

# Lifetime Master Trust

Fund Update for the year ended 31 March 2023

This fund update was first made publicly available on 30 June 2023.

## 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 Trustee Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

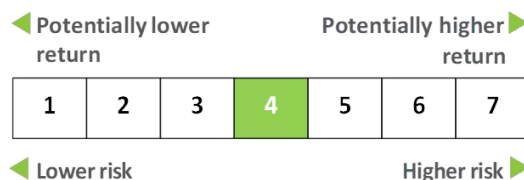
### Description of this fund

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 fixed interest and equities and is expected to experience moderate volatility.

Total value of the Fund	\$96,343,398
Number of members in the fund	1,100
The date the Fund started	1 October 2003

### 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-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 five years to 31 March 2023. 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> (after deductions for charges and tax)	4.34%	-4.16%
<b>Annual return</b> (after deductions for charges but before tax)	4.94%	-4.69%
Market index annual return (reflects no deduction for charges and tax)	4.99%	-4.16%

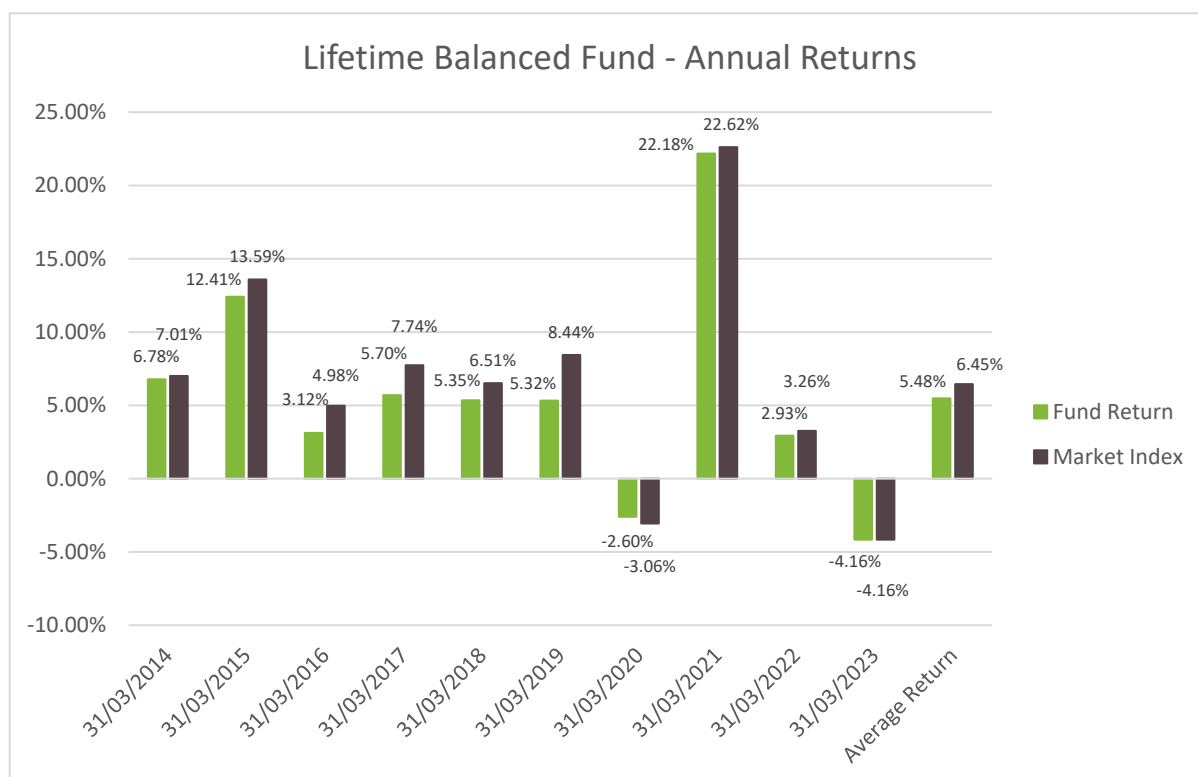
The market index annual return for the Fund is a composite index, calculated using the return of each asset class index the Fund invests in, weighted by the Fund's benchmark asset allocation. On 20 March 2023, the market index was updated due to the changes to the underlying funds in which the Fund invests.



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 'Lifetime Master Trust').



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 2023.

**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?

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Investors in the Fund are charged fund charges. In the year to 31 March 2023 these were:

	% of net asset value
Total fund charges	1.03%
Which are made up of:	
<b>Total management and administration charges</b>	1.03%
Including:	
• Manager's basic fee	0.86%
• Other management and administration charges	0.17%
<b>Total performance-based fees*</b>	0.00%
<b>Other charges</b>	
<b>Annual membership fee</b>	\$22.35
Annual membership fee calculation involves calculating the total of member fees payable across all those participating employers where the member pays for the fees and dividing by the total number of members from all participating employers and multiplying by 12 to convert to an annual average. Annual membership fees were charged during the period however they are no longer charged.	

