

# SPIVA<sup>®</sup> New Zealand Scorecard

## Contributors

**Sue Lee, CFA**  
Head of APAC  
Index Investment Strategy  
[sue.lee@spglobal.com](mailto:sue.lee@spglobal.com)

**Tim Edwards, Ph.D.**  
Managing Director  
Index Investment Strategy  
[tim.edwards@spglobal.com](mailto:tim.edwards@spglobal.com)

**Davide di Gioia**  
Director  
Index Investment Strategy  
[davide.di.gioia@spglobal.com](mailto:davide.di.gioia@spglobal.com)

**Nick Didio, Ph.D.**  
Quantitative Analyst  
Index Investment Strategy  
[nick.didio@spglobal.com](mailto:nick.didio@spglobal.com)

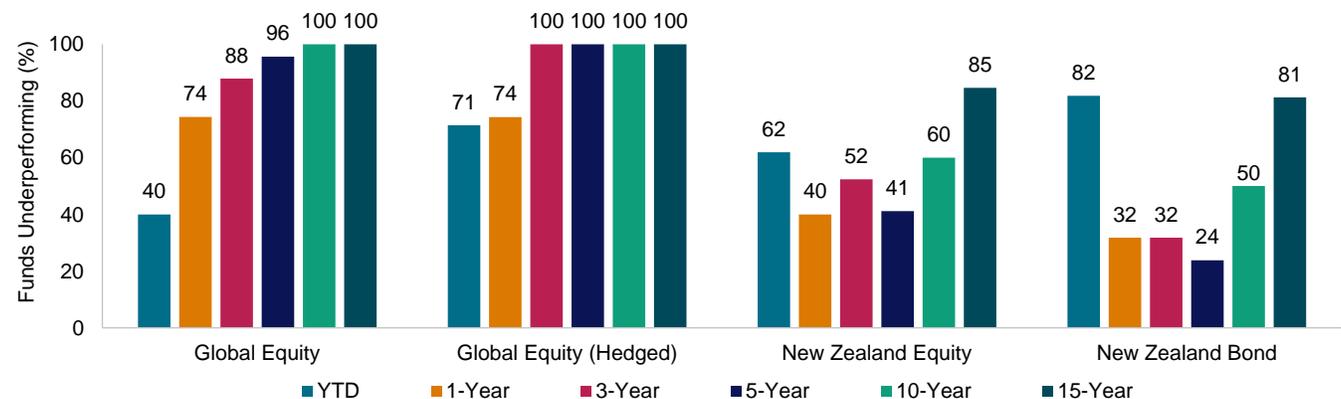
**Experience** the active vs. passive debate on a global scale.

Since the first publication of the S&P Indices Versus Active (SPIVA) U.S. Scorecard in 2002, S&P Dow Jones Indices has been the de facto scorekeeper of the ongoing active versus passive debate. The SPIVA New Zealand Scorecard measures the performance of actively managed funds offered in New Zealand against benchmarks over various time horizons, covering both equity and bond funds.

## Mid-Year 2025 Highlights

The fortunes of active managers in New Zealand changed notably in the first half of 2025. Active global equity managers improved their relative performance, with Global Equity funds recording one of their lowest underperformance rates in a while—equal to just 40%. Conversely, active domestic equity and bond managers faced challenges. In particular, 82% of New Zealand Bond funds underperformed, marking a significant departure from their majority outperformance over the past four calendar years. Exhibit 1 summarizes the results across all reported categories.

**Exhibit 1: Percentage of Underperforming Active New Zealand Funds**

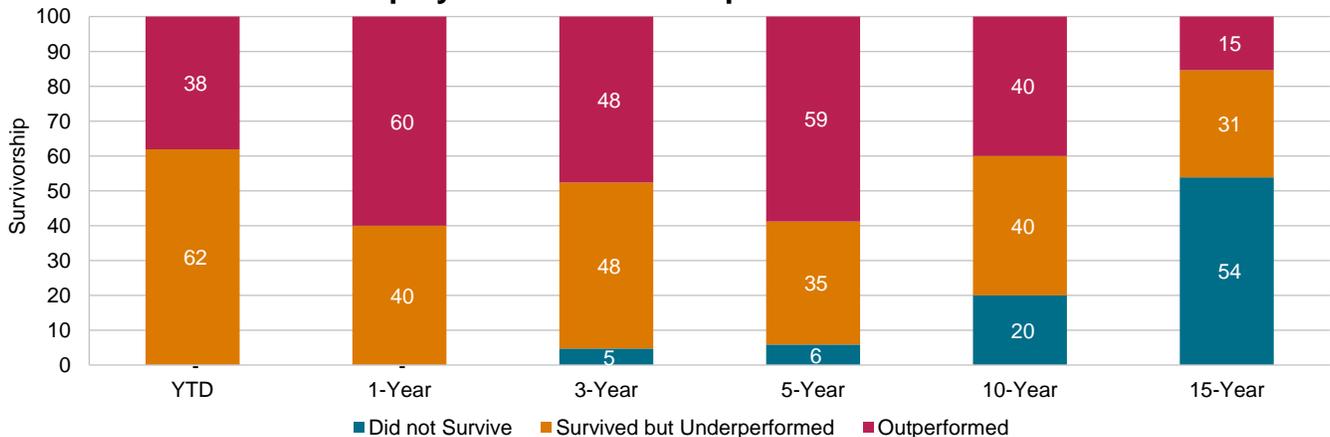


Sources: S&P Dow Jones Indices LLC, Morningstar. Data as of June 30, 2025. The S&P World Index (NZD) and the S&P World NZD Hedged Index were launched Oct. 25, 2024. All data prior to such date is back-tested hypothetical data. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Sign up to receive our latest research, education, and commentary at  
[on.spdji.com/SignUp](https://on.spdji.com/SignUp).

