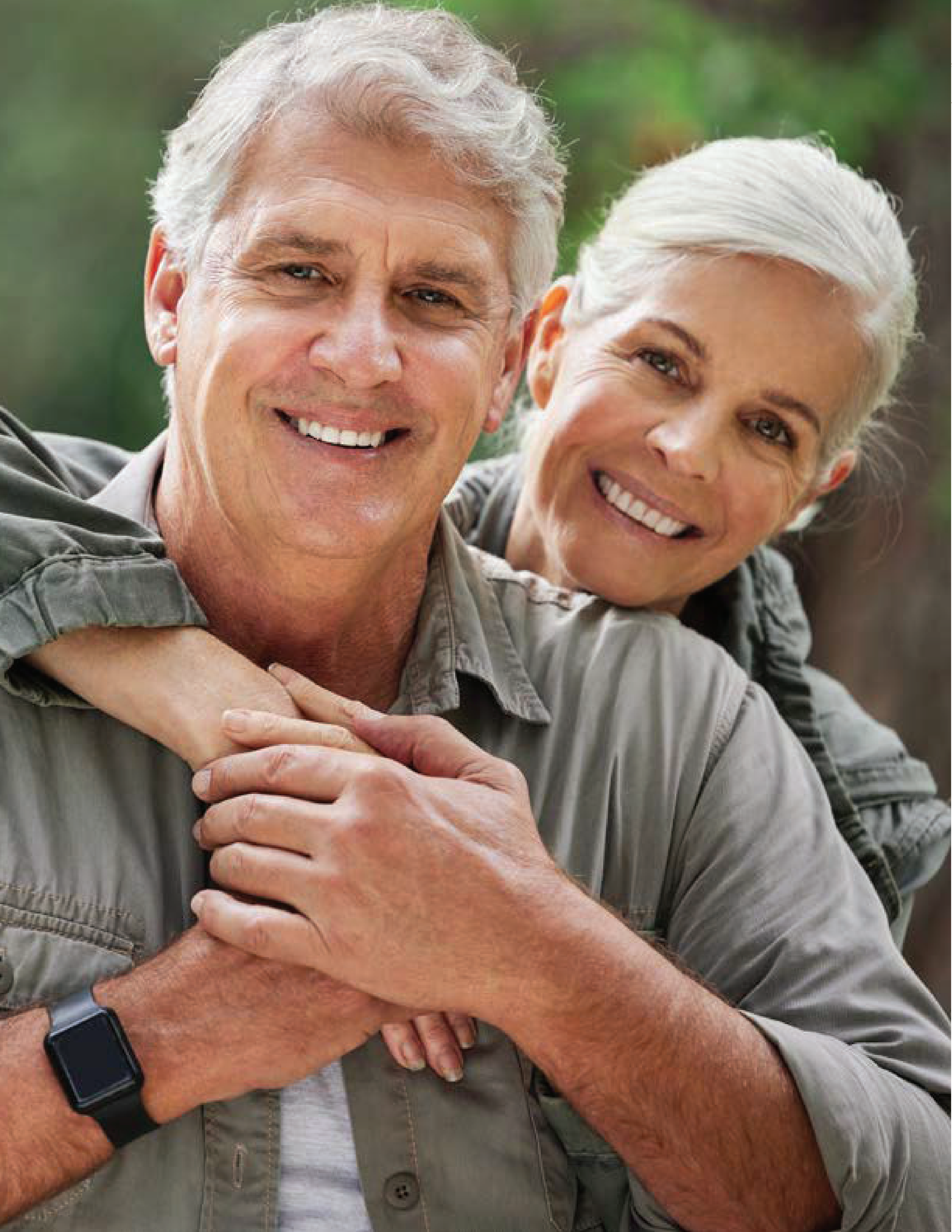
THE 15-MINUTE RETIREMENT PLAN

Fisher Investments®



THE 15-MINUTE RETIREMENT PLAN

One of the biggest risks an investor faces is running out of money in retirement.

