

# Nikko AM Freedom Fund

Factsheet 30 June 2025

## About Freedom Fund

We are playing our part in creating change. That's why we launched the Nikko AM Freedom Fund. It gives investors the opportunity to do more with their money by investing in a fund that donates all the returns and fees to the charitable organisation - Tearfund.

## About Tearfund

Tearfund partners with organisations to fight the modern slavery and human trafficking battle on many fronts, aiming to protect, educate and empower the most vulnerable. This is all done while catching and prosecuting criminals and working with governments to make it more difficult for trafficking rings to exist.

These aims align with the 5 Ps approach, based on the International Framework for Action to Implement the Trafficking in Persons Protocol (UNDOC, 2009):

**Prevention, Prosecution, Protection, Policy and Partnership.**

To get an idea of what Tearfund endeavours to resolve, here are some key facts highlighting the ubiquity of modern-day slavery today:

- **27.6 million people in forced labour exploitation**, which is more than the entire population of Australia.
- **6.3 million people trapped in forced commercial sex**, which is more than the entire population of New Zealand.
- **22 million people in forced marriages**, where one/or both parties have not personally expressed their full, free and informed consent to the union. A child marriage is a form of a forced marriage.
- **Asia Pacific** accounts for **55%** (15.1 million people) and **41%** of global rates of **exploitation and child labour respectively**.

## How this fund works

The return on your investment will be paid directly to Tearfund (the charity) for use in its work to combat human trafficking and modern slavery. The unit price can never exceed \$1.00. However, if the unit price falls below \$1.00, then any investment gains will be used to bring the unit price back to \$1.00 before donations to the charity recommence. The fund makes a monthly distribution payment to the charity. Investors do not receive any financial returns but are able to access their capital when required.

## Performance

	1 Mth	3 Mths	1 Yr	3 Yrs (pa)	5 Yrs (pa)
Freedom Fund	0.60%	1.29%	6.74%	5.53%	-

## Fund Commentary (extracts from commentary the fund invests in)

**Nikko AM NZ Cash Fund:** With the Reserve Bank taking a neutral stance and the data backdrop being equally benign we have taken the view that the end of the easing cycle is well and truly insight. With less concern that front-end rates will continue to fall due to meaningful ongoing OCR cuts we are increasingly comfortable to hold a moderately long duration position to benefit from higher rates offered for term.

**Nikko AM NZ Bond Fund:** The higher fund yield was helpful over the quarter and although bumpy from month-to-month the longer duration position was also helpful with rates lower over the quarter. NZ credit margins recovered (post widening in April) and government bond holdings were increased. The government sector outperformed similar swap maturities. We continue to maintain a longer duration with a steep yield curve and expect carry and roll will support returns over the medium term.

## Portfolio Manager

**Stuart Williams** is

Managing Director of Nikko AM New Zealand, he joined in 2014. He has over 20 years' experience across all aspects of investment management. Stuart has extensive experience in conducting detailed research and developing investment recommendations on listed companies in both New Zealand and Australia. He holds a Bachelor of Commerce degree from the University of Auckland and is a Chartered Accountant.



## Overview

The purpose of this Fund is to utilise capital to generate returns to help support a charity. This fund gains its investment exposure by investing in NZ cash, fixed interest and Australasian equities via other Nikko AM Funds.

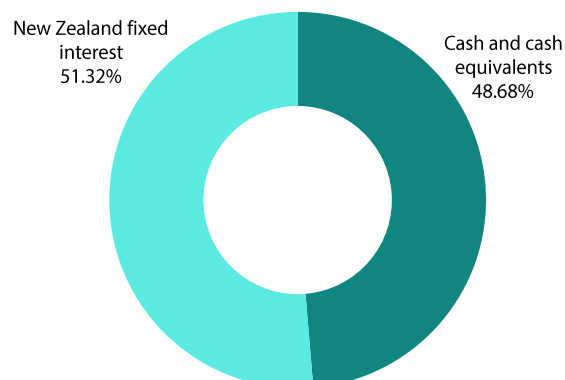
## Objective

The fund aims to provide a regular income to the charity from an actively managed investment portfolio and to maintain the value of investor's capital and to outperform the RBNZ Official Cash Rate by +1.50% p.a.

## Donations (for the 12 months ended 31 March)

2023	\$2,155
2024	\$31,374
2025	\$35,301
2026 YTD	\$392

## Asset Allocation



## 2024 Results from our prosecution partner (information supplied by Tearfund)

- Help protect people vulnerable from trafficking and worker exploitation by running empowerment and education programmes.
- **72** victims removed from harm and supported
- **23** offenders identified and arrested
- **9** offenders convicted
- **303** years in jail time sentenced
- **1897** survivors and families assisted by our prosecution partner, LIFT
- **583** intelligence, investigative and forensics products disseminated
- **\$331k** NZD compensations and fines ordered

## Under the Intelligence, law enforcement support and forensics arm

- **18** cases opened
- **95** law enforcement and NGO staff trained
- **271** deployments
- **147** survivors received assistance
- **141** IT technical and forensic information extracted



## How we are tackling Modern Slavery

**Though our experienced partners on the ground, we take a comprehensive approach to human trafficking by using the 5 P's:**

Prevention / Prosecution / Protection / Policy / Partnership

### Supported by our donors, our partners:

- Help protect people vulnerable from trafficking and worker exploitation by running empowerment and education programmes.
- Assist police investigations into the criminal networks behind trafficking and slavery.
- Work with local law enforcement to prosecute traffickers, preventing more people from becoming enslaved.
- Give survivors a safe place to heal, recover and restore their dignity through rehabilitation and supported reintegration.

As we advocate for change in the fashion and shoe industries we help educate consumers on how to the most ethical purchases choices. We provide data showing which companies are making the most effort to reduce worker exploitation in their supply chains and to limit their environmental impact.



## Key Fund Facts

### Distributions:

The Fund distributes to the charity each month in the form of a donation.

The donation comprises two parts:

1. The management fee charged to the fund will be paid to the charity in full each month.
2. Investment returns above the invested capital will be paid to the charity monthly, with a final wash-up payment made at the year-end or shortly after, so all eligible investment returns will be fully paid to the charity each year.

No distributions are expected to be made to investors.

### Estimated annual fund charges (incl GST)

Retail: 0.30%, refer PDS for more details.

100% of this fee will be donated by the Manager to the charity. No other fees are charged.

<b>Buy / Sell spread</b>	0.00% / 0.00%
<b>Strategy Launch:</b>	September 2021
<b>Strategy Size</b>	\$523k

## Compliance

The fund complied with its investment mandate and trust deed.

## Contact Us

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