

# Aon KiwiSaver Scheme



## Russell LifePoints® Target Date 2025 Fund

### Fund update for the quarter ending 30 September 2019

This fund update was first made publicly available on 25 October 2019.

#### What is the purpose of this update?

This document tells you how the Russell LifePoints® Target Date 2025 Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Aon Saver 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 Russell LifePoints® Target Date 2025 Fund aims to produce returns that provide capital growth and income consistent with its current asset allocation. The allocation to income assets increases progressively until it reaches 80% in 2025.

|  |                   |
|--|-------------------|
| <b>Total value of the fund</b>         | \$22,356,381      |
| <b>Number of investors in the fund</b> | 578               |
| <b>Date the fund started</b>           | 30 September 2007 |

#### What are the risks of investing?

Risk indicator for the Russell LifePoints® Target Date 2025 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 using our [Aon KiwiSaver Scheme risk 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 30 September 2019.** 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.

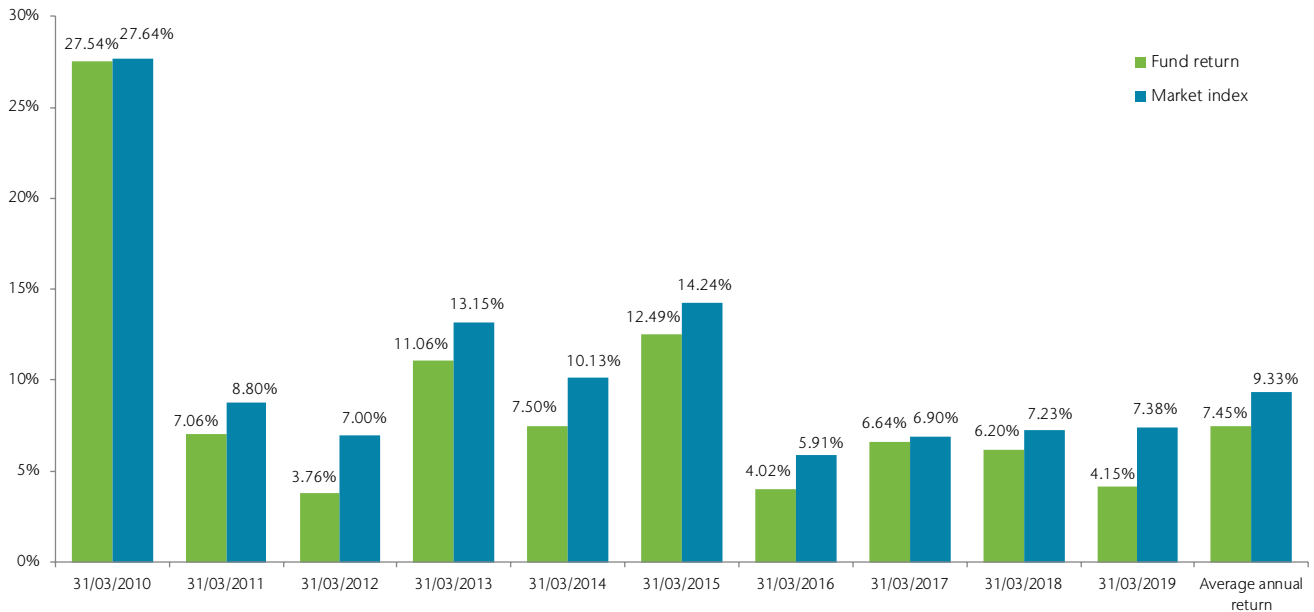
#### How has the fund performed?

|  | Average over past 5 years | Past year |
|--|---------------------------|-----------|
| <b>Annual return</b><br>(after deductions for charges and tax)                   | 6.60%                     | 5.87%     |
| <b>Annual return</b><br>(after deductions for charges but before tax)            | 7.71%                     | 7.77%     |
| <b>Market index annual return</b><br>(reflects no deduction for charges and tax) | 8.30%                     | 9.42%     |

The market index return reflects a composite of benchmark index returns, weighted for the fund's target asset allocation. The benchmark indices used for each asset class are defined in the Statement of Investment Policy and Objectives (SIPO).

Additional information about the market index is in the SIPO available from the scheme register at [disclose-register.companiesoffice.govt.nz](http://disclose-register.companiesoffice.govt.nz).

## Annual return graph



This shows the 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 the last 10 years, up to 30 September 2019.

**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 Russell LifePoints® Target Date 2025 Fund are charged fund charges. In the year to 31 March 2019, these were:

|   | % of net asset value |
|---|----------------------|
| <b>Total fund charges</b>                                     | 1.08%                |
| Which are made up of  |                      |
| <b>Total management and administration charges including:</b> |                      |
| Manager's basic fee   | 0.96%                |
| Other management and administration charges                   | 0.12%                |
| <b>Total performance-based fees</b>                           | 0.00%                |
| <b>Other charges</b>  |                      |
| Annual membership fee   | \$49.80*             |

\* Annual membership fees are the fixed dollar charges for membership in the Aon KiwiSaver Scheme, paid monthly. You will pay this fee only once each month even if you are invested in multiple funds within the Aon KiwiSaver Scheme. If you are under 18 this fee is reduced to \$40.