\* 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. 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.

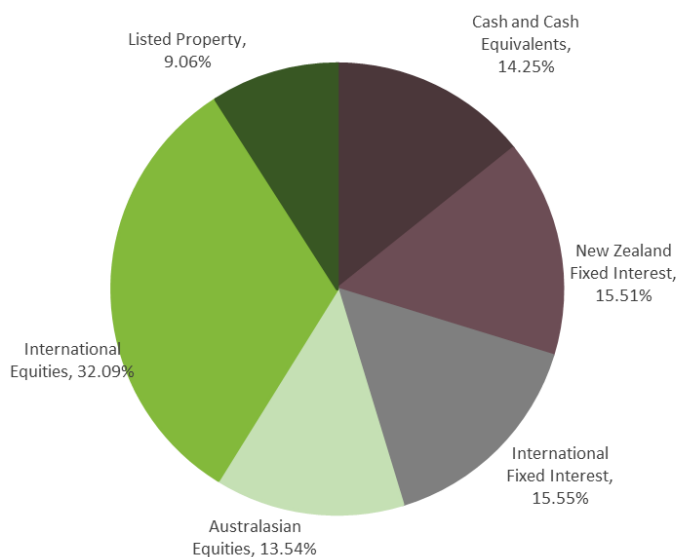
### Example of how this applies to an investor

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 incurred a loss after fund charges and tax were deducted of \$415.69 (that is -4.16% of his initial \$10,000). Ben also paid \$22.35 in other charges. This gives Ben a total loss after tax of \$438.04 for the year.

## What does the fund invest in?

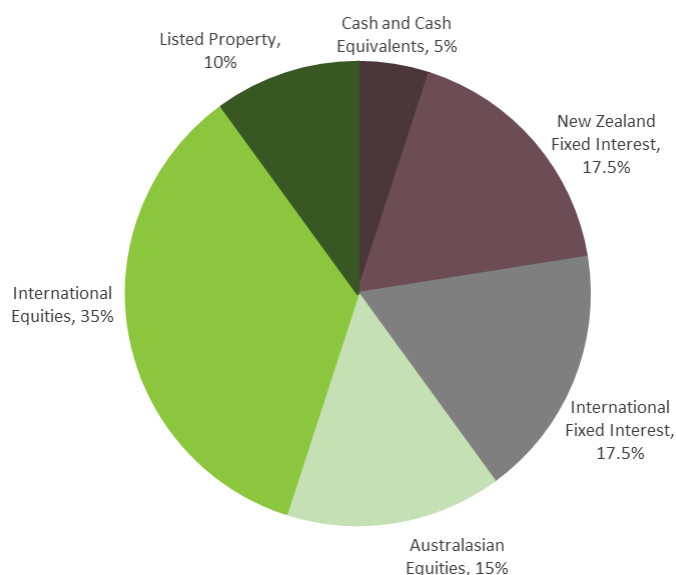
### Actual investment mix

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)
Mercer Hedged Socially Responsible Overseas Shares Index Portfolio	16.12%	International Equities	New Zealand	-
Mercer Socially Responsible Overseas Shares Index Portfolio	15.91%	International Equities	New Zealand	-
Mercer Ethical Leaders Hedged Global Fixed Interest Index Fund	15.52%	International Fixed Interest	New Zealand	-
Fisher Institutional New Zealand Fixed Interest Fund	15.48%	New Zealand Fixed Interest	New Zealand	-
Cash at Bank	9.95%	Cash & Cash Equivalents	New Zealand	AA-
Kernel NZ Commercial Property Fund	9.05%	Listed Property	New Zealand	-
Mercer Macquarie Australian Shares Fund	6.79%	Australasian Equities	New Zealand	-
Simplicity NZ Share Fund	6.73%	Australasian Equities	New Zealand	-
Fisher Institutional New Zealand Cash Fund	4.45%	Cash & Cash Equivalents	New Zealand	-

The top 10 investments make up 100.00% of the net asset value of the Fund.

## Currency hedging

The following foreign currency exposure targets 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 equities 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 'Lifetime Master Trust').

## Key personnel

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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
Helen McKenzie	Director, Lifetime Trustee Limited	6 years and 5 months	Institutional Relationship Manager, First State Investments	3 years
Dennis Church	Director, Lifetime Trustee Limited	3 years and 11 months	General Manager, Public Trust Corporate Trustees Services	9 years and 6 months
Ralph Stewart	Director, Lifetime Trustee Limited	9 months	Managing Director, Lifetime Asset Management Limited (current position)	8 years and 10 months
Diana Crossan	Director, Lifetime Trustee Limited	9 months	Retirement Commissioner, Commission for Financial Literacy and Retirement Income	9 years and 11 months
John Strahl	Director, Lifetime Trustee Limited	9 months	Partner, DLA Phillips Fox	17 years and 6 months

## Further information

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

## Notes

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