- **Global Equity Funds:** In the first half of 2025, global equities were characterized by the underperformance of U.S. equities and a sharp depreciation of the U.S. dollar. The [S&P World Index](#) posted a 1.6% return in New Zealand dollar terms, compared to 10.0% in U.S. dollar terms and 6.8% with currency hedging. Actively managed Global Equity funds posted an average return of 2.0% on an asset-weighted basis, with a 40% underperformance rate, significantly lower than in previous years. Global Equity (Hedged) funds saw a higher underperformance rate of 71%. Over 10- and 15-year time horizons, 100% of funds in both hedged and unhedged categories underperformed.
- **New Zealand Equity Funds:** The [S&P/NZX 50 Index](#) posted a 3.9% loss (-3.6% with imputation credit), while 62% of actively managed New Zealand Equity funds underperformed it. The funds in this category achieved an asset-weighted average return of -3.8%. Over the 15-year horizon, 85% of funds underperformed.
- **New Zealand Bond Funds:** After a strong track record of outperformance over the past four years, actively managed New Zealand Bond funds faced challenges in H1 2025, with 82% of funds underperforming. Larger funds fared relatively better, raising the category’s asset-weighted average return to 2.3%, compared to 2.1% on an equal-weighted basis—a return matched by the [S&P/NZX Composite Investment Grade Bond Index](#). Over the 15-year period, 81% of funds lagged the benchmark.
- **Fund Survivorship:** Fund liquidation remained minimal in H1 2025, with only 1 out of 118 funds across all reported categories failing to survive. However, the attrition rate increased over longer time horizons; 50% of funds across all categories either merged or liquidated over the 15-year period. This trend significantly affected the fund underperformance rate, as illustrated by the example of the New Zealand Equity category in Exhibit 2.

**Exhibit 2: New Zealand Equity Fund Survivorship and Relative Performance**

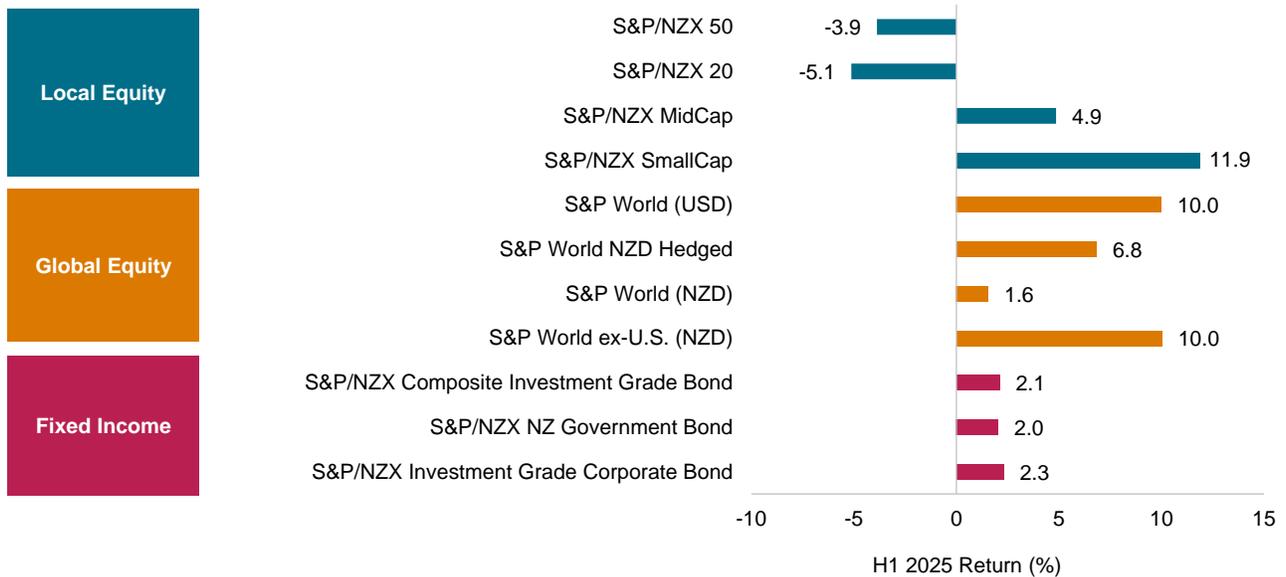


Sources: S&P Dow Jones Indices LLC, Morningstar. Data as of June 30, 2025. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

# Market Context

New Zealand equities lagged other developed markets in the first half of 2025, partly due to ongoing concerns over the health of the domestic economy. However, the Reserve Bank of New Zealand’s aggressive rate cuts (reducing the official cash rate from 4.25% to 3.25%), and indications of further cuts, contributed to a market turnaround in the second quarter. The S&P/NZX 50 Index, a barometer for New Zealand equities, recorded a loss of 3.9%, while broader developed equities, as measured by the S&P World, gained 10.0% in U.S. dollar terms and 1.6% in New Zealand dollar terms. Meanwhile, New Zealand bonds experienced a gradual but steady increase, with the S&P/NZX Composite Investment Grade Bond Index posting a 2.1% gain (see Exhibit 3).

