



TAHITO Te Tai o Rehua Fund

He Whakatauāki: Kotahi te pu o nga mea katoa (There is but one source to all things)

Our TAHITO Fund provided a strong positive result for May of 4.6% outperforming the benchmark by 0.3%. The S&P/NZX 50 Portfolio Index was up 4.5% and the S&P/ASX 200 was up 4.1% in NZD terms (4.2% in AUD).

Performance (Returns net of fees)

	31-May-25	Month	3 Mths	6 Mths	YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	Start (p.a.)
Fund		4.6%	0.5%	-1.1%	1.0%	11.5%	6.7%	5.1%	8.4%	6.3%
Benchmark		4.3%	-0.1%	-2.1%	-0.4%	9.7%	7.6%	5.8%	8.5%	5.8%
Alpha		0.3%	0.6%	1.0%	1.4%	1.7%	-0.9%	-0.7%	-0.1%	0.5%

Benchmark: 50% S&P / NZX50 Portfolio Index Gross with Imputation and 50% S&P / ASX200 Accumulation Index in New Zealand dollars.

Our Performance

The NZ market gains were primarily influenced by the RBNZ's monetary policy and OCR cut. At the RBNZ meeting on 28 May, a cut of 0.25% was agreed as widely anticipated. This easing cycle was supported by business confidence lifting sharply and signs that the economy is starting to get back on its feet. However, the market's performance reveals both strengths - such as robust exports and improving dairy prices - and persistent weaknesses in the labour market and subdued household consumption. Global uncertainties, particularly from US trade policy and its flow-through effects to NZ's export-dependent economy, continue to be the cause of market volatility.

Ko ngā pikinga o te mākete NZ i pānga nui e te kaupapa here pūtea a te RBNZ me te tapahi OCR. I te hui a te RBNZ i te 28 o Mei, i whakaae te whakahekenga o te 0.25% e ai ki te tumanako. I tautokohia tēnei huringa māmā e te pikinga nui o te māia pakihi me ngā tohu e timata ana te ohaoha ki te hoki anō ki tōna tūnga. Heoi anō, ko te mahi a te mākete e whakaatu ana i ngā kaha - pērā i ngā kaweake pakari me te pikinga o ngā utu miraka me ngā ngoikoretanga tonu i te mākete mahi me te iti o te whakapau whare. Ko ngā āwangawanga o te ao, ina koa mai i te kaupapa here hokohoko a te US me ōna pānga ki te ohaoha kaweake a NZ, e haere tonu ana ki te taumaha i te huringa o te mākete.

Similarly, the Australian market performed well, buoyed by easing trade tensions and strong corporate earnings reports. The S&P/ASX 200 Index recorded significant gains, with sectors like mining and financials showing strong performance. The Australian government's fiscal stimulus measures and infrastructure spending also played a crucial role in boosting market sentiment.

Āhua rite, i pai te mahi a te mākete ASX nā te māmā o ngā raruraru hokohoko me ngā pūrongo hua pakihi kaha. I rekoata te S&P/ASX 200 Index i ngā pikinga nui, me ngā rāngai pērā i te maina me ngā pūtea e whakaatu ana i te mahi kaha. Ko ngā tikanga whakaohoho pūtea a te kāwanatanga o Ahitereiria me ngā whakapaunga hanganga i whai wāhi nui ki te whakakaha i te kakare o te mākete.

The key movers in our Fund were:

- Technology One +37%, reporting robust financial results for the first half of FY25, with record growth and strategic investments in their SaaS+ offering, AI and machine learning and the purchase of CourseLoop.
- Brambles Ltd +13%, lifted by resilient revenue growth, strong cash flow and the successful divestment of its CHEP India business. BXB was ranked 4th in the Corporate Knights' 100 most sustainable companies for 2025.
- CSL Ltd -2% on concerns about the potential impact of both tariffs, and vaccine-scepticism within the US health administration, on the company's earnings.
- ALS Ltd -7% following a \$350M equity raising to fund future growth initiatives, adverse foreign currency impacts and increased interest costs linked to recent acquisitions. The Commodities segment experienced a fluctuating exploration environment, which impacted revenue growth.

In May 2025, global share markets experienced robust performance, primarily driven by the de-escalation of trade tensions between the US and China.

