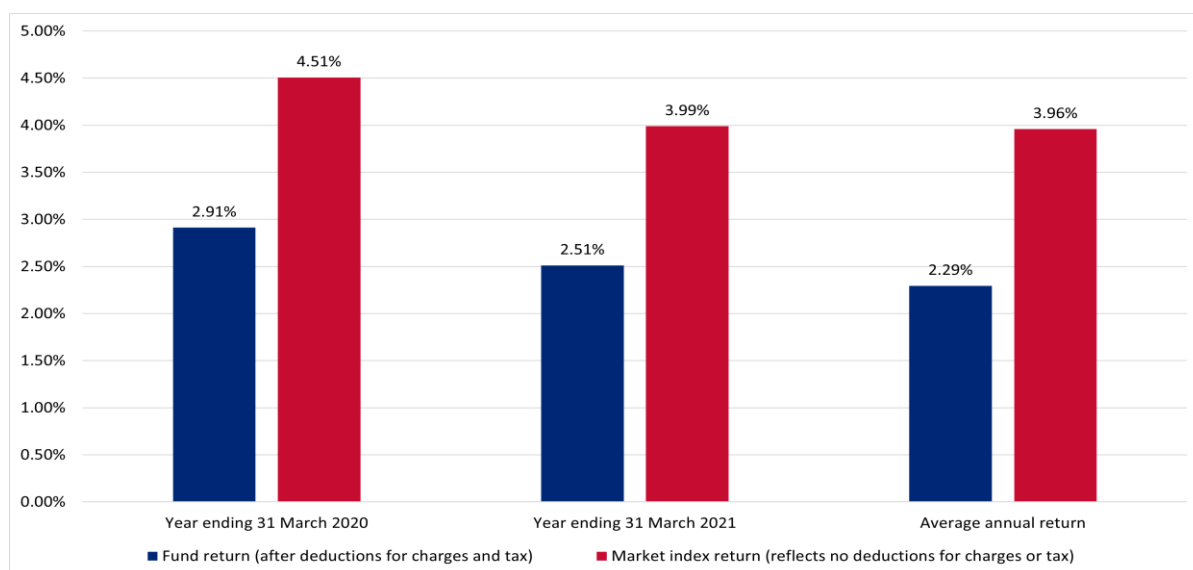


See the Statement of Investment Policy and Objectives (SIPO) for details of the Fund's benchmark asset allocation and the asset class indices.



Additional information about the market index is available in the 'Market Index' document on the 'Offer Register' at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) (search for 'Garrison Bridge Superannuation Scheme').

### Annual Returns



This shows the fund return after fund charges and tax for each year ending 31 March since the Fund started. The last bar shows the average annual return since the Fund started, up to 31 December 2021.

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

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

<sup>1</sup> The performance presented here is for the 12 months to 31 December 2021. The Manager reviews the strategic asset allocation of the Fund which is conducted bi-annually or if market conditions require active intervention. As a result of the bi-annual strategic review the asset allocation for the Fund has changed. Because of the new asset allocation, From 1 January 2022 the performance of the Fund will not be directly comparable with the performance to 31 December 2021.

## What fees are investors charged?

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Investors in the Fund are charged fund charges. In the year to 31 March 2021 these were:

	% of net asset value
Total fund charges	1.07%
Which are made up of:	
Total management and administration charges	1.07%
Including:	
• Manager's basic fee	0.37%
• Other management and administration charges	0.70%
Total performance-based fees*	0.00%
Other charges	Dollar amount per investor
	\$0.00

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

All fees are GST inclusive (if applicable).

Investors may also be charged individual action fees for specific actions or decisions (for example, an establishment fee). 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.

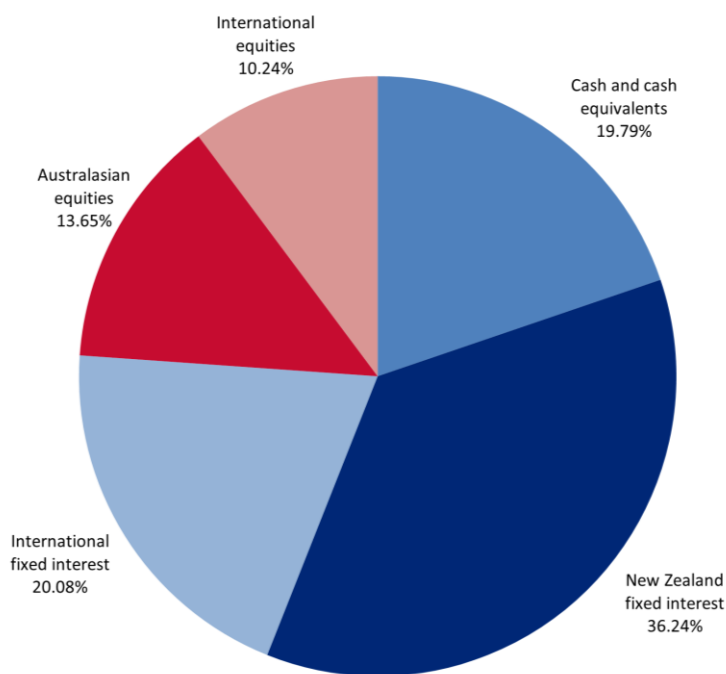
### Example of how this applies to an investor

Ben had \$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 were deducted of -\$663 (that is -6.63% of his initial \$10,000). Ben also paid \$0 in other charges. This gives Ben a total return after tax of -\$492 for the year.