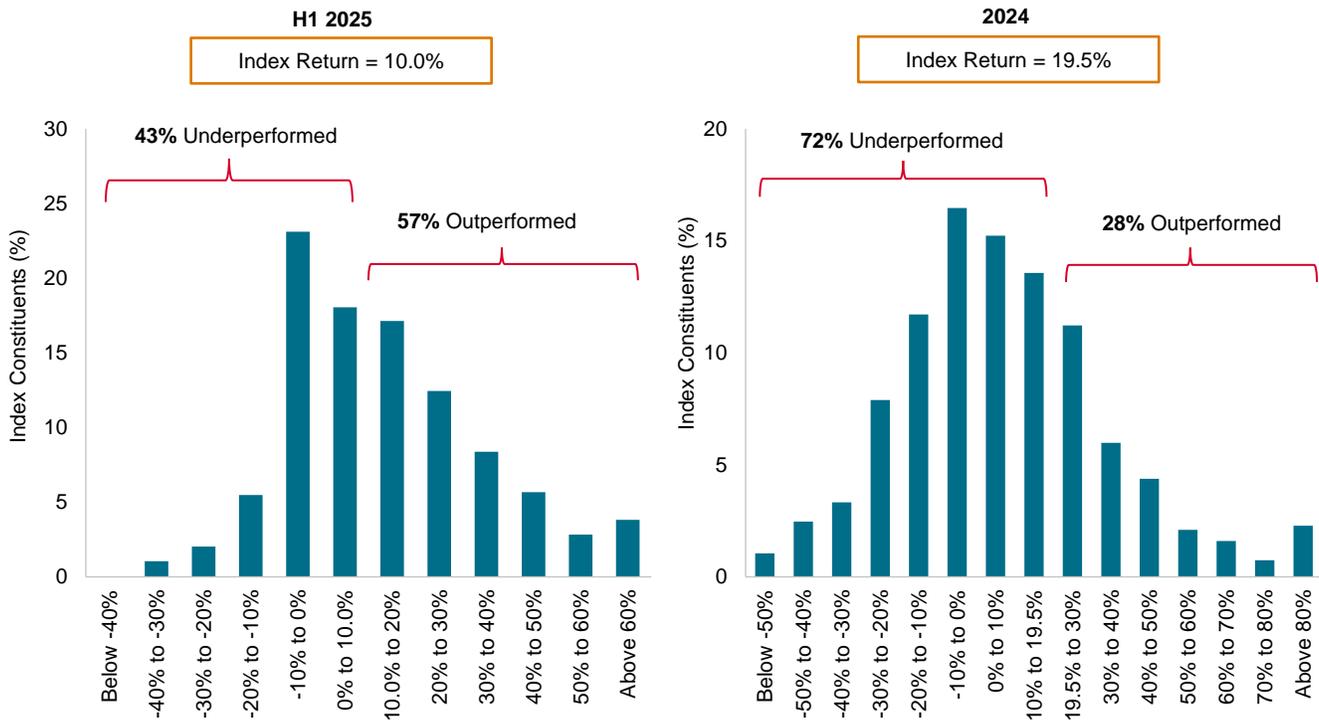
**Exhibit 3: Performance of New Zealand Fund Category Benchmarks and Select Indices**



Source: S&P Dow Jones Indices LLC. Data from Dec. 31, 2024, to June 30, 2025. Index performance based on total returns. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

**Developed equities experienced a notable shift, marked by the underperformance of U.S. equities and a significant decline in the value of the U.S. dollar.** As shown in Exhibit 3, the [S&P World Ex-U.S. Index](#) outperformed the S&P World by 8.4% in New Zealand dollar terms in the first half of the year. Given that the U.S. comprised a substantial 72% of the S&P World at the beginning of 2025, while accounting for only 29.5% of the index constituents by count, the underperformance of U.S. stocks allowed a large number of non-U.S. stocks to surpass the index, presenting greater chances for active managers to select winners. Exhibit 4 shows that 57% of constituents in the S&P World outperformed the index, a significant increase from 28% in 2024. Active global equity managers who maintained an underweight position in the U.S. likely performed well, and the 40% underperformance rate of the Global Equity funds suggests that some funds may have capitalized on this trend.

### Exhibit 4: Stock Return Distribution in the S&P World in H1 2025 versus 2024

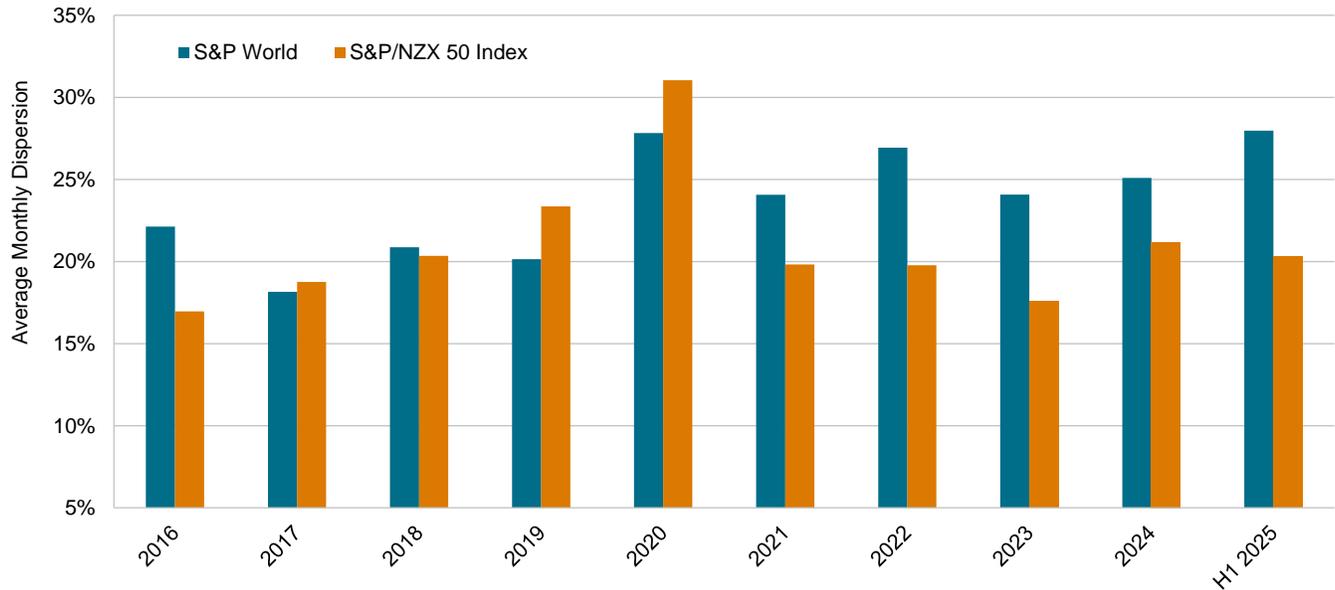


Source: S&P Dow Jones Indices LLC, Morningstar. Data as of June 30, 2025. S&P World and constituent performance based on total return in USD. Past performance is no guarantee of future results. Charts are provided for illustrative purposes.

**Dispersion**, which gauges the extent to which stocks deviate from the average performance,<sup>1</sup> also highlighted favorable stock-picking opportunities for active global equity managers. This is evident in the S&P World’s dispersion, which increased to levels similar to those seen in 2020 at the onset of the COVID-19 pandemic. In contrast, the dispersion of the S&P/NZX 50 Index declined during the same period, indicating a less-favorable environment for skillful (or lucky) active domestic equity managers in New Zealand (see Exhibit 5).

