



Investing for Retirement

Evidentia Group

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Disclaimer

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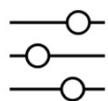
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Retirement Investing

Retirement needs are fundamentally different from accumulation needs

Objectives are
different in
Retirement



- Income
- Capital growth
- Certainty

So are the Risks



- Market Risk
- Inflation
- Longevity
- Sequencing

**A different
approach is
required**



An objectives-based
approach can assist in
balancing these often-
competing objectives

Common Approaches to Retirement Investing

Typical Account-based Approaches

Definition

Income Only Approach

Where only the income (equity dividends, bond coupons, cash interest etc.) physically produced by the portfolio is withdrawn on a regular basis

Total Return Approach

Where an amount, comprising income and capital growth is withdrawn from the portfolio on a regular basis

Advantages

- Reliability of income across market cycle
- Avoids having to dip into principal or sell securities to fund distributions

- Maximizes your investment choices
- Not focused on the source of the distributions

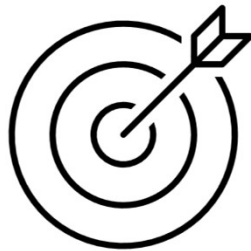
Challenges

- Reaching for yield
- Less Diversified

- Greater Sequencing risk

Objectives Based

Objectives-based investing prioritizes achieving 'goals', while traditional approaches often focus on maximizing returns relative to a benchmark



1. Identify Specific Goals

2. Define Objectives

3. Tailor the Portfolio

4. Monitor and Adjust

Success is measured by the effectiveness in reaching the specific objectives, not by how well the portfolio performs against market averages or peer groups.

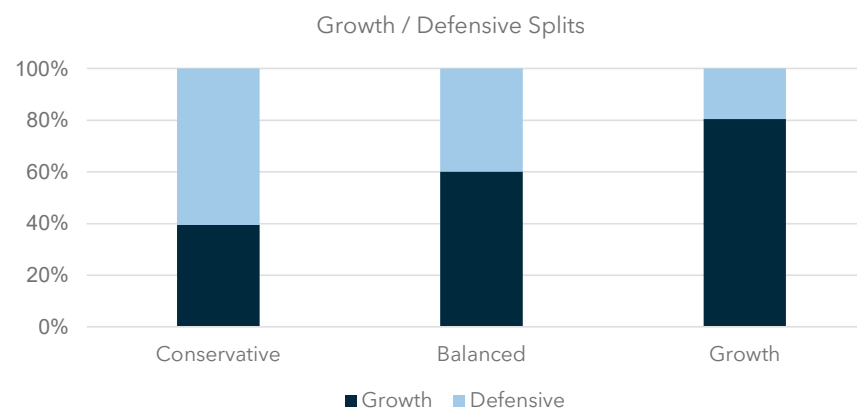
Portfolio Summary

	Retirement - Conservative	Retirement - Balanced	Retirement - Growth
Portfolio Inception Date	1 January 2016	1 January 2016	1 January 2016
Growth / Defensive Split	40% / 60%	60% / 40%	80% / 20%
Portfolio Objectives	• 4% p.a. long-term income. • 1.6% p.a. above cash (after fees) over rolling 3 years	• 4% p.a. long-term income. • 2.4% p.a. above cash (after fees) over rolling 4 years	• 4% p.a. long-term income. • 3.2% p.a. above cash (after fees) over rolling 5 years
Benchmark	Reserve Bank of Australia (RBA) Cash Rate	Reserve Bank of Australia (RBA) Cash Rate	Reserve Bank of Australia (RBA) Cash Rate
Risk Label	Medium	Medium to High	High