This can be a personal tragedy. People may work their whole lives to accumulate enough wealth for a comfortable retirement only to find they've come up short. To help minimise this risk, Fisher Investments recommends keeping the following key questions in mind when planning your retirement:

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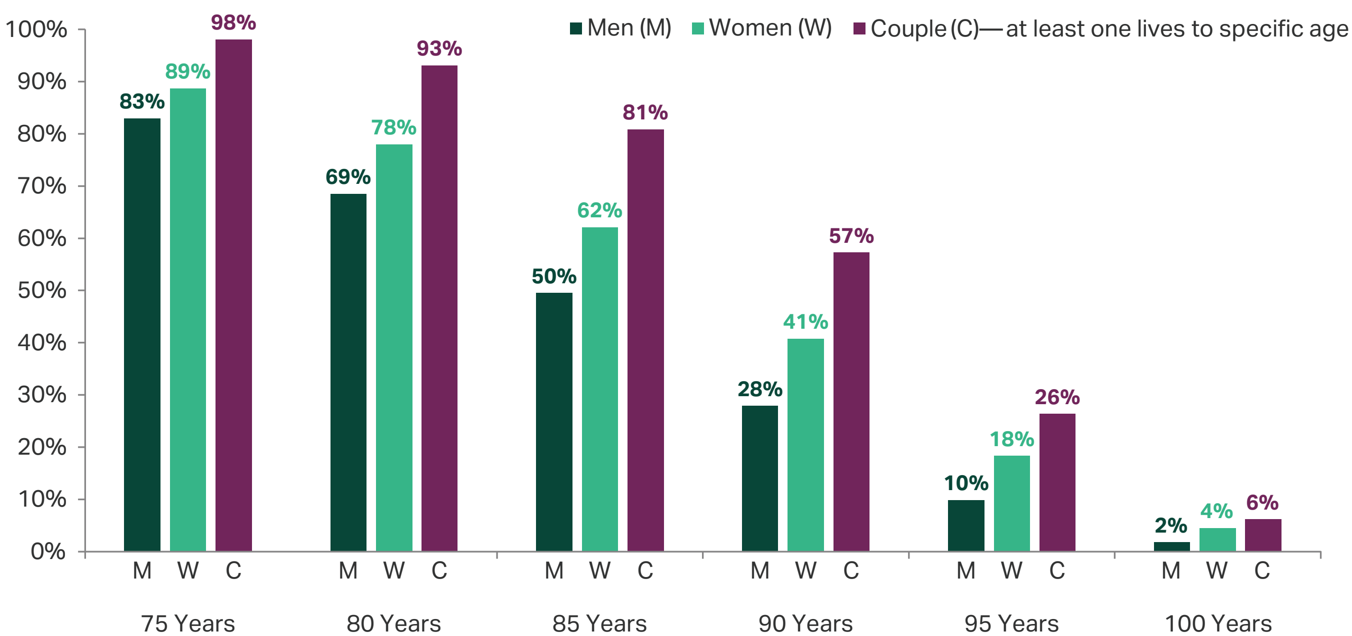
How Long Will Your Portfolio Need to Provide for You?

Your lifespan may be significantly longer than you expect. Exhibit 1 shows life expectancies for Canadians currently age 65. We believe these projections likely underestimate how long people will actually live given ongoing medical advancements. Life expectancies vary among spouses and genders and it is beneficial to plan for the longer of your two life expectancies: your joint life expectancy. No one wants to be impoverished later in life because they didn't think they would still be alive. If you have a partner, you should both prepare to live a long time and make sure you have enough money to maintain your lifestyle.

The bottom line? Your time horizon may be much longer than you realise.

Exhibit 1: If You're 65 Today, the Probability of Living to a Specific Age*



**Source: Statistics Canada, Table 13-10-0837-01, as of 05/06/2024. Life expectancy and other elements of the complete life table, single-year estimates, Canada, all provinces except Prince Edward Island.*

How Can Cash Distributions and Inflation Impact Your Portfolio?

As you anticipate your investment time horizon—how long you need your money to last—it's also critical to understand how withdrawals will impact your portfolio. Like many investors, you may have unrealistic expectations of how much money you'll be able to safely withdraw each year during retirement.

Some folks believe it's safe to withdraw 10% per year without drawing down principal since equities have historically delivered a roughly 10% annualised return.* A common—but incorrect—assumption.

