

# LifeGoals. Fund

A smarter way to

**Protect  
your future**

LifeGoals Multi-Employer Provident Fund



**Multiple Investment Options**

LifeGoals is the first Provident Fund in Cyprus that offers multiple investment options so that each member can choose the most suitable one for them.

**Investment Options**

The LifeGoals Provident Fund offers a total of 10 custom risk portfolios for its members. These include 2 Savings Portfolios, 4 Investment Portfolios, and 4 ESG Investment Portfolios.

Each member can choose the portfolio that matches their Investment Profile, always with the guidance of the LifeGoals team.

They can invest 100% in a Savings Portfolio or 100% in an Investment Portfolio or combine an Investment Portfolio with a Savings Portfolio in any percentage they prefer.

Members of LifeGoals can change their investment choice on a weekly basis, without restrictions and without any charges.

## LifeGoals Portfolios



**2 Savings Portfolios**

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Bank Savings  
Fixed Income Savings



**4 Investment Portfolios**

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Conservative  
Balanced  
Dynamic  
Growth



**4 ESG (Article 8) Investment Portfolios**

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Conservative ESG  
Balanced ESG  
Dynamic ESG  
Growth ESG

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## Risk Categorisation



ESMA Risk Bands	1	2	3	4	5	6	7
Volatility Intervals	<0.5%	0.5% - 2%	2% - 5%	5% - 10%	10% - 15%	15% - 25%	>25%

Lower Risk  
Lower Potential Performance
Higher Risk  
Higher Potential Performance

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## Investment Profile Analysis

It is a study that needs to be made for everyone before making an investment to help them decide which investment option is most suitable. It is mainly determined by three factors:

1. Investment horizon, meaning how long the investment will last.
2. Risk tolerance, indicating how comfortable a member feels with potential fluctuations in profit and loss.
3. Knowledge and experience, referring to relevant education and prior involvement with investments.

It is nearly impossible for two individuals to have the same Investment Profile since all three factors need to align. Therefore, there cannot be a one-size-fits-all investment choice suitable for all members in a Provident Fund.

## Investment Horizon and Inflation

Saving in the Provident Fund should have a horizon aligned with the retirement age. The goal is for these funds to cover the gap between the pension from the Social Security Fund and the member's final salary for as long as they will live without actively working.

Members who are many years away from retirement should also consider the issue of inflation when making their investment choices.

Inflation, in simple terms, is the increase in the cost of living as the years go by, or conversely, the reduction in the future value of money saved today.

If a member saves €20,000 today for their retirement, and inflation is at 2% annually, their money will be worth approximately €18,300 after 5 years, €16,700 after 10 years, €13,500 after 20 years, and €10,500 after 30 years.

## Portfolio Selection

Based on the information provided above, the longer an individual's Investment Horizon, the greater exposure they can have to growth investments such as stocks. The goal is for long-term performance to exceed the loss of value due to inflation and to generate additional value. As retirement approaches, the percentage of investment in stocks can gradually be replaced by Fixed Income investments (bonds), Cash, and Cash Equivalents to limit fluctuations in investment returns.

For example, LifeGoals members with many years until retirement can initially choose the Growth or Dynamic Portfolio and periodically reduce their exposure to stocks until they transition to a Savings Portfolio as they approach retirement.

## Portfolio Switches

The general rule is that switches in Investment Choice should be made when there is a change in the members' Investment Profile, primarily their Investment Horizon.

Frequent changes are discouraged, especially if they result from concerns when losses are observed in Investment Portfolios. Members should remember that switching between Investment Options means liquidating the investment and transferring the value of their account at that moment to another portfolio. Therefore, if any change is needed, it's better to be made during periods of positive performance to realize gains rather than losses.

For any concerns or questions, members have continuous access to the LifeGoals Team.

## Description and Allocation of Portfolios

### Bank Savings:

The "Bank Savings" portfolio invests in time deposits with large and reliable European banks. It is designed for members who have less than 3 to 5 years until retirement and wish to preserve their capital in cash without taking on market risk.