<sup>1</sup> Index dispersion is calculated as the standard deviation of the monthly returns of index constituents, weighted by each constituent’s index weighting. For further insight, see Edwards, Tim and Lazzara, Craig J., “[Dispersion: Measuring Market Opportunity](#),” S&P Dow Jones Indices LLC, December 2013.

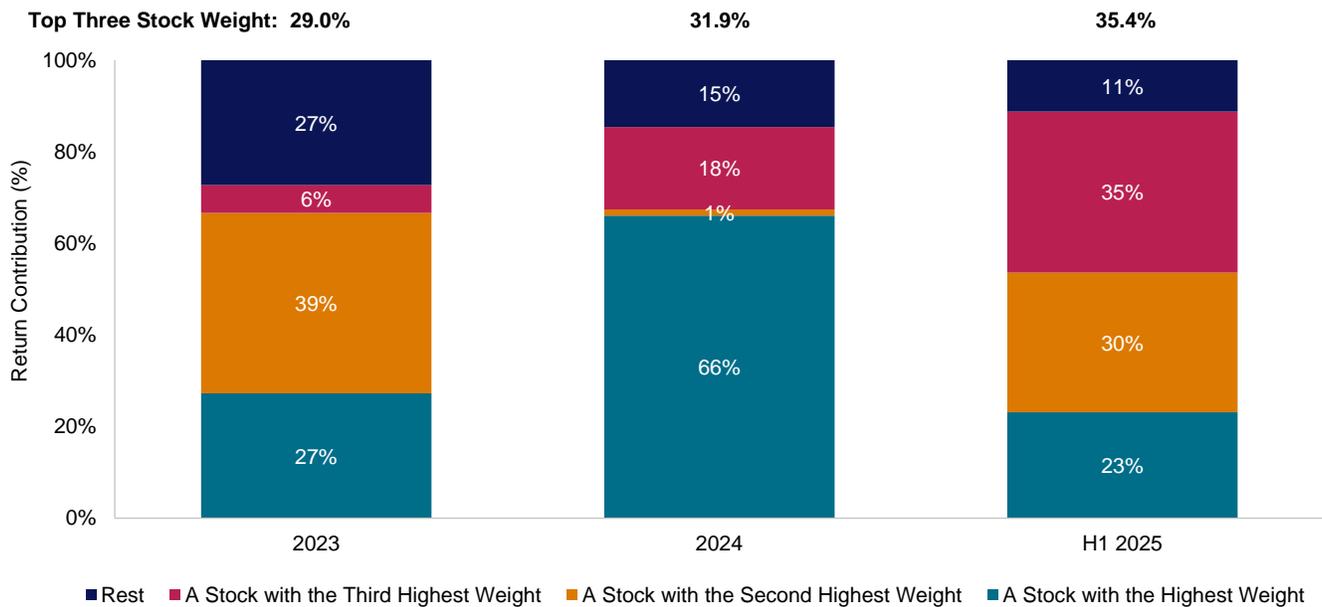
### Exhibit 5: Stock Dispersion Increased Globally, but Not in New Zealand



Source: S&P Dow Jones Indices LLC. Data from Dec. 31, 2015, to June 30, 2025. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

The New Zealand equity market has become increasingly top heavy, amplifying the influence of its largest stocks on benchmark performance, and hence the relative results of active domestic equity managers (as they are usually judged against the same benchmark). As shown in Exhibit 6, the average combined weights of the three largest stocks rose from 29.0% in 2023 to 31.9% in 2024, reaching 35.4% in H1 2025. Consequently, these stocks contributed substantially to the index performance. In H1 2025, the index recorded a loss of 3.9%, with 89% of this decline attributed to the top three stocks: Fisher & Paykel Healthcare fell by 5.4%, Auckland International Airport declined 10.7% and Infratil fell 14.8%. While active managers who underweighted these stocks could have performed well, the 62% underperformance rate in the New Zealand Equity category indicates that few did so with sufficient conviction.

