

# **2025**

# **Simplicity**

# **Investment Funds**

**Annual Report for the year ended 31 March 2025**

# Kia ora

Kia ora

To our members, staff, and volunteers, we're thrilled to reflect on another remarkable year together.

We work hard to keep our costs low, with our seventh fee cut planned for September this year.

As a nonprofit fund manager owned by the Simplicity Foundation, we ensure that the benefits of our growth return to you, our members. So please keep talking about us %)

We also continue to invest in financial education, distributing thousands of copies of 'Money Made Simple' to members and community groups around the country, as well as launching another podcast 'Economy Made Simple', featuring Shamubeel Eaqub, who joined us as Chief Economist this year.

We believe you can make money and do good. That's why, since day one, we've given 15% of all our fees to the Simplicity Foundation. So far, the Foundation has donated over \$10.4 million to great Kiwi charities - and that amount is growing by more than \$8,000 every day.

Thanks for your continued support. Our achievements this year are a testament to our incredible team, our members and the shared mission that drives us - a better future for you, and New Zealand.

With gratitude



**Sam Stubbs**  
**Managing Director**

**Updated numbers to end of March 2025:**

Over \$10.4 million in cumulative donations to charity

Over \$ 7.9 billion in funds under management

**Highlights:**

Winning a Consumer NZ's People's Choice award for KiwiSaver for the sixth year in a row

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# SECTION ONE DETAILS OF THE SCHEME

**Name of scheme:** Simplicity Investment Scheme

**Type of scheme:** Managed Investment Scheme

**Manager:** Simplicity NZ Limited (Simplicity)

**Supervisor:** Public Trust

**Product Disclosure Statement:** The current Product Disclosure Statement (PDS) for the scheme is dated 24 February 2025 and is open for applications.

**Fund Updates:** A Fund Update dated 25 July 2025 for each of the eleven investment funds is available for the quarter ending 30 June 2025.

**Financial statements and auditor's report:** The latest full financial statements for the Scheme, that comply with and have been registered under the Financial Markets Conduct Act 2013, cover the financial year 1 April 2024 to 31 March 2025. These were authorised for issue by the manager, Simplicity NZ Limited, on 24 July 2025. The auditor's report on those financial statements was dated 25 July 2025. The auditor's report was unmodified.

## SECTION TWO – INFORMATION ON CONTRIBUTIONS AND SCHEME PARTICIPANTS

As at 1 April 2024 the Scheme had eleven funds available for investors. The Scheme had the same number of funds available for investors as at 31 March 2025. The list of funds can be found in Section Four of this report.

## SECTION THREE – CHANGES RELATING TO THE SCHEME

During the accounting period there have been no material changes to the Scheme's Trust Deed or the Terms of Offer of Interests in the Scheme.

On 3 May 2024, the Scheme's Other Material Information disclosure was updated to reflect a change in the lending policy whereby the debt servicing limit for first home mortgage borrowers was increased from 30% to 35% of after-tax salary (combined for joint borrowers, if applicable).

Effective from 1 July 2024 the Defensive Investment Fund was renamed the Simplicity NZ Cash Fund and invests only in a portfolio of cash and cash equivalent assets. The NZ Cash Fund is a single sector fund which is designed to be the NZ cash and cash equivalent component of a diversified investment portfolio. When the change became effective the Fund's investment management fee was reduced from 0.25% to 0.10% per annum to align it with the Scheme's other domestic single sector investment funds. The NZ Cash Fund has a lower risk rating than was previously calculated for the Defensive Investment Fund.

There were no specific actions taken under the [Responsible Investment Policy](#) during the period. There were no specific proxy voting, stewardship or advocacy actions taken in relation to the Scheme or its investments during the period. International equity portfolios managed by DWS are subject to DWS's [Proxy Voting Policy and Guidelines](#).

On 24 February 2025, the PDS and the Statement of Investment Policy and Objectives (SIPO) were updated as part of Simplicity's investment policy review process. The main changes were as follows:

- The currency hedging ratio for the International Equity Portfolio, which is benchmarked against the hedging policies of the largest KiwiSaver managers, was reduced from 65% to 50%, with the allowable range adjusted from 55–75% to 40–60%.
- The Growth and Balanced Fund allocations to the New Zealand Equity Portfolio were reduced, with corresponding increased allocations to the Property Portfolio.
- The Balanced and Conservative Fund allocations to both the International and New Zealand Fixed Interest Portfolios were reduced, with corresponding increases to the Cash and Cash Equivalents Portfolio.

The Simplicity Wholesale Funds Scheme (which includes the Simplicity First Home Mortgage Fund, Private Equity Fund, Property Fund and Wholesale Cash Fund) is managed by Simplicity Investment Management Limited, a wholly owned subsidiary of Simplicity. Investments by the Simplicity Investment Funds into the Simplicity Wholesale Funds are related party transactions with the related party benefit being exposure to the potential loss of Scheme property through investment in the Simplicity Wholesale Funds. For all such transactions Simplicity has certified that the investments comply with the SIPO, are conducted on an arm's length basis, and are in the interests of investors in the Scheme.