Bank Savings		
Asset Class	Strategic Allocation	Allocation Range
Cash and Cash Equivalent	100%	90%-100%
Fixed Income	0%	0%-10%
Stocks	0%	0%
Alternatives (Gold)	0%	0%

### Fixed Income Savings:

The "Fixed Income Savings" portfolio is designed for members who have less than 3 to 5 years until retirement. The primary objective of the Fund is capital preservation to a significant extent, with minimal growth. This is achieved through investments primarily in cash, money market instruments, funds, and fixed-income securities with durations of up to 12 months.

Fixed Income Savings		
Asset Class	Strategic Allocation	Allocation Range
Cash and Cash Equivalent	50%	50%-100%
Fixed Income	50%	0%-50%
Stocks	0%	0%
Alternatives (Gold)	0%	0%

### Conservative:

The "Conservative" portfolios are characterized as low-risk portfolios. They invest in Cash and Cash Equivalents, Bonds, Gold, and Stocks, with a focus on capital preservation while targeting relatively lower long-term returns. These portfolios are designed for members with low risk tolerance or members with an investment horizon of 5-10 years.

Asset Class	Conservative		Conservative ESG	
	Strategic Allocation	Allocation Range	Strategic Allocation	Allocation Range
Cash and Cash Equivalent	40%	20%-60%	40%	20%-60%
Fixed Income	35%	20%-50%	40%	20%-50%
Stocks	20%	10%-30%	15%	10%-30%
Alternatives (Gold)	5%	0%-15%	5%	0%-15%

**Balanced:**

The "Balanced" portfolios are characterized as low to medium-risk portfolios. They aim for stable long-term returns. They have lower prospect for capital appreciation compared to higher-risk portfolios, as they assume a lower level of risk. These portfolios are designed for members with an investment horizon of 5-10 years.

Balanced			Balanced ESG	
Asset Class	Strategic Allocation	Allocation Range	Strategic Allocation	Allocation Range
Cash and Cash Equivalent	15%	5%-35%	25%	5%-35%
Fixed Income	40%	25%-55%	45%	25%-55%
Stocks	30%	20%-40%	20%	20%-40%
Alternatives (Gold)	15%	5%-15%	10%	5%-15%

**Dynamic:**

The "Dynamic" portfolios are characterized as medium-risk portfolios. They aim for long-term capital appreciation while maintaining a significant portion of their investments in lower-risk assets. They have higher prospects for capital appreciation compared to lower-risk portfolios and are designed for members with an investment horizon of more than 10 years.

Dynamic			Dynamic ESG	
Asset Class	Strategic Allocation	Allocation Range	Strategic Allocation	Allocation Range
Cash and Cash Equivalent	15%	5%-35%	15%	5%-35%
Fixed Income	30%	15%-45%	35%	15%-45%
Stocks	40%	30%-50%	35%	30%-50%
Alternatives (Gold)	15%	5%-15%	15%	5%-15%

**Growth:**

The "Growth" portfolios are characterized as medium to high-risk portfolios. They aim for long-term capital growth and maintain a high-risk investment profile with greater return volatility. These portfolios are designed for members with an investment horizon beyond 10 years and greater risk tolerance.

Growth			Growth ESG	
Asset Class	Strategic Allocation	Allocation Range	Strategic Allocation	Allocation Range
Cash and Cash Equivalent	5%	5%-25%	10%	5%-25%
Fixed Income	15%	0%-30%	20%	0%-30%
Stocks	65%	45%-75%	55%	45%-75%
Alternatives (Gold)	15%	5%-15%	15%	5%-15%

**Track Record (net of investment fees)**

The returns of the LifeGoals portfolios are overall the best among the multi-employer Provident Funds. This is confirmed through a series of plan selection processes for establishment or transfer of Provident Funds, where the returns, along with CySEC supervision, transparency, and technological infrastructure, are recorded as the key criteria for selecting LifeGoals.