Though equities may annualise about 10% over time, returns vary greatly from year to year. Miscalculating withdrawals during market downturns can substantially decrease the probability of maintaining your principal. For example, if your portfolio is down 20% and you take a 10% distribution, you will need about a 39% gain just to get back to the initial value.

Large withdrawals during down markets could put you in a difficult position, which could be challenging to recover from.

We also see the opposite mistake: Some investors are afraid to touch their principal at all. It may be perfectly fine to reduce your principal, provided you have a large enough retirement nest egg to last you through your entire time horizon.

While rules of thumb don't take into account your unique situation, most people should plan on withdrawing no more than 5% from their portfolio each year. Strategically planning your withdrawals can be complicated. That's why we offer our clients advice and tactics to manage withdrawals that are prudent, tax-savvy and can help increase your peace of mind.**

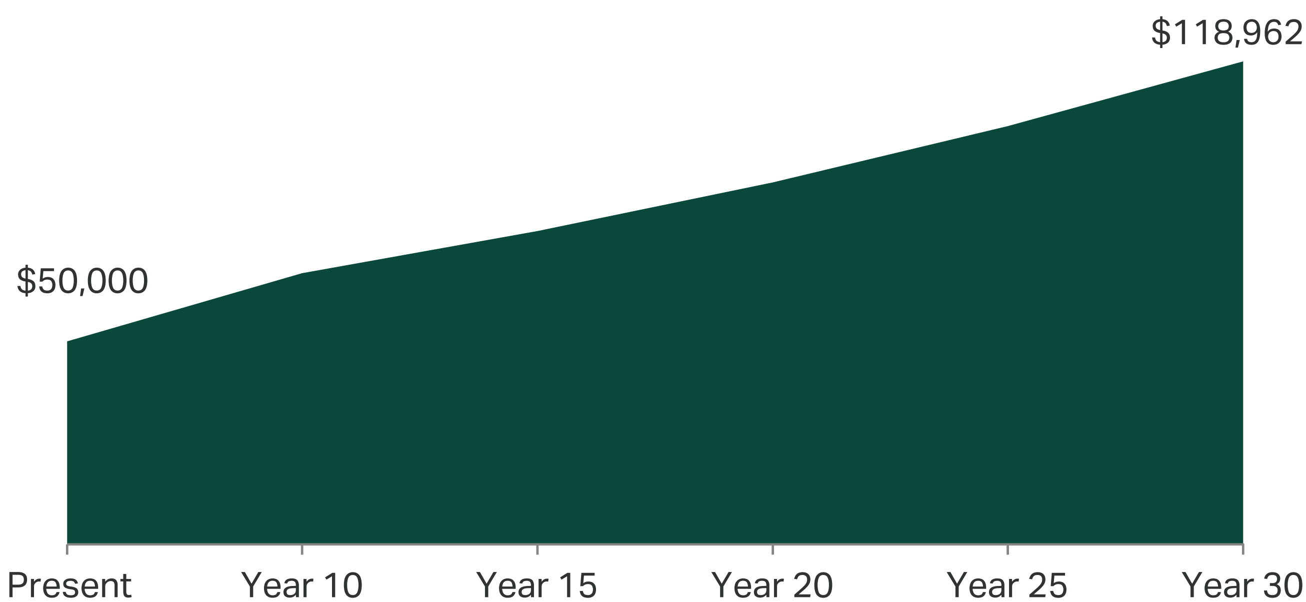
**Source: Global Financial Data, as of 11/04/2024. Annualised return of the MSCI World Total Return Index from 1969 – 2023 is 10.09%. Presented in Canadian dollars.*
***The contents of this document should not be construed as tax advice. Please contact your tax professional.*

Inflation is another important factor to consider. Inflation is insidious. It decreases purchasing power over time and erodes real savings and investment returns. Many investors fail to realise how much of an impact inflation can have.