### Exhibit 6: S&P/NZX 50 Index Return Contribution in 2023, 2024 and H1 2025

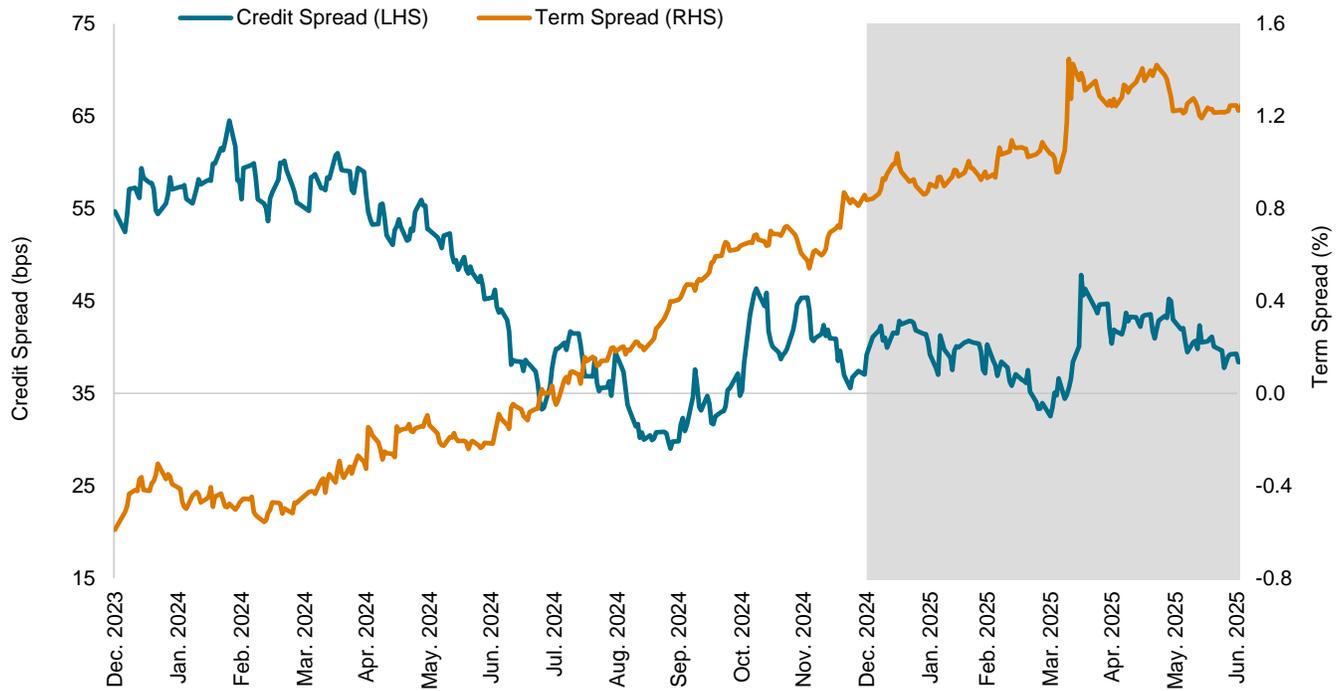


Source: S&P Dow Jones Indices LLC. Data from Dec. 31, 2022, to June 30, 2025. Top three stocks were chosen based on their average index weight over each period. In 2023, the top three stocks were Fisher & Paykel Healthcare, Auckland International Airport and Spark New Zealand. In 2024 and H1 2025, Infratil replaced Spark New Zealand in the top three. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

Meanwhile, active bond managers are encountering increasingly difficult market conditions this year. In 2024, the inverted yield curve in H1, illustrated by the negative term spread in Exhibit 7, allowed bond managers to harvest higher yields with less duration risk. At the same time, narrowing credit spreads would have rewarded those who took on greater credit risk. However, the current market landscape is different. A series of rate cuts by the central bank has lowered the short-term yields, resulting in a steeper, upward-sloping yield curve, while credit spreads are failing to narrow and have also become more volatile. In this context, it is perhaps not surprising to see an increased underperformance rate of 82% in the New Zealand Bond category, a stark rise from 20% in 2024.<sup>2</sup> Given the changing market environment, active bond managers may need make some tweaks to bring their outperformance rates up in 2025.

<sup>2</sup> See [SPIVA New Zealand Scorecard Year-End 2024](#), S&P Dow Jones Indices, March 2025.

### Exhibit 7: New Zealand Credit Spreads Fluctuated while Yield Curve Steepened



Source: S&P Dow Jones Indices LLC. Data from Dec. 31, 2023, to June 30, 2025. Credit spread is calculated as the yield differential between the S&P/NZX Investment Grade Corporate Bond Index and a composition of the S&P/NZX NZ Government Bond 0-5 Year Index and the S&P/NZX NZ Government Bond 3-7 Year Index whose duration is matched to that of the S&P/NZX Investment Grade Corporate Bond Index. Term spread is calculated as the yield differential between the S&P/NZX NZ Government Bond 7+ Year Index and the S&P/NZX NZ Government Bond 0-3 Year Index. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

# A Unique Scorecard for the Active Versus Passive Debate

For over two decades, S&P Dow Jones Indices' [SPIVA Scorecards](#) have compared the performance of actively managed funds to appropriate benchmarks. Initially covering just U.S.-domiciled funds, our scorecards now cover funds operating in markets from New Zealand to Chile. They are rooted in the following fundamental principles:

- **Survivorship Bias Correction:** Many funds might be liquidated or merged during a period of study. However, for someone making an investment decision at the beginning of the period, these funds are part of the opportunity set. Unlike other commonly available comparison reports, SPIVA Scorecards account for the entire opportunity set—not just the survivors—thereby eliminating survivorship bias.
- **Apples-to-Apples Comparison:** Fund returns are often compared to popular benchmarks such as the S&P 500®, regardless of size or style classification. SPIVA Scorecards avoid this pitfall by measuring a fund's returns against the returns of a benchmark appropriate for that particular investment category.
- **More than Just Underperformance Rates:** As well as the most quoted statistics of percentage underperformance rates, SPIVA Scorecards also include additional data on average fund returns, quartile ranges, survivorship rates and other factors—including the market context—to offer a robust perspective on active performance.
- **Data Cleaning:** SPIVA Scorecards avoid double-counting multiple share classes in all count-based calculations, using only the share class with greater assets. Since this is meant to be a scorecard for active managers, it excludes index funds, leveraged and inverse funds and other index-linked products.

# Reports

## Report 1a: Percentage of Funds Underperforming Their Benchmarks (Based on Absolute Return)

Fund Category	Comparison Index	YTD (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	15-Year (%)
Global Equity	S&P World	40.0	74.4	87.9	95.7	100.0	100.0
Global Equity (Hedged)	S&P World NZD Hedged Index	71.4	74.3	100.0	100.0	100.0	100.0
New Zealand Equity	S&P/NZX 50 Index	61.9	40.0	52.4	41.2	60.0	84.6
New Zealand Bond	S&P/NZX Composite Investment Grade Bond Index	81.8	31.8	31.8	23.8	50.0	81.3

Sources: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2025. Fund and benchmark returns are all in NZD. The S&P World (NZD) and S&P World NZD Hedged Index were launched Oct. 25, 2024. All data prior to such date is back-tested hypothetical data. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

## Report 1b: Percentage of Funds Underperforming Their Benchmarks (Based on Risk-Adjusted Return)

Fund Category	Comparison Index	3-Year (%)	5-Year (%)	10-Year (%)	15-Year (%)
Global Equity	S&P World	93.9	95.7	100.0	100.0
Global Equity (Hedged)	S&P World NZD Hedged Index	86.7	75.0	89.5	83.3
New Zealand Equity	S&P/NZX 50 Index	57.1	41.2	66.7	84.6
New Zealand Bond	S&P/NZX Composite Investment Grade Bond Index	22.7	-	50.0	75.0

Sources: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2025. Fund and benchmark returns are all in NZD. Risk-adjusted return is computed as annualized average monthly return divided by annualized standard deviation of the monthly returns for the measured periods. Results not shown for periods in which the benchmark return was negative. The S&P World (NZD) and S&P World NZD Hedged Index were launched Oct. 25, 2024. All data prior to such date is back-tested hypothetical data. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

