

# NZD Conservative Fund

This fund update was first made publicly available on 13 February 2025.

## 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 Global Aggregate Index, 100% hedged to NZD; 20% Morningstar New Zealand (total return) Index, including imputation credits; 5% MSCI World Index NR ex NZ, Tobacco, Controversial and Nuclear Weapons; and 5% MSCI World Index NR ex NZ, Tobacco, Controversial and Nuclear Weapons, 100% hedged to NZD.


|                           |                  |
|---------------------------|------------------|
| Total value of the Fund   | NZD \$24,561,628 |
| Number of investors       | 177              |
| The date the Fund started | 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. The risk indicator is based on the returns data for the period of 1 January 2020 to 31 December 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.

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

## How has the fund performed?

|  | Average over past 5 years | Past year |
|--|---------------------------|-----------|
| <b>Annual return</b><br>(after deductions for charges and tax)                   | 0.18%                     | 6.04%     |
| <b>Annual return</b><br>(after deductions for charges but before tax)            | 0.06%                     | 6.73%     |
| <b>Market index annual return</b><br>(reflects no deduction for charges and tax) | 1.40%                     | 7.87%     |

The market index annual return for the Fund is a composite index (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 Global Aggregate Index, 100% hedged to NZD; 20% Morningstar New Zealand (total return) Index, including imputation credits; 5% MSCI World Index NR ex NZ, Tobacco, Controversial and Nuclear Weapons; and 5% MSCI World Index NR ex NZ, Tobacco, Controversial and Nuclear Weapons, 100% hedged to NZD.

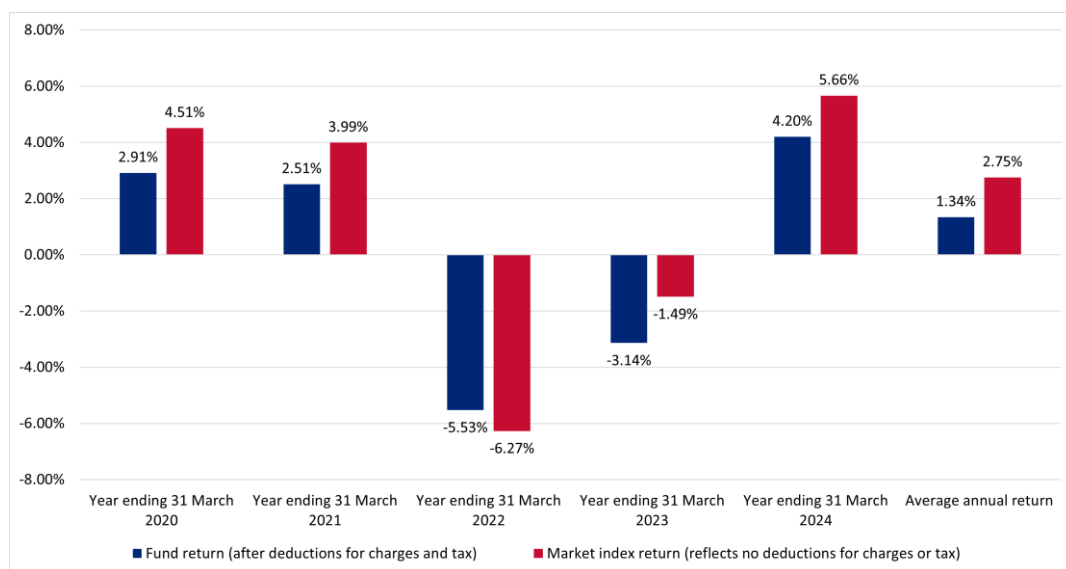


See the Statement of Investment Policy and Objectives (**SIPO**) for details of the Fund's benchmark asset allocation and the asset class indices.



Additional information about the market index is available in the 'SIPO' document on the 'Scheme 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 2024.

**Important:** 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.

## What fees are investors charged?

---

Investors in the Fund are charged fund charges. In the year to 31 March 2024 these were:

| % of net asset value                          |        |
|---|--------|
| Total fund charges                            | 1.09%  |
| Which are made up of:                         |        |
| Total management and administration charges   | 1.09%  |
| Including:                                    |        |
| • Manager's basic fee                         | 0.90%  |
| • Other management and administration charges | 0.19%  |
| Total performance-based fees*                 | 0.00%  |
| Dollar amount per investor                    |        |
| Other charges                                 | \$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, for withdrawing from funds). 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.