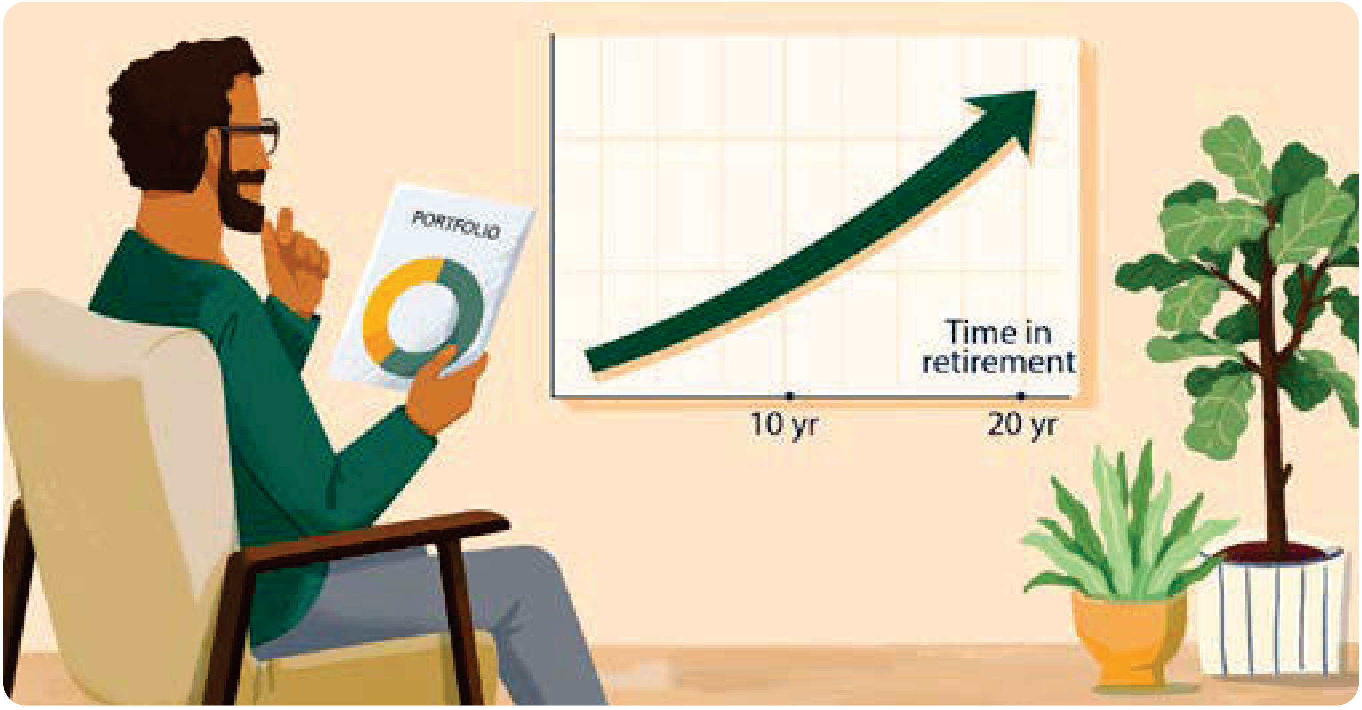
Since 1925, inflation has averaged about 3% per year.* If that average inflation rate continues in the future, a person who currently requires $50,000 to cover annual living expenses would need slightly less than $90,000 in 20 years and about $120,000 in 30 years just to maintain the same purchasing power.

Similarly, if you placed $1,000,000 under your mattress today, in 30 years that money would only be worth around $400,000 in today's dollars.

Exhibit 2: Maintaining Purchasing Power**



**Source: Global Financial Data, as of 21/03/2024. A primary measurement for the rate of inflation is the Canada Consumer Price Index (CPI), which has averaged approximately 2.93% annually between, 31/12/1925 – 31/12/2023.*
***Estimate based on a 2.93% rate of inflation.*



How Do You Establish a Primary Investment Objective?

Time horizon, cash flow needs and inflation are all key factors to consider in your retirement planning. Another cornerstone is establishing a primary objective for your portfolio.

A precise way to determine your portfolio's objective is to define your "growth objective"—the amount of money you plan to have at the end of your portfolio's time horizon. Possible growth objectives include:

- Portfolio growth: You want to increase the purchasing power of your assets as much as possible across your time horizon.
- Maintaining the value of the portfolio in real terms: You aim to maintain your present purchasing power at the end of your time horizon.
- Depleting assets: You have no desire to leave any assets behind.
- Targeting a specific ending value: You desire a specific ending value, perhaps for making a donation to charity.