## Report 2: Survivorship of Funds

Fund Category	Number of Funds at Start	Survivorship (%)
<b>YTD</b>		
Global Equity	40	100.0
Global Equity (Hedged)	35	100.0
New Zealand Equity	21	100.0
New Zealand Bond	22	95.5
<b>All Categories</b>	<b>118</b>	<b>99.2</b>
<b>1-Year</b>		
Global Equity	39	100.0
Global Equity (Hedged)	35	100.0
New Zealand Equity	20	100.0
New Zealand Bond	22	95.5
<b>All Categories</b>	<b>116</b>	<b>99.1</b>
<b>3-Year</b>		
Global Equity	33	100.0
Global Equity (Hedged)	30	93.3
New Zealand Equity	21	95.2
New Zealand Bond	22	90.9
<b>All Categories</b>	<b>106</b>	<b>95.3</b>
<b>5-Year</b>		
Global Equity	23	95.7
Global Equity (Hedged)	24	87.5
New Zealand Equity	17	94.1
New Zealand Bond	21	85.7
<b>All Categories</b>	<b>85</b>	<b>90.6</b>
<b>10-Year</b>		
Global Equity	10	100.0
Global Equity (Hedged)	19	84.2
New Zealand Equity	15	80.0
New Zealand Bond	18	77.8
<b>All Categories</b>	<b>62</b>	<b>83.9</b>
<b>15-Year</b>		
Global Equity	21	33.3
Global Equity (Hedged)	12	83.3
New Zealand Equity	13	46.2
New Zealand Bond	16	50.0
<b>All Categories</b>	<b>62</b>	<b>50.0</b>

Sources: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2025. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

**Report 3: Average Fund Performance (Equal-Weighted)**

Index/Fund Category	YTD (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	15-Year (%)
S&P World	1.56	17.55	19.98	16.39	12.41	12.95
Global Equity	3.06	15.66	15.17	13.04	10.75	10.53
S&P World NZD Hedged Index	6.84	14.23	18.24	14.78	11.49	13.16
Global Equity (Hedged)	4.76	11.60	14.08	11.70	9.06	9.93
S&P/NZX 50 Index	-3.56	8.35	5.91	2.71	9.20	11.28
New Zealand Equity	-3.27	9.19	6.59	3.53	9.36	11.33
S&P/NZX Composite Investment Grade Bond Index	2.12	6.70	4.01	-0.07	2.57	3.63
New Zealand Bond	2.06	7.06	4.80	1.13	2.78	3.57

Sources: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2025. Fund and benchmark returns are all in NZD. The S&P World (NZD) and S&P World NZD Hedged Index were launched Oct. 25, 2024. All data prior to such date is back-tested hypothetical data. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

**Report 4: Average Fund Performance (Asset-Weighted)**

Index/Fund Category	YTD (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	15-Year (%)
S&P World	1.56	17.55	19.98	16.39	12.41	12.95
Global Equity	2.01	14.56	17.05	12.90	10.74	11.10
S&P World NZD Hedged Index	6.84	14.23	18.24	14.78	11.49	13.16
Global Equity (Hedged)	4.70	11.89	14.40	11.86	9.39	10.67
S&P/NZX 50 Index	-3.56	8.35	5.91	2.71	9.20	11.28
New Zealand Equity	-3.77	8.65	6.79	3.50	9.52	11.28
S&P/NZX Composite Investment Grade Bond Index	2.12	6.70	4.01	-0.07	2.57	3.63
New Zealand Bond	2.31	7.42	5.25	1.34	2.97	3.87

Sources: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2025. Fund and benchmark returns are all in NZD. The S&P World (NZD) and the S&P World NZD Hedged Index were launched Oct. 25, 2024. All data prior to such date is back-tested hypothetical data. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

**Report 5: Quartile Breakpoints of Fund Performance**

<b>Fund Category</b>	<b>Third Quartile</b>	<b>Second Quartile</b>	<b>First Quartile</b>
<b>YTD</b>			
Global Equity	0.06	2.60	4.68
Global Equity (Hedged)	3.41	5.35	6.98
New Zealand Equity	-4.27	-4.03	-2.75
New Zealand Bond	1.93	2.03	2.11
<b>1-Year</b>			
Global Equity	11.92	14.41	17.53
Global Equity (Hedged)	8.74	12.29	14.23
New Zealand Equity	6.94	9.00	10.70
New Zealand Bond	6.71	7.09	7.36
<b>3-Year</b>			
Global Equity	12.15	15.90	17.92
Global Equity (Hedged)	12.15	14.35	15.86
New Zealand Equity	5.08	5.96	7.09
New Zealand Bond	4.17	4.67	5.34
<b>5-Year</b>			
Global Equity	9.62	12.53	14.14
Global Equity (Hedged)	10.40	12.10	13.52
New Zealand Equity	2.49	3.28	4.34
New Zealand Bond	0.11	0.71	1.79
<b>10-Year</b>			
Global Equity	9.30	9.65	10.40
Global Equity (Hedged)	8.26	9.01	9.57
New Zealand Equity	8.42	9.27	9.90
New Zealand Bond	2.48	2.76	3.31
<b>15-Year</b>			
Global Equity	9.63	9.84	11.51
Global Equity (Hedged)	8.78	9.72	11.27
New Zealand Equity	10.29	10.76	12.58
New Zealand Bond	3.37	3.48	3.81

Sources: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending June 30, 2025. Returns based on total returns and annualized for periods greater than one year. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

# Appendix A

## SPIVA Styles and Morningstar Fund Classifications

Data from Morningstar are obtained for all managed funds<sup>3</sup> domiciled in New Zealand for which month-end data is available during the performance period. The data include the most comprehensive fund data on active and finalized (merged or liquidated) funds over the chosen period. Funds are classified based on the Morningstar fund classification system, and the SPIVA New Zealand Scorecard covers New Zealand-domiciled funds in the Global Equity, Global Equity (Hedged), New Zealand Equity and New Zealand Bond categories. Morningstar categories have been mapped to SPIVA peer groups in the following manner.