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the ‘Aon KiwiSaver Scheme Fees and other charges’ document available from the offer register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) for more information about those fees.

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

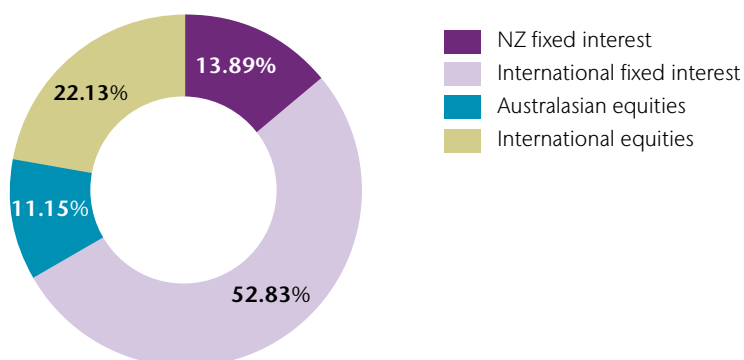
## Example of how this applies to an investor

Jacob had \$10,000 in the fund at the start of the year and didn’t make any further contributions. At the end of the year, Jacob received a return after fund fees and tax were deducted of \$587 (that’s 5.87% of his initial \$10,000). Jacob also paid \$49.80 in membership fees. This gives Jacob a total return of \$537.20 for the year.

## What does this fund invest in?

### Actual investment mix

This shows the type of assets that the fund invests in.



### Target investment mix

|                              |        |
|------------------------------|--------|
| Cash and cash equivalents    | 0.00%  |
| New Zealand fixed interest   | 14.00% |
| International fixed interest | 53.00% |
| Australasian equities        | 11.00% |
| International equities       | 22.00% |
| Listed property              | 0.00%  |
| Unlisted property            | 0.00%  |
| Commodities                  | 0.00%  |
| Other                        | 0.00%  |

## Top 10 investments

|   | Asset name                                     | Percentage of fund net assets | Asset class                  | Country     | Credit rating (if applicable) |
|---|--|-------------------------------|------------------------------|-------------|-------------------------------|
| 1 | Russell Investments Global Fixed Interest Fund | 52.83%                        | International fixed interest | New Zealand |                               |
| 2 | Russell Investments NZ Fixed Interest Fund     | 13.89%                        | New Zealand fixed interest   | New Zealand |                               |
| 3 | Russell Investments Hedged Global Shares Fund  | 11.32%                        | International equities       | New Zealand |                               |
| 4 | Russell Investments NZ Shares Fund             | 11.15%                        | Australasian equities        | New Zealand |                               |
| 5 | Russell Investments Global Shares Fund         | 10.81%                        | International equities       | New Zealand |                               |

The Top 10 investments make up 100.00% of the fund.

### Currency hedging

Currency hedging can apply to some of the asset classes this fund invests in.

The targeted level of currency hedging for international equities is 50%. Other global asset classes target a 100% hedge to the New Zealand dollar. Refer to the Statement of Investment Policy and Objectives for more information which is available from the scheme register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

## Key personnel

This shows the employees or directors of the fund 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,<br>Aon Saver Limited  | 0 years, 5 months        | Director,<br>Superannuation<br>Management<br>Nominees Limited<br>(current position)        | 2 years, 11 months                 |
| Enzo Cutrupi    | Director,<br>Aon Saver Limited  | 1 year, 10 months        | Principal and Head<br>of Product and<br>Investment,<br>Aon Australia<br>(current position) | 6 years, 6 months                  |
| Dennis Church   | Director,<br>Aon Saver Limited  | 0 years, 5 months        | General Manager,<br>Public Trust<br>Corporate Trustee<br>Services                          | 9 years, 6 months                  |
| Simon Ferry     | Manager of<br>Retirement<br>& Financial<br>Management,<br>Aon New Zealand | 2 years, 5 months        | Retirement Business<br>Leader,<br>Mercer Hong Kong   | 4 years                            |
| Amanda Beeslaar | Principal and Head of<br>Retirement Products,<br>Aon New Zealand          | 2 years, 3 months        | Principal and<br>KiwiSaver Sales and<br>Service Manager,<br>Aon New Zealand                | 9 years, 4 months                  |

## Further information

You can also obtain this information, the PDS for the Aon KiwiSaver Scheme, and some additional information from the offer register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

## Notes

Our helpdesk staff are available to assist you with any queries.

You can contact us by email at [aonkiwisaver@linkmarketservices.com](mailto:aonkiwisaver@linkmarketservices.com) or by calling 0800 266 463.