**Performance (Net of All fees)**

Year	Bank Savings	Fixed Income Savings	Conservative	Balanced	Dynamic	Growth
2016	2.01%		3.40%	4.35%	5.17%	
2017	1.59%		2.09%	2.98%	4.97%	
2018	0.89%		-4.30%	-4.79%	-5.80%	-8.21%
2019	0.45%	-0.54%	7.79%	9.36%	11.86%	15.33%
2020	-0.06%	-0.87%	2.07%	4.45%	4.51%	6.58%
2021	-0.31%	-0.61%	0.55%	2.62%	4.27%	9.26%
2022	-0.22%	-0.15%	-7.87%	-12.01%	-11.26%	-13.91%
2023 (Q2)	0.92%	0.95%	2.31%	3.68%	5.42%	7.07%
Cumulative (2016-2022)	4.40%	-2.16%	2.96%	5.54%	12.49%	6.13%
Annualized (2016-2022)	0.62%	-0.54%	0.42%	0.77%	1.70%	1.20%

Performance is shown net of all investment fees and charges, as of 30 June 2023. ©2023 LifeGoals

**LifeGoals ESG Portfolios**

As of the 20<sup>th</sup> of June 2022, members have the option to invest in ESG portfolios as an alternative to the conventional Investment Portfolios offered by LifeGoals.

ESG stands for Environmental, Social, and Governance, and it characterizes investments that are based on principles of sustainability, transparency, and accountability. This allows members to grow their money within an investment framework that focuses on these important factors.

## ESG Article 8 Portfolios

The LifeGoals ESG portfolios are constructed with clear criteria in mind, addressing each pillar of ESG investing



**Environmental**  
Investing in companies whose business operations have addressed concerns on the environment and climate change. We look at factors such as:

- Carbon Footprint and Thermal Coal
- Controversial and Civilian Weapons

**Social**  
Investing in companies who consider the effect of their behaviour on social issues. We look at factors such as:

- Human Rights
- Equality and Diversity

**Governance**  
Investing in companies with good corporate governance and reputation. We look at factors such as:

- Bribery and Corruption
- Ethics
- Employee and Board compensation

**Track Record (net of all fees)**

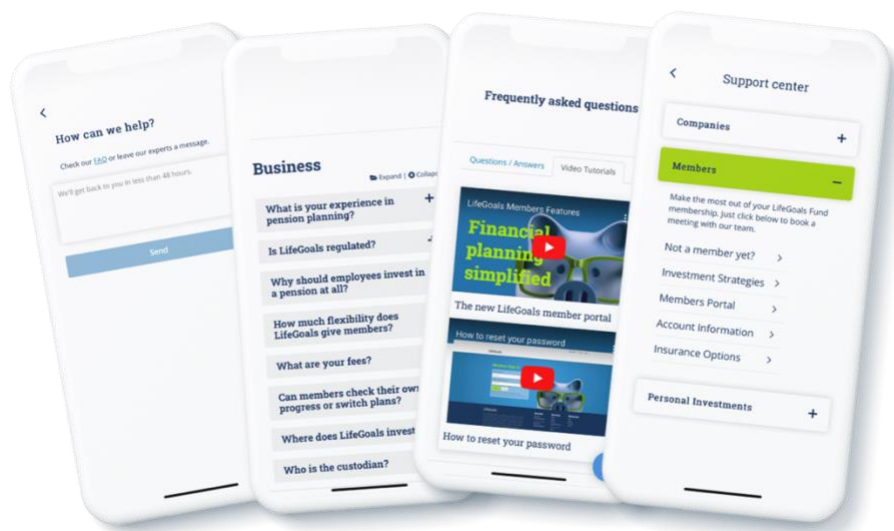
The ESG Investment Portfolios became available to LifeGoals members on June 20, 2022. The performance presented for 2022 is from the day they were launched in the Pension Fund until the end of the year.

For the purpose of comparison, we provide the same period for both investment options. The performance is presented net of all investment fees and charges, as of June 30, 2023.

LifeGoals ESG Portfolios								
Year	Cons.	Cons. ESG	Bal.	Bal. ESG	Dyn.	Dyn. ESG	Grth.	Grth ESG
20.06.2022* – 31.12.2022	-1.81%	-1.02%	-2.56%	-1.02%	-1.62%	-0.19%	-1.21%	-0.30%
30.06.2023	2.31%	3.89%	3.68%	5.10%	5.42%	6.75%	7.07%	9.51%

**Continuous Member Support**

- Member platform in Greek and English (online and through mobile application)
- Educational meetings in small groups or on an individual basis
- Member service call center, 7000 24 24
- Online arrangement of individual or group virtual meetings



### **Member Options in Departure**

1. Stay invested by receiving their benefit into a LifeGoals Investments account. (EU citizens)
2. Receive benefit as a lump sum into a bank account.
3. Continue participating in LifeGoals through a new employer.
4. Transfer benefits to another fund (e.g., a new employer's provident fund).