## What does the fund invest in?

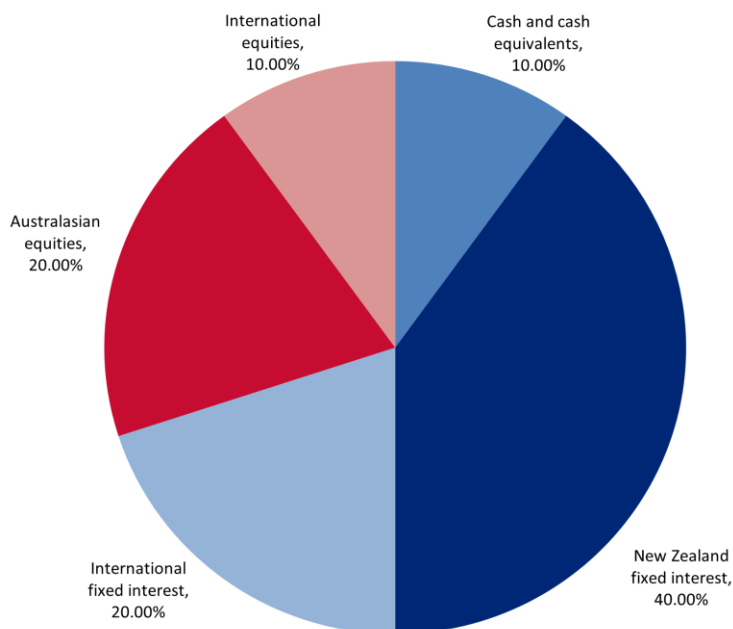
### Actual investment mix

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.



Name	Percentage of the net asset value of the Fund	Type	Country	Credit rating (if applicable)
Simplicity NZ Bond Fund	36.21%	New Zealand fixed interest	New Zealand	-
Smartshares Global Aggregate Bond ETF (AGG)	20.07%	International fixed interest	New Zealand	-
Simplicity NZ Share Fund	13.65%	Australasian equities	New Zealand	-
iShares Core MSCI World ex Australia ESG Leaders ETF	10.24%	International Equities	Australia	-
Harbour Enhanced Cash Fund	10.12%	Cash and cash equivalents	New Zealand	-
Bank of New Zealand 'On Call' Bank Account	9.71% <sup>2</sup>	Cash and cash equivalents	New Zealand	AA-

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

<sup>2</sup> The fund held higher levels of cash in December 2021 than normal to allow the strategic asset allocation changes to be implemented.

## Currency hedging

The principal currency of the fund is New Zealand dollars. International investment in growth assets making up a target asset allocation of 10% is priced in Australian dollars and is not hedged to the New Zealand dollar.



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 'Garrison Bridge Superannuation Scheme').

## 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 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	6 years and 1 month	Authorised Financial Adviser ( <i>current position</i> )	19 years and 1 month
James Beale	Director, Lifetime Asset Management Limited	2 years and 8 months	Chief Executive, Oriens Capital ( <i>current position</i> )	5 years and 3 months
			Head of Investment Management, Craigs Investment Partners	3 years and 4 months
Charles Hett	Member, Lifetime Investment Committee	1 year and 9 months	Appointed Actuary, Lifetime Income Limited ( <i>current position</i> )	3 years and 7 months
			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	14 years and 0 months	Interest Rate Derivatives Trader, NAB	1 year and 4 months
Cameron Bagrie	Member, Lifetime Investment Committee	0 years and 8 months	Managing Director & Chief Economist, Bagrie Economics ( <i>current position</i> )	4 years and 0 months
			Chief Economist, ANZ	11 years and 10 months
Kevin Stirrat	Member, Lifetime Investment Committee	0 years and 8 months	Director/Strategy Wealth Management Research, Forsyth Barr Limited	15 years and 10 months

## Further information

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You can also obtain this information, the PDS for the Garrison Bridge Superannuation Scheme, and some additional information from the 'Offer Register' at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) (search for 'Garrison Bridge Superannuation Scheme').

## Notes

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1. The bi-annual strategic asset allocation review was completed by the Manager in November 2021, the changes approved by the Board in December 2021 and implemented between December 2021 and January 2022. The Funds' performance after 1 January 2022 will no longer be directly comparable to the performance to 31 December 2021. More information about the Funds asset allocation can be found in current Statement of Investment Policies and Objectives (SIPO), which is available on the scheme register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) (click 'search schemes' and search for 'Garrison Bridge Superannuation Scheme').