Your primary investment objective helps create a roadmap for retirement. Focusing on your investment objective may also make it easier to stick with your investment strategy during market volatility.

What Are Important Trade-Offs You May Need to Make?

Like many investors, you may plan to draw from your portfolio during retirement. The level of cash flow you require, combined with your growth objective, may require some trade-offs to minimise the risk of running out of money. For example, you may need to increase your exposure to investments with potential higher returns—and be willing to tolerate the greater volatility associated with them.

Equities, while associated with increased volatility compared to "safe haven" investments like fixed income, have offered superior long term returns. In fact, equities have outperformed fixed income every single 30-year period since reliable data became available.* While that may not be surprising, many do not realise that over a longer time horizon—30 years or more—equities actually have had lower volatility in addition to more uniform and higher returns than fixed income.

It's crucial to engineer your investment strategy based on factors such as your personal financial circumstances, cash flow needs and investment time horizon. Investing without understanding these trade-offs may put your long-term financial objectives at risk.

**Source: Global Financial Data, as of 10/04/2024. Global Financial Data, Inc.'s World 10-year Government Bond Index, Global Financial Data, Inc.'s Developed World Return Index, average rate of return for rolling 30-year periods from 31/12/1925 – 31/12/2023. Presented in Canadian dollars.*

How Do You Stay Disciplined in Your Retirement?

US market research firm DALBAR, Inc.'s annual study, the Quantitative Analysis of Investor Behavior (QAIB), compares equity and fixed income markets' and average US mutual fund investors' returns over the past 25 years ending December 31, 2023. Although this study was conducted in the US, we believe it provides a valuable lesson for investors around the world.

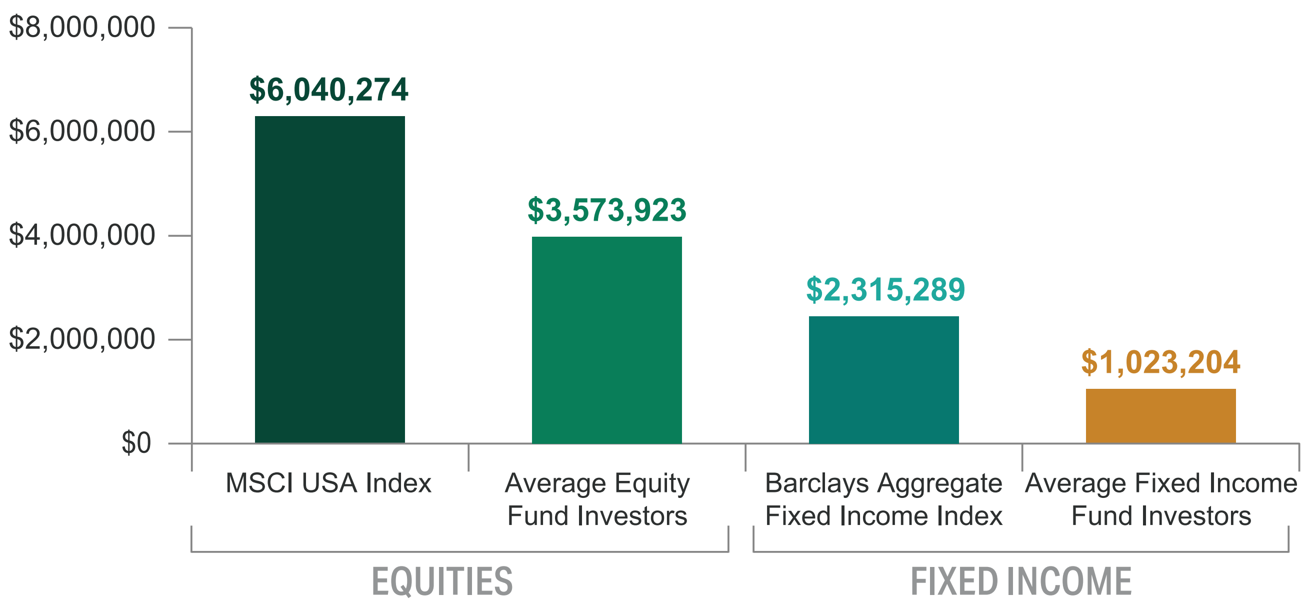
"The results consistently show that the average investor earns less—in many cases, much less—than mutual fund performance reports would suggest."

