

Destiny LifeStage Model for December 2020



Portfolio description

The Destiny LifeStage Model, approved by the board of trustees, invests members' money according to their age and retirement date using the Destiny LifeStage Model.

Destiny runs four LifeStage portfolios with time horizons as per the table hereunder. Each LifeStage portfolio has a different risk and return profile. In this way, the relevant investment advice and risk management a member requires is embedded in the solution.

Portfolio	Age
Destiny Market Enhanced Portfolio	Before the age of 50
Destiny Moderate Portfolio	Between 50 and 57
Destiny Conservative Portfolio	Between 57 and 62
Destiny Defensive Portfolio	After the age of 62

Investment strategy

Investment risk is linked to time (the number of years the investment is held). Investment risk is high in the short term but falls as the time horizon lengthens. A young member should be less concerned about the volatility of investment markets as the investment horizon of retirement savings is a long term one, i.e. longer than 10 years. The largest portion of the savings of a young member is thus in growth asset classes such as equities (shares) listed on a stock exchange.

As members get closer to retirement, a more conservative investment strategy is followed to protect their accumulated retirement savings. Older members need an investment strategy that will provide them with capital protection and to ensure the investment provides a return of at least inflation. Thus, as members approach retirement, their accumulated retirement savings are switched from equities to more conservative asset classes.

Destiny active/passive strategy

Active management is an investment strategy that tries to create excess returns through the recognition, anticipation and taking advantage of short-term investment trends.

Passive management believes the market is efficient and that at all times markets incorporate and reflect all information rendering individual stock picking futile. As a result, Destiny uses index funds in its passive strategy.

By blending active and passive management in an innovative matrix, Destiny uses traditional investment market leaders but has still managed to reduce costs and increase efficiency by using passive management.

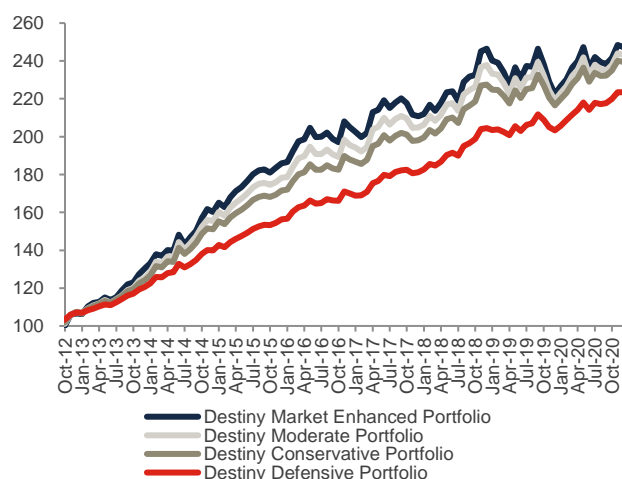
Investment returns summary

Portfolio	One month	Three months	One Year	Three Years	Five Years	Ten Years
Market Enhanced	4.35%	9.89%	7.79%	4.44%	6.21%	-
Moderate	3.94%	9.12%	7.29%	4.64%	6.60%	10.40%
Conservative	3.54%	8.22%	8.36%	5.63%	7.25%	10.38%
Defensive	2.80%	6.56%	7.41%	6.21%	7.63%	9.48%

Notes:

Investment returns for periods exceeding one year are annualised. All returns quoted are before deduction of fees, but after the deduction of performance-based fees. Given that past returns may not be indicative of future returns and the value of investments will fluctuate over time, independent professional advice should always be sought before making an investment decision.

Cumulative returns graph



The transparency clause

The trustees of the Destiny Retirement Funds have engaged the consultancy services of GIB Financial Services (GIB) to advise on investment decisions (which remain the responsibility of the trustees). GIB is paid a maximum fee of 0.75% (plus VAT) per year of the fund's assets for these services. The amount due is deducted monthly in arrears from the assets of the fund. No parties, including the trustees, GIB or any of its affiliates are entitled to any additional fees, commissions, rebates or other payments.