On 21 February 2025 Simplicity implemented a new Related Party Transactions Policy that allows investments in the Simplicity First Home Mortgage Fund and Wholesale Cash Fund to continue to rely on existing certificates, and requires that new certificates are issued for each future investment in the Private Equity Fund and Property Fund. As at 31 March 2025 the Simplicity Investment Funds had \$65,986,860 exposure to the Simplicity First Home Mortgage Fund, \$29,274,143 exposure to private assets in the Private Equity Fund, \$75,515,427 exposure to the Property Fund and \$85,770,056 exposure to the Wholesale Cash Fund.

Simplicity is a climate reporting entity in relation to the Scheme and is required to publish annual climate statements in accordance with Climate Standards issued by the XRB. The climate statements help investors and other stakeholders to understand how Simplicity considers and manages climate change risks and opportunities relevant to the Scheme. The first annual climate statements for the Scheme were lodged on 30 July 2024 for the period from 1 April 2023 to 31 March 2024. The second annual climate statements for the period from 1 April 2024 to 31 March 2025 were lodged on 28 July 2025. Climate statements are available in the [Companies Office Climate-Related Disclosures register](#).

## SECTION FOUR – OTHER INFORMATION

Unit prices	Unit price: 31 March 2024	Unit price: 31 March 2025
Conservative Investment Fund	1.2130	1.2781
Balanced Investment Fund	1.5044	1.5942
Growth Investment Fund	1.7331	1.8534
High Growth Investment Fund	1.1811	1.2683
Homes and Income Investment Fund	1.0217	1.0778
NZ Bond Fund	1.0464	1.1083
NZ Share Fund	1.4382	1.4400
NZ Cash Fund*	1.0290	1.0770
Hedged Global Bond Fund	1.0205	1.0578
Hedged Global Share Fund	1.2434	1.3252
Unhedged Global Share Fund	1.2745	1.4368

\*Please note the Defensive Investment Fund became the NZ Cash Fund on 1 July 2024.

## SECTION FIVE – CHANGES TO PERSONS INVOLVED IN THE SCHEME

There were no changes to the Board of Simplicity NZ Limited during the year.

During the year there were changes to the Board of our supervisor, Public Trust. John Duncan ceased as a board member on 23 February 2025, Ian Fitzgerald resigned from the board with effect from 1 April 2025, Will Peet was appointed as a board member effective 1 June 2025, and Karen Price (an existing board member) was appointed Board Chair effective 1 June 2025.

## SECTION SIX – HOW TO FIND FURTHER INFORMATION

Information relating to the Simplicity Investment Funds on the offer register and the scheme register can be found at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz)

The scheme register includes financial statements, Trust Deed and Statement of Investment Policy and Objectives.

The offer register includes information relating to the membership and funds. It also includes Fund Updates and Other Material Information.

Information relating to the scheme, such as Fund Updates, the annual report, current Product Disclosure Statement and other useful information is available at [simplicity.kiwi/investment-funds/documents](https://simplicity.kiwi/investment-funds/documents)

Simplicity's Responsible Investment Policy is available at [simplicity.kiwi/about-us/ethical-investments](https://simplicity.kiwi/about-us/ethical-investments)

The climate statements for the Scheme can be found at [companiesoffice.govt.nz/all-registers/climate-related-disclosures](https://companiesoffice.govt.nz/all-registers/climate-related-disclosures)

If you require any information from us, please contact us by email: [info@simplicity.kiwi](mailto:info@simplicity.kiwi)

All the information can be obtained from us without charge.

## SECTION SEVEN - CONTACT DETAILS AND COMPLAINTS

### **Contact details for the manager:**

Simplicity NZ Limited  
PO Box 33485 Takapuna  
Auckland 0740  
Telephone: 0800 032 412

### **Contact details for the registrar:**

Apex NZ Limited  
PO Box 106 039  
Auckland City Auckland 1043  
Telephone: 09 309 8926

### **Contact details of the supervisor:**

Public Trust  
Private Bag 5902  
Wellington 6140  
Telephone: 0800 371 471

### **Any queries or complaints about the Scheme can be made to:**

Head of Compliance  
Simplicity NZ Limited  
PO Box 33485  
Takapuna  
Auckland 0740

### **Please direct any complaints about your investment to us:**

Simplicity NZ Limited  
PO Box 33485  
Takapuna  
Auckland 0740  
Telephone: 0800 032 412  
Email: [info@simplicity.kiwi](mailto:info@simplicity.kiwi)

### **If we are unable to resolve your complaint, you may choose to contact the supervisor:**

Public Trust  
Private Bag 5902  
Wellington 6140  
Attn: Customer Complaints  
Telephone: 0800 371 471

Simplicity NZ Limited is a member of the Financial Services Complaints Limited (FSCL), which is an independent dispute resolution scheme approved by the Ministry of Consumer Affairs. FSCL will not charge a fee to any complainant to investigate or resolve a complaint.

### **If you make a complaint to us or our supervisor and the complaint cannot be resolved, you may refer it to FSCL as follows:**

Financial Services  
Complaints Limited  
PO Box 5967  
Wellington 6140  
Telephone: 0800 347 257  
Email: [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)