### Exhibit 8: New Zealand Funds – SPIVA and Morningstar Categories

SPIVA Category	Morningstar Category
Global Equity	NZ OE Equity Region World
Global Equity (Hedged)	NZ OE Equity Region World - Hedged
New Zealand Equity	NZ OE Equity Region NZ
New Zealand Bond	NZ OE NZ Bonds

Source: S&P Dow Jones Indices LLC, Morningstar. Table is provided for illustrative purposes.

## Benchmarks

The chosen benchmarks are shown in Exhibit 9. Index returns are total returns (i.e., including dividend reinvestment) in New Zealand dollars, except for the S&P/NZX 50 Index (Gross with Imputation) whose returns also include imputation credits. There has been no deduction from index returns to account for fund investment expenses. It is important to note that active fund returns are after expenses, but they do not include loads and entry fees. To ensure the study is robust and fair, representative benchmarks were selected for each fund category, but not all funds adopt the benchmarks stipulated. However, many funds do set their performance hurdle based on either the assigned benchmarks in this report, or a similar alternative.

<sup>3</sup> Includes open-ended managed funds and ETFs.

## Exhibit 9: SPIVA New Zealand Categories and Their Benchmarks

SPIVA Category	Benchmark Index
Global Equity	S&P World
Global Equity (Hedged)	S&P World NZD Hedged Index
New Zealand Equity	S&P/NZX 50 Index
New Zealand Bond	S&P/NZX Composite Investment Grade Bond Index

Source: S&P Dow Jones Indices LLC, Morningstar. Table is provided for illustrative purposes.

### S&P World

The S&P World tracks the performance of large- and mid-cap stocks from 24 developed markets. With data extending over several economic cycles, the index provides a consistent universe for historical market analysis and back-testing investing strategies. Subindices are broken down by GICS sector, style and currency, allowing market participants to track the developed market opportunity set from more targeted perspectives.

### S&P/NZX 50 Index (Gross with Imputation)

The S&P/NZX 50 Index is designed to measure the performance of the 50 largest eligible stocks listed on the Main Board of the NZX by float-adjusted market capitalization. The index covers approximately 90% of New Zealand equity market capitalization. The gross with imputation version reinvests the regular dividends, as reported on the ex-dividend date, along with any associated imputation credits, as declared by the respective company.

### S&P/NZX Composite Investment Grade Bond Index

The S&P/NZX Composite Investment Grade Bond Index is a composite index combining the S&P/NZX investment grade corporate and government bond indices.

# Appendix B: Glossary

## Percentage of Funds Underperforming the Index

To correct for survivorship bias, we use the opportunity set available at the beginning of the period as the denominator. We determine the count of funds that have survived and beat the index. We then report percentage of funds that did not survive and beat the index.

## Survivorship (%)

The survivorship measure represents the percentage of funds in existence at the beginning of the time period that are still active at the end of the time period.

## Equal-Weighted Fund Performance

Equal-weighted returns for a particular style category and time horizon are determined by compounding the simple average of the monthly returns of all active funds that were available at the start of the period.

## Asset-Weighted Fund Performance

Asset-weighted returns for a particular style category are calculated similarly, except based on a weighted average return of fund returns each month, with each fund's return weighted by its total net assets. Asset-weighted returns can be a better indicator of category performances because they reflect the returns of the total money invested across the sample of funds.

## Quartile Breakpoints

The  $p^{\text{th}}$  percentile for a set of data is the value that is greater than or equal to  $p\%$  of the data but is less than or equal to  $(100-p)\%$  of the data. In other words, it is a value that divides the data into two parts: the lower  $p\%$  of the values and the upper  $(100-p)\%$  of the values. The first quartile is the 75<sup>th</sup> percentile, which is the value separating the elements of a population into the lower 75% and the upper 25%. The second quartile is the 50<sup>th</sup> percentile, and the third quartile is the 25<sup>th</sup> percentile. For fund category quartiles in a particular time horizon, the data used is the return of the largest surviving share class of the fund net of fees, excluding loads.

## Survivorship Bias

Many funds might liquidate or merge during a period of study. This usually occurs due to continued poor performance by the fund. Therefore, if index returns were compared to fund returns using only surviving funds, the comparison would be biased in favor of the fund category. The SPIVA reports remove this bias in three ways. The first method to remove the

bias is to use the entire investment opportunity set, made up of all funds in that particular category at the outset of the period, as the denominator for outperformance calculations. The second is explicitly to show the survivorship rate in each category. The final way is to construct a peer average return series for each category based on all available funds at the outset of the period.

## Fees

The fund returns used are net of fees, excluding loads.

## Indices

A benchmark index provides an investment vehicle against which fund performance can be measured.

## Performance Disclosure/Back-Tested Data

The S&P World Index (NZD) and the S&P World NZD Hedged Index were launched October 25, 2024. All information presented prior to an index's Launch Date is hypothetical (back-tested), not actual performance. The back-test calculations are based on the same methodology that was in effect on the index Launch Date. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. Complete index methodology details are available at [www.spglobal.com/spdji](http://www.spglobal.com/spdji). Past performance of the Index is not an indication of future results. Back-tested performance reflects application of an index methodology and selection of index constituents with the benefit of hindsight and knowledge of factors that may have positively affected its performance, cannot account for all financial risk that may affect results and may be considered to reflect survivor/look ahead bias. Actual returns may differ significantly from, and be lower than, back-tested returns. Past performance is not an indication or guarantee of future results. Please refer to the methodology for the Index for more details about the index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index calculations. Back-tested performance is for use with institutions only; not for use with retail investors.

S&P Dow Jones Indices defines various dates to assist our clients in providing transparency. The First Value Date is the first day for which there is a calculated value (either live or back-tested) for a given index. The Base Date is the date at which the index is set to a fixed value for calculation purposes. The Launch Date designates the date when the values of an index are first considered live: index values provided for any date or time period prior to the index's Launch Date are considered back-tested. S&P Dow Jones Indices defines the Launch Date as the date by which the values of an index are known to have been released to the public, for example via the company's public website or its data feed to external parties. For Dow Jones-branded indices introduced prior to May 31, 2013, the Launch Date (which prior to May 31, 2013, was termed "Date of introduction") is set at a date upon which no further changes were permitted to be made to the index methodology, but that may have been prior to the Index's public release date.