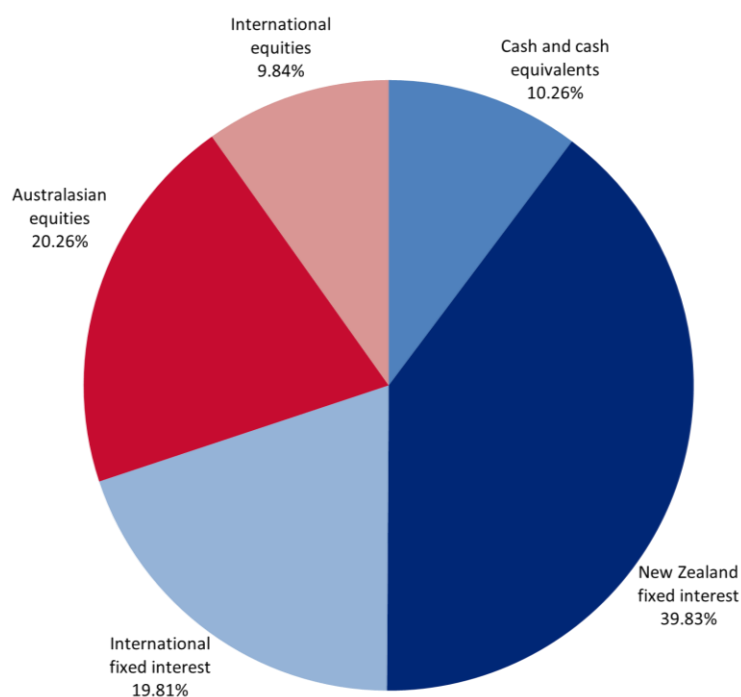
### Example of how this applies to an investor

Ben had \$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 \$673 (that is 6.73% of his initial \$10,000). Ben also paid \$0 in other charges. This gives Ben a total return after tax of \$604 for the year.

## What does the fund invest in?

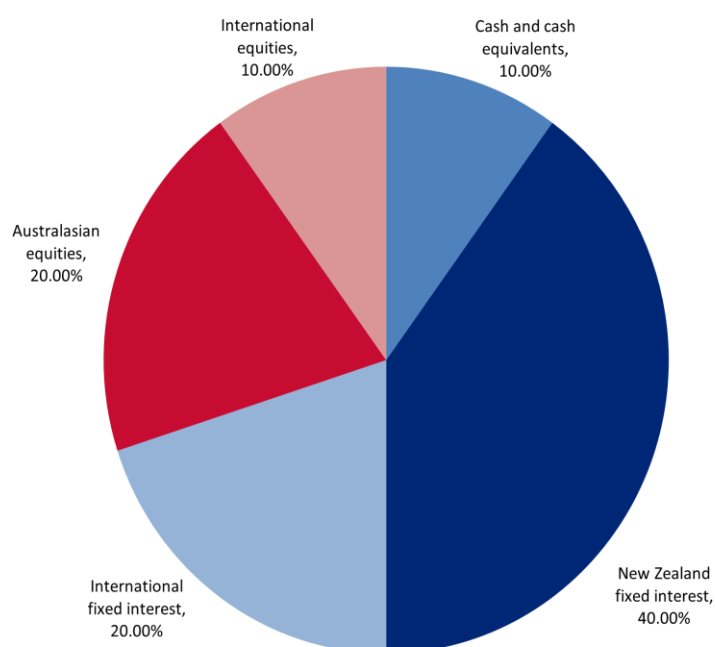
### Actual investment mix

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) |
|--|---|------------------------------|-------------|-------------------------------|
| Simplicity NZ Bond Fund  | 39.79%  | New Zealand fixed interest   | New Zealand | -                             |
| Simplicity NZ Share Fund   | 20.24%  | Australasian equities        | New Zealand | -                             |
| Smart Global Aggregate Bond ETF                                    | 19.79%  | International fixed interest | New Zealand | -                             |
| Harbour Enhanced Cash Fund   | 9.91%   | Cash and cash equivalents    | New Zealand | -                             |
| Mercer Socially Responsible Overseas Shares Index Portfolio        | 5.01%   | International Equities       | New Zealand | -                             |
| Mercer Hedged Socially Responsible Overseas Shares Index Portfolio | 4.83%   | International Equities       | New Zealand | -                             |
| Bank of New Zealand 'On Call' Bank Account                         | 0.43%   | Cash and cash equivalents    | New Zealand | AA-                           |

The top 10 investments make up 100% 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.
- 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.



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, employees and Investment Committee members and advisers who have the most impact on the investment decisions of the Fund.

| Name             | Current position  | Time in current position | Previous or other position   | Time in previous or other position |
|------------------|---|--------------------------|--|------------------------------------|
| Peter Verhaart   | Contract Chief Investment Officer, Investment Committee Chair   | 0 years and 10 months    | Head of Investment Consulting EriksensGlobal Limited (current position)                | 3 years and 1 month                |
|                  |   |                          | Head of Wholesale and Private Investment, Kiwi Wealth                                  | 5 years and 7 months               |
| Cameron Bagrie   | Member, Lifetime Investment Committee                           | 3 years and 8 months     | Managing Director & Chief Economist, Bagrie Economics ( <i>current position</i> )      | 7 years and 0 months               |
|                  |   |                          | Chief Economist, ANZ   | 11 years and 10 months             |
| Kevin Stirrat    | Member, Lifetime Investment Committee                           | 3 years and 8 months     | Director/Strategy Wealth Management Research, Forsyth Barr Limited                     | 15 years and 10 months             |
| Ellen Cheyne     | Chief Financial Officer & Member, Lifetime Investment Committee | 6 years and 6 months     | Head of Finance, The Co-operative Bank   | 7 years and 10 months              |
| Paul Robertshawe | Advisor, Lifetime Investment Committee                          | 3 years and 8 months     | Chief Investment Officer, Octagon Asset Management Limited ( <i>current position</i> ) | 3 years and 2 months               |

### Further information

---



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

---