Investor Suitability

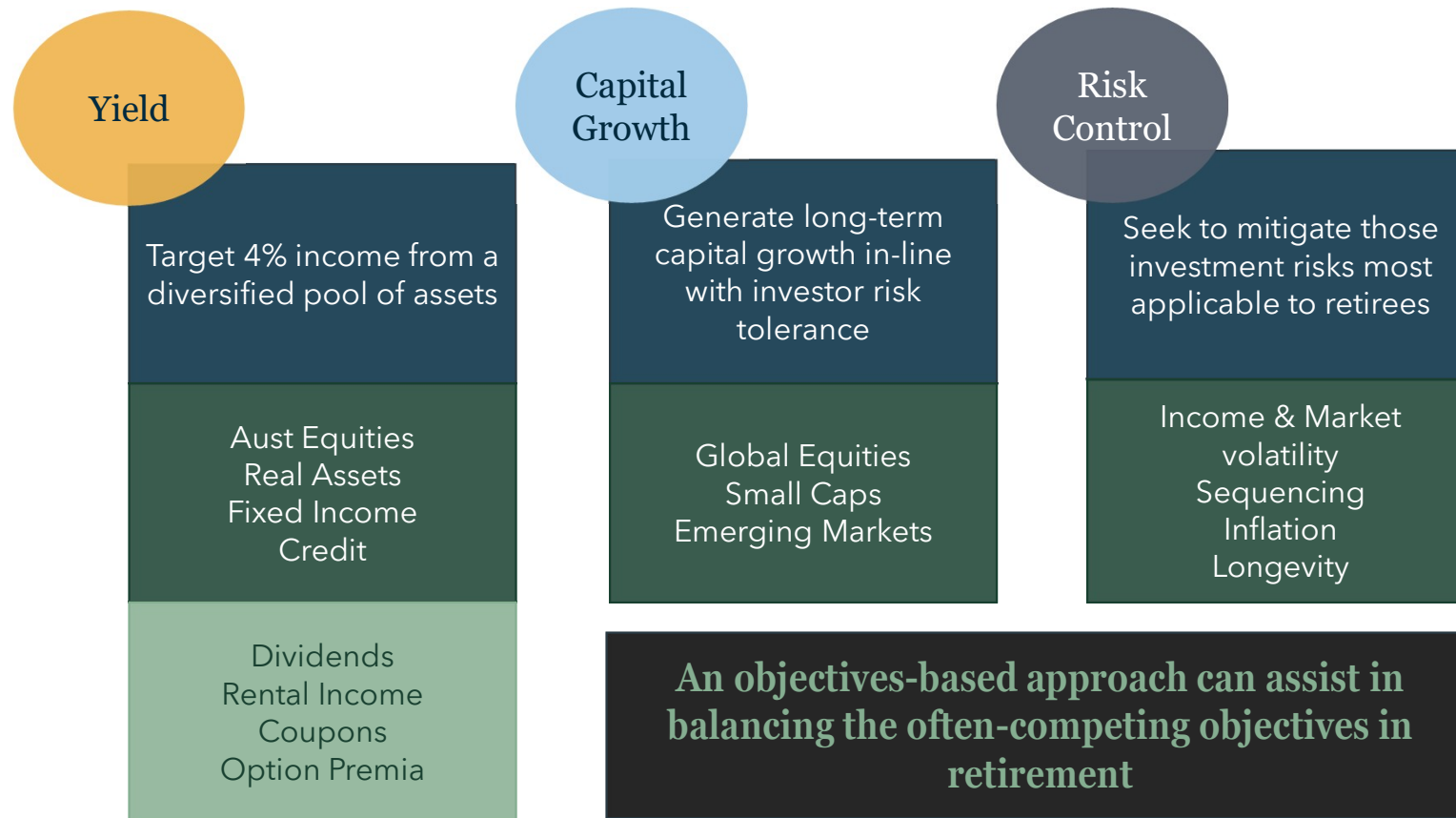


Designed for investors predominantly in the retirement phase or nearing retirement that are seeking 4% p.a. income over the medium to long-term and varying degrees of capital growth (depending on their risk tolerance) via a series of actively managed multi-asset solutions. The objectives-based nature of the portfolios means that they have a greater focus on achieving goals rather than relative performance.