Typically, when S&P DJI creates back-tested index data, S&P DJI uses actual historical constituent-level data (e.g., historical price, market capitalization, and corporate action data) in its calculations. As ESG investing is still in early stages of development, certain datapoints used to calculate S&P DJI's ESG indices may not be available for the entire desired period of back-tested history. The same data availability issue could be true for other indices as well. In cases when actual data is not available for all relevant historical periods, S&P DJI may employ a process of using "Backward Data Assumption" (or pulling back) of ESG data for the calculation of back-tested historical performance. "Backward Data Assumption" is a process that applies the earliest actual live data point available for an index constituent company to all prior historical instances in the index performance. For example, Backward Data Assumption inherently assumes that companies currently not involved in a specific business activity (also known as "product involvement") were never involved historically and similarly also assumes that companies currently involved in a specific business activity were involved historically too. The Backward Data Assumption allows the hypothetical back-test to be extended over more historical years than would be feasible using only actual data. For more information on "Backward Data Assumption" please refer to the [FAQ](#). The methodology and factsheets of any index that employs backward assumption in the back-tested history will explicitly state so. The methodology will include an Appendix with a table setting forth the specific data points and relevant time period for which backward projected data was used.

Index returns shown do not represent the results of actual trading of investable assets/securities. S&P Dow Jones Indices maintains the index and calculates the index levels and performance shown or discussed but does not manage actual assets. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the Index or investment funds that are intended to track the performance of the Index. The imposition of these fees and charges would cause actual and back-tested performance of the securities/fund to be lower than the Index performance shown. As a simple example, if an index returned 10% on a US \$100,000 investment for a 12-month period (or US \$10,000) and an actual asset-based fee of 1.5% was imposed at the end of the period on the investment plus accrued interest (or US \$1,650), the net return would be 8.35% (or US \$8,350) for the year. Over a three-year period, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.10%, a total fee of US \$5,375, and a cumulative net return of 27.2% (or US \$27,200).

## General Disclaimer

© 2025 S&P Dow Jones Indices. All rights reserved. S&P, S&P 500, SPX, SPY, The 500, US 500, US 30, S&P 100, S&P COMPOSITE 1500, S&P 400, S&P MIDCAP 400, S&P 600, S&P SMALLCAP 600, S&P GIVI, GLOBAL TITANS, DIVIDEND ARISTOCRATS, DIVIDEND MONARCHS, BUYBACK ARISTOCRATS, SELECT SECTOR, S&P MAESTRO, S&P PRISM, GICS, SPIVA, SPDR, INDEXOLOGY, iTraxx, iBoxx, ABX, ADBI, CDX, CMBX, MBX, MCDX, PRIMEX, HHPI and SOVX are trademarks of S&P Global, Inc. ("S&P Global") or its affiliates. DOW JONES, DJIA, THE DOW and DOW JONES INDUSTRIAL AVERAGE are trademarks of Dow Jones Trademark Holdings LLC ("Dow Jones"). These trademarks together with others have been licensed to S&P Dow Jones Indices LLC. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. This document does not constitute an offer of services in jurisdictions where S&P Dow Jones Indices LLC, S&P Global, Dow Jones or their respective affiliates (collectively "S&P Dow Jones Indices") do not have the necessary licenses. Except for certain custom index calculation services, all information provided by S&P Dow Jones Indices is impersonal and not tailored to the needs of any person, entity or group of persons. S&P Dow Jones Indices receives compensation in connection with licensing its indices to third parties and providing custom calculation services. Past performance of an index is not an indication or guarantee of future results.

It is not possible to invest directly in an index. Exposure to an asset class represented by an index may be available through investable instruments based on that index. S&P Dow Jones Indices does not sponsor, endorse, sell, promote or manage any investment fund or other investment vehicle that is offered by third parties and that seeks to provide an investment return based on the performance of any index. S&P Dow Jones Indices makes no assurance that investment products based on the index will accurately track index performance or provide positive investment returns. Index performance does not reflect trading costs, management fees or expenses. S&P Dow Jones Indices makes no representation regarding the advisability of investing in any such investment fund or other investment vehicle. A decision to invest in any such investment fund or other investment vehicle should not be made in reliance on any of the statements set forth in this document. S&P Dow Jones Indices is not an investment adviser, commodity trading advisor, commodity pool operator, broker dealer, fiduciary, promoter" (as defined in the Investment Company Act of 1940, as amended), "expert" as enumerated within 15 U.S.C. § 77k(a) or tax advisor. Inclusion of a security, commodity, crypto currency or other asset within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, commodity, crypto currency or other asset, nor is it considered to be investment advice or commodity trading advice.

These materials have been prepared solely for informational purposes based upon information generally available to the public and from sources believed to be reliable. No content contained in these materials (including index data, ratings, credit-related analyses and data, research, valuations, model, software or other application or output therefrom) or any part thereof ("Content") may be modified, reverse-engineered, reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written permission of S&P Dow Jones Indices. The Content shall not be used for any unlawful or unauthorized purposes. S&P Dow Jones Indices and its third-party data providers and licensors (collectively "S&P Dow Jones Indices Parties") do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Dow Jones Indices Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. THE CONTENT IS PROVIDED ON AN "AS IS" BASIS. S&P DOW JONES INDICES PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Dow Jones Indices Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

S&P Global keeps certain activities of its various divisions and business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain divisions and business units of S&P Global may have information that is not available to other business units. S&P Global has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

In addition, S&P Dow Jones Indices provides a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate or otherwise address.

The Global Industry Classification Standard (GICS®) was developed by and is the exclusive property and a trademark of S&P and MSCI. Neither MSCI, S&P nor any other party involved in making or compiling any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

ASX, ALL ORDINARIES are trademarks of ASX Operations Pty Ltd. and have been licensed for use by S&P Dow Jones Indices.