

## Simplicity Investment Funds

Unhedged Global Share Fund

Fund update

This update was first made publicly available on 26 January 2024



# Fund update

Quarter ending 31 December 2023

## What is the purpose of this update?

This document tells you how the Simplicity Unhedged Global Share Fund (Unhedged Global Share Fund) has performed and what fees were charged. The document will help you to compare the fund with other funds. Simplicity NZ 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 Unhedged Global Share Fund invests in shares across developed markets, designed to generate a return similar to the performance of the Bloomberg DM ex NZ ESG Screened Index (unhedged) and to be the unhedged International shares component of a diversified investment portfolio.

Total value of the fund	\$ 998,550,337
The date the fund started	28 April 2023

## What are the risks of investing?

Risk indicator for the Unhedged Global Share Fund:<sup>1</sup>

### Risk indicator



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 at <https://www.sorted.org.nz/tools/investor-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. As the fund has not been in existence for five years, the risk indicator is based on five year information including actual performance figures from 28 April 2023 and market returns data for the period prior to that date. As a result of this, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund. 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?

PAST YEAR

Annual return (after deductions for charges and tax)	Not applicable
Annual return (after deductions for charges but before tax)	Not applicable
Market index annual return (reflects no deduction for charges and tax)	25.37%

The market index is the Bloomberg DM ex NZ ESG Screened index (unhedged).

Additional information about the market index is available on the Disclose Register:

<http://www.companiesoffice.govt.nz/disclose>

## What fees are investors charged?

Investors in the unhedged Global Share Fund are charged fund charges. In the year to 31 March 2024, these are expected to be:

Total fund charges (including GST)	0.15%
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Which are made up of

Total management and administration charges	0.15%
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Including:

Manager's basic fee	0.15%
Other management and administration charges	0.00%
Total performance-based fees	0.00%

Other charges

Dollar amount per investor

Administration Fee	\$0.00
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Investors are not charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds).



## Example of how this applies to an investor

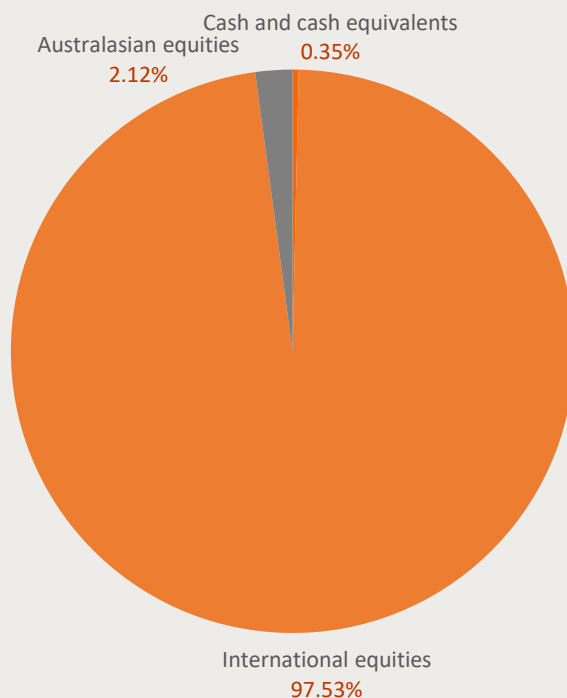
Small differences in fees and charges can have a big impact on your investment over the long term<sup>2</sup>.

Kenny had \$10,000 in the fund at the start of May 2023 and did not make any further contributions. At the end of December 2023, Kenny received a return after fund charges were deducted of \$1,173 (that is 11.73% of their initial \$10,000). This gives Kenny a total return after tax of \$1,070 for the period.

## What does the fund invest in?

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

### Actual investment mix



### Target investment mix<sup>3</sup>

Cash and cash equivalents	0%	International equities	98%
New Zealand fixed interest	0%	Listed property	0%
International fixed interest	0%	Unlisted property	0%
Australasian equities	2%	Commodities	0%



## Top 10 investments

Asset Name	% of fund net assets	Type	Country	Credit rating
Apple Inc	6.09%	International Equities	US	N/A
Microsoft Corporation	6.01%	International Equities	US	N/A
NVIDIA Corp	2.52%	International Equities	US	N/A
Alphabet Inc Class A	1.77%	International Equities	US	N/A
Alphabet Inc Class C	1.49%	International Equities	US	N/A
Tesla Motors Inc	1.48%	International Equities	US	N/A
Eli Lilly and Company	1.06%	International Equities	US	N/A
JPMorgan Chase & Co	1.05%	International Equities	US	N/A
UnitedHealth Group Inc	1.05%	International Equities	US	N/A
Broadcom Inc	0.97%	International Equities	US	N/A

The top ten investments make up 23.49% of the fund. Exposures to assets denominated in foreign currencies are not hedged.

## Key personnel

Name	Current position	Term	Previous or other current position	Term
Sam Stubbs	Managing Director, Simplicity	7 years and 9 months	Chief Executive Officer, TOWER Investments	5 years and 1 month
Joy Marslin	Director, Simplicity	7 years and 1 month	Head of Private Wealth Management, Westpac NZ	3 years and 7 months
Reuben Halper	Director, Simplicity	6 years and 7 months	Agency Lead, Google NZ (current position)	8 years and 3 months
Andrew Lance	Chief Operating Officer, Simplicity	7 years and 6 months	Consultant, AMP Financial Services	1 year
Matthew Houtman	Head of Private Capital, Simplicity	3 years and 1 month	Co-Managing Director, Pioneer Capital Management	16 years

## Further information

You can also obtain this information, the PDS for the Simplicity Investment Funds and some additional information from the offer register at <http://www.companiesoffice.govt.nz/disclose>

## Notes

1. As the fund started on 28 April 2023, actual returns for the fund are not available until then. To calculate the risk indicator for the five-year period ending 31 December 2023, market index returns have been used up to 28 April 2023 with actual fund returns used for the balance of the period. As a result of those market returns, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund.
2. As the fund started on 28 April 2023, this calculation is based on the actual return for the period from that date to 31 December 2023, minus the total fund charges and tax for that period.
3. We have no specific target for Australasian equities. Exposure to Australasian equities is included in International equities. We have no target for listed property. Exposures to real estate investment trusts are included in equities.