### **Security of Assets:**

- All of LifeGoals' assets are registered in the name of the fund, completely separated and independent from the manager, which is LifeGoals Financial Services Ltd.
- Therefore, in the unlikely scenario of the manager going bankrupt, not a single Euro from members' savings is affected.
- LifeGoals Financial Services Ltd is regulated by the Cyprus Securities and Exchange Commission.
- Managing underlying portfolios through reputable and well-known asset managers such as BlackRock, Goldman Sachs, LyXor, Société Générale, UBS, VanEck, DWS, and BNP Paribas.
- The assets of LifeGoals portfolios are held under the custody of reliable and well-known custodians, such as Clearstream and Citibank.

### **Additional Benefits:**

#### **LifeGoals Investments**

LifeGoals offers its members the opportunity to create a comprehensive financial plan through the private investment service, LifeGoals Investments.

The LifeGoals Investments service provides members with the necessary tools to set additional goals, plan them correctly, and implement them through a secure and flexible investment environment.

More information is available on the [LifeGoals website](#).

#### **LifeGoals Group Life Insurance Plan**

LifeGoals Provident Fund members are provided with a fully subsidized life insurance coverage of €3,000.

Additionally, members have the option to add benefits and increase coverage up to €500,000 for members and €200,000 for spouses of members at preferential rates.

More information is available at the following link: [LifeGoals Group Insurance Plan](#).



## **LifeGoals Provident Fund**

LifeGoals is the first registered Multi-Employer Provident Fund (Reg. No. 3263) in Cyprus with multiple investment options, structured in accordance with the standards of pension funds in the USA and other developed European countries.

It is the fastest-growing provident fund in Cyprus, as since its establishment in 2014 until today, nearly 400 companies and organizations with more than 8,000 members have entrusted LifeGoals.

The supervision of the LifeGoals Provident Fund is carried out by the Registrar of Occupational Retirement Benefit Funds, under the "Law on the Establishment, Activities and Supervision of Occupational Retirement Benefits Funds of 2020 (Law No. 10(I)/2020)."

In accordance with the provisions of the relevant legislation, an External Auditor has been appointed, the auditing firm being KPMG Cyprus, while the Internal Audit and Independent Risk Management functions have been delegated to FAI Comply, and Wizberry Consulting Ltd respectively.

The services of Administration, Client Service, Investment Adviser, and Investment Management have been delegated to LifeGoals Financial Services Ltd.

The terms governing the participation of each Employer in LifeGoals are determined in the Employer's Participation Agreement with the Provident Fund. Any terms and conditions that already apply in existing regulations are transferred to LifeGoals.

## **LifeGoals Financial Services**

LifeGoals Financial Services Ltd (formerly Emergo Wealth Ltd) is an investment services company (CIF) licensed by the Cyprus Securities and Exchange Commission, in accordance with the provisions of the relevant legislation (Law No. 87(I), 2017), License No. 232/14.

Combining technological innovation with extensive experience in investment management and the expertise of the Emergo Group, it assists individuals and organizations in planning and achieving their financial goals.

Through a state-of-the-art proprietary online portal, it meets the service and information needs of individual investors and members of the LifeGoals Provident Fund, providing personalized investment plans with advanced and user-friendly digital tools.

## **The LifeGoals Financial Services Team**

Comprising more than 20 individuals, the team possesses the necessary qualifications, experience, and training to perform their duties.

Additionally, all team members, who serve as investment advisors, hold the Advanced certification from the Cyprus Securities and Exchange Commission.

## **Emergo Group**

Emergo's history in Cyprus began in the early 1990s when the headquarters of the group was relocated from Canada. Emergo is an international group with investment portfolios in the United States, Canada, and Europe, with assets exceeding 2 billion dollars.

The Emergo Group was founded by the Balm family, which holds the entirety of its equity. Through LifeGoals Financial Services Ltd, the group designs and manages the LifeGoals range of retirement and investment solutions in Cyprus and Europe.

LifeGoals.  
Fund

**Give your employees the  
ultimate incentive:**

Financial security when they retire.