– DALBAR, Inc., 2024 Quantitative Analysis of Investor Behavior

When investors manage their own portfolios, they can often be their own worst enemy. Individual equity and fixed income prices can move quickly and surprise investors, but long-term returns are the reward for being able to endure volatility along the way. Having a trusted adviser to help you stay disciplined and adhere to your investment plan can help you avoid the pitfalls that plague other investors.

While differences in annualised returns can be difficult to contextualise, on a US $1 million equity portfolio, it could result in missing out on more than US $2,400,000 over a 25-year period, as illustrated in Exhibit 3.

Exhibit 3: Hypothetical Growth of US $1 Million Invested for 25 Years, From 31/12/1998 to 31/12/2023



Source: DALBAR, as of 10/04/2024. Quantitative Analysis of Investor Behavior based on an initial investment of US $1 million; US equities and fixed income are represented by the MSCI USA and Barclays US Aggregate Treasury Index, respectively, 31/12/1998–31/12/2023. Indexes do not take into account the fees and expenses associated with investing, and individuals cannot invest directly in any index. Average equity investor and average fixed income investor returns calculated as the change in assets after excluding sales, redemptions and exchanges. This method of calculation captures realised and unrealised capital gains, dividends, interest, trading costs, sales charges, fees, expenses and other applicable costs. The characteristics of the above study are shown in US dollars. Currency fluctuations between the US dollar and Canadian dollar may result in higher or lower investment returns, and other noted characteristics.

Which scenario and asset allocation make the most sense for you?

There is no one right answer—only the answer that's right for you. If portfolio growth is your primary objective, a portfolio with 100% equity might make the most sense.

However, if you want to maintain purchasing power with less volatility, then a portfolio with a larger fixed income allocations may be more appropriate. Determining your primary objective can help you decide which asset allocation is best for your needs.

Planning Your Retirement With Fisher Investments

Still have questions? Not sure what's best for you? Need help getting started? We've helped thousands of investors—each with unique goals and objectives—plan for retirement. Call Fisher Investments at 888-291-0675 to find out how we can help you achieve the comfortable retirement you've been working and saving for.*

**For qualified investors with $500,000 or more in investable assets.*

Fisher Investments Can Help You Reach Your Financial Goals

Over 200,000 clients worldwide work with Fisher Investments*—here's why you should, too:

Tailored Investment Approach

Your retirement plan should be custom-fit to your unique situation and long-term goals—that's why we take the time to get to know you, your finances, health, family and lifestyle. As your needs and markets change over time, we will adapt your strategy to keep up.

Simple, Transparent Fees

Unlike some money managers, we don't earn commissions on trades or by selling investment products. Instead, we use a transparent fee structure that's based on your portfolio's size to help align our interests with yours. We do better when you do better.

Dedicated Service

As a client, you'll get dedicated support to help you stay on-track to your long-term goals. We'll keep you updated on your portfolio and changes in markets—even when volatility is high.

About Fisher Investments

Fisher Investments is a fiduciary money manager that always puts clients first. Since 1979, we have helped investors achieve their financial goals with our tailored approach, transparent fees and dedicated service. Today, Fisher Investments and its affiliates manage over C$540 billion* in assets globally. Our Investment Policy Committee—the 5-member team that makes all strategic investment decisions for client portfolios—has 175+ combined years of industry experience.

Start investing in your successful future today. Call **888-291-0675** to speak with an experienced representative.

**As of 31/03/2026. Includes Fisher Investments and its affiliates.*

How Does Fisher Investments Compare?

	Fisher Investments	Other money managers
Fiduciary, always putting clients first	✓	?
Simple, transparent management fees	✓	?
No commission-based products	✓	?
Portfolio tailored to your goals and lifestyle	✓	?

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Investing in stock markets involves the risk of loss and there is no guarantee that all or any capital invested will be repaid. Past performance is no guarantee of future returns. The value of investments and the income from them will fluctuate with world financial markets and international currency exchange rates.

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