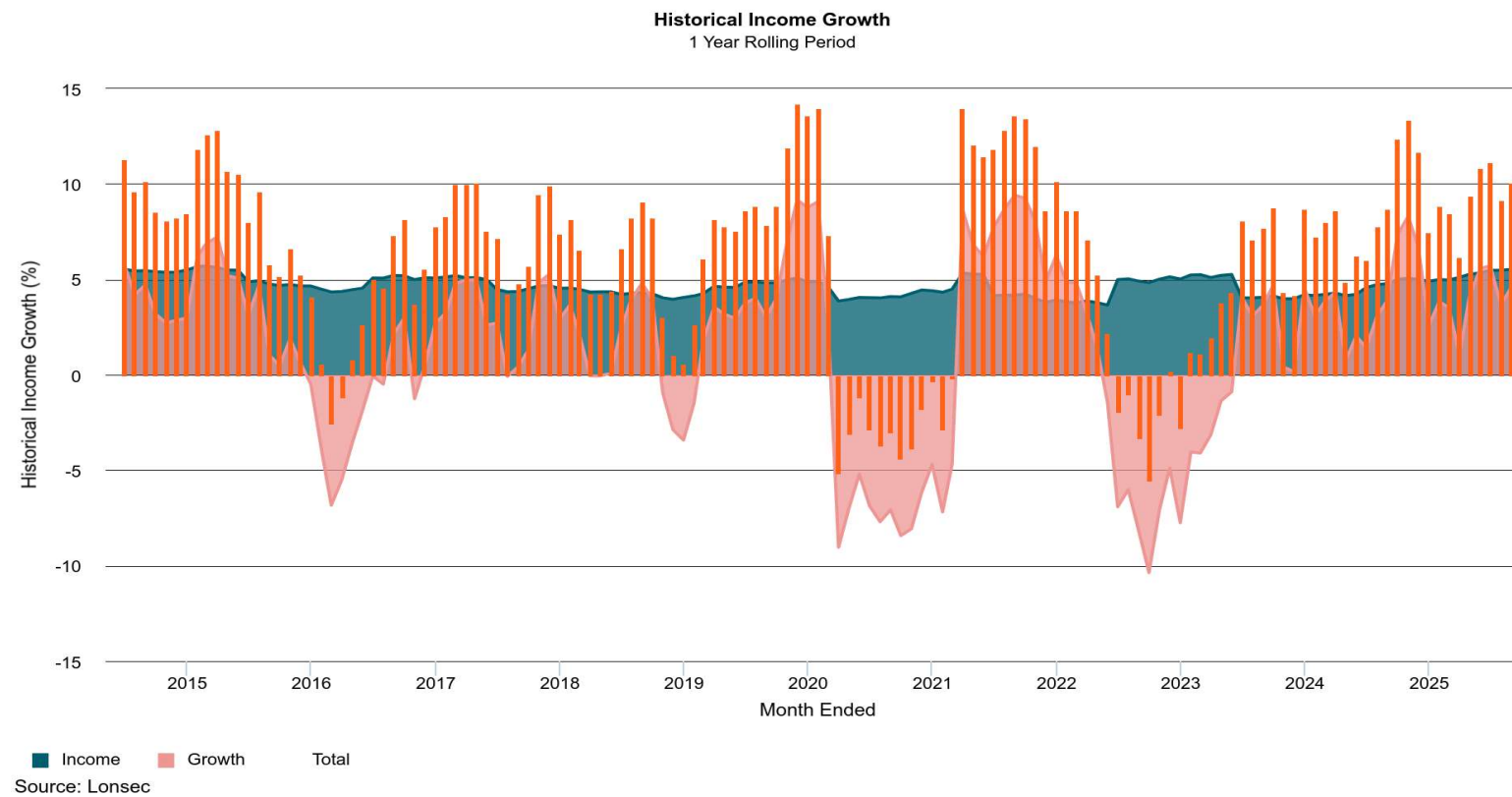
Lonsec Retirement Managed Portfolios

Objectives-based portfolios focused on delivering a sustainable level of income in retirement, as well as generating capital growth.

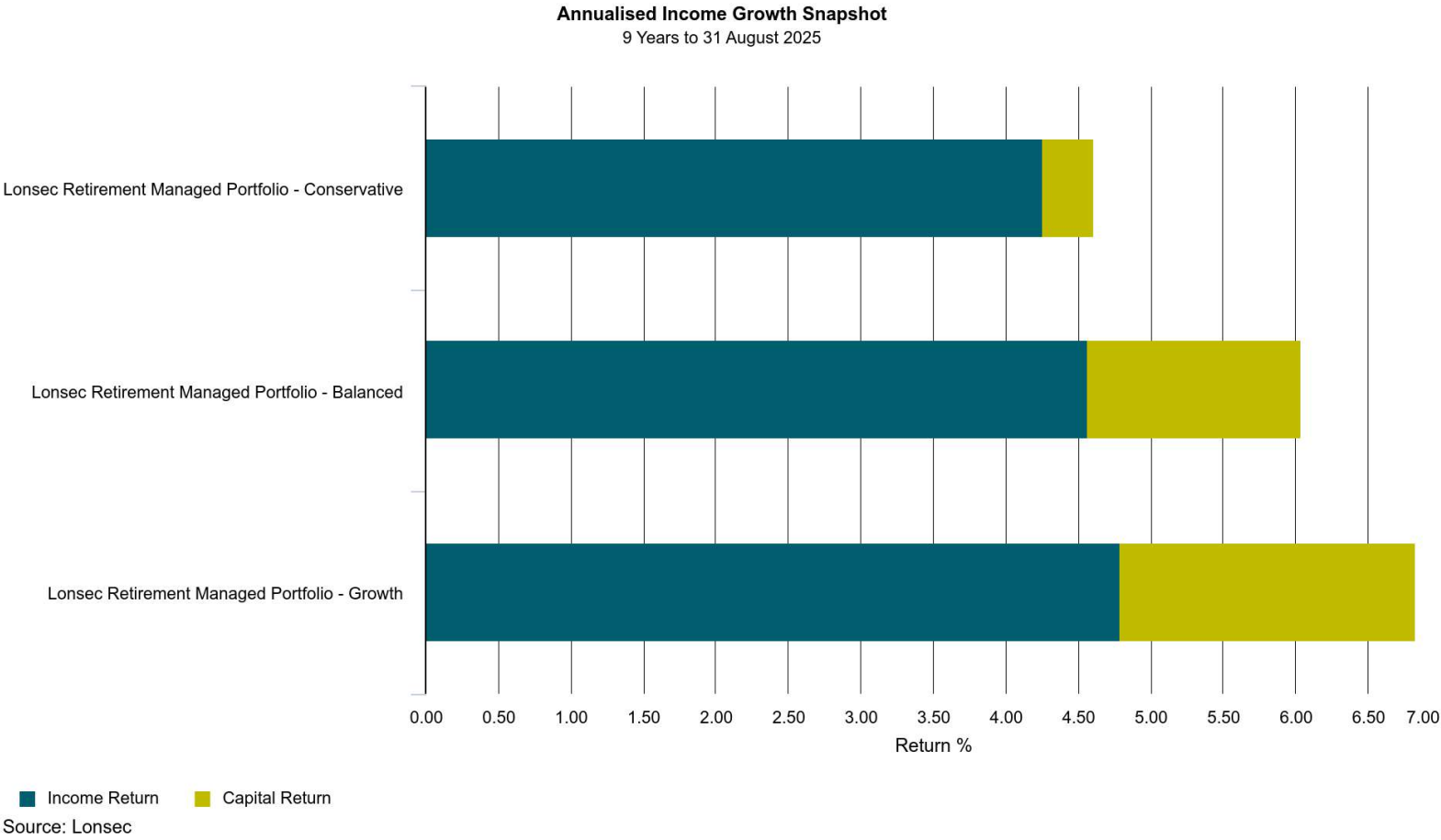


Importance of Income Stability

Lonsec Retirement Balanced



Delivering on Objectives over the long-term



Why Lonsec Retirement Managed Portfolios

- ✓ 9+ Year Track Record
- ✓ Objectives-based approach
- ✓ Stable team and process
- ✓ Aims to deliver a sustainable level of income (4% p.a.) as well as capital growth depending on investor risk tolerance
- ✓ Aims to mitigate risks particularly relevant to retirees; inflation risk, sequencing risk, longevity risk
- ✓ Best-of-breed managers incorporating yield generation, capital growth and risk control
- ✓ A diverse range of income sources to deliver more reliable income
- ✓ Bias towards domestic assets for favourable yield and tax treatment
- ✓ Highly liquid and transparent

9+
Year
track Record

> 4%
p.a. income before
franking[^]

[^] Lonsec Retirement Managed Portfolio is the representative portfolio. 10 Years to 30 June 2025. Past performance is not a reliable indicator of future performance.

Want to find out more?

Get in touch today to find out how we can help you start implementing managed portfolio solutions for your clients.

Call us on 1300 826 395 or email your BDM.