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The agreement to pause reciprocal tariffs for 90 days provided a significant boost to investor sentiment. Strong Q1 corporate earnings in the US, with 78% of S&P 500 companies beating estimates, further supported the rally. Key sectors such as information technology, industrials, and consumer discretionary led the gains, reflecting broad-based market strength.

On the economic front, global fiscal stimulus efforts played a crucial role in supporting market performance. Germany's approval of a €1 trillion stimulus package marked a significant shift in European fiscal policy. Other countries, including Japan and Australia, also announced substantial stimulus measures to counteract slowing growth and geopolitical uncertainties.

Global returns: MSCI World ex emerging markets 5.9%, S&P 500 6.3%, Nasdaq 100 9.1%, UK FTSE 100 3.8%, Euro Stoxx 50 5.1%, Japan Nikkei 225 5.3%, Chinese CSI 300 2.0%, Hong Kong Hang Seng 5.9%.

For a more comprehensive financial market review, please see the Monthly View from our sister company JMI Wealth.

[Monthly View June 2025 | JMI Wealth](#)

Good News sustainability stories:

- » **Farming the Sun:** Around the world, farmers are retooling their land to harvest the hottest new commodity: sunlight. As the price of renewable energy technology has plummeted and water has become more scarce, growers are following acreage and installing solar panels. Some are even growing crops beneath them, which is great for plants stressed by too many rays. Still others are letting that shaded land go wild, providing habitat for pollinators and fodder for grazing livestock.
- » **Seabed mining for nickel prohibited in the Pacific Island territory of New Caledonia,** which spans an area of 1.3 million square kilometres. With a landslide vote in May, lawmakers on the autonomous but sovereign islands approved the 50-year measure, which should allow for the preservation of about one-third of the world's pristine coral reefs.
- » **Plants can "hear" bees buzzing and serve up more nectar when they are nearby,** scientists have found. The research suggests that plants are a more active partner than previously thought in their symbiotic relationship with pollinators. The behaviour could be a survival strategy that favours giving nectar and sugar to bees over so-called nectar robbers that do not offer plants any reproductive benefits. "There is growing evidence that both insects and plants can sense and produce, or transmit, vibro-acoustic signals," said Prof Francesca Barbero, a zoologist at the University of Turin, who led the research.
- » **Wiping Wet Wipes:** The Spanish government is preparing a law that will oblige wet wipe manufacturers to cover the costs of cleaning huge wads of their product from the country's clogged-up sewers and water-treatment plants. The draft legislation is intended to help Spain meet the UN Sustainable Development Goals and comply with EU legislation on reducing single-use plastic products, will also ban people from disposing of wet wipes down the toilet, as well as prohibiting the deliberate release of disposable party balloons containing plastic into the environment because of the marine pollution they cause.

China's carbon dioxide (CO2) emissions have decreased for the first time as a result of the country's expansion of clean power generation.

China's CO2 emissions have decreased for the first time, driven by the country's significant investments in clean energy. In the first quarter of 2025, China's emissions fell by 1.4% compared to the same period in the previous year. This decline is attributed to the rapid expansion of renewable energy sources, such as wind and solar power, which have started to replace coal in electricity generation. Furthermore, improvements in energy efficiency and a slowdown in heavy industry activities contributed to the reduction in emissions.

Despite the reaction to climate change and renewable energy from the Federal Government in the USA, China's transition to cleaner energy sources is seen as a crucial step in meeting international climate targets and reducing global greenhouse gas emissions. The country's commitment to renewable energy and its efforts to curb emissions are expected to have a significant impact on global climate policies and the overall fight against climate change. This development underscores the importance of continued investment in clean energy and the need for other countries to follow suit in their efforts to reduce carbon emissions.

[Read the full report](#)

Gaincorp Limited (GNC)

Whakarāpopototanga | Summary

GNC has a Tahito score of 6.0 (out of 10) with good scores in Natural Capital and Human Capital. GNC has an 'AAA' MSCI ESG rating.

Gaincorp Limited	Score	Food Products	Score
Women Directors	16.7%	T-score	6.0
Women in Executive roles	9.0%	ESG Rating	AAA
\$M Donations and community grants	\$0.45	Te Pai o Rangi TAHITO Score	7.8
% of community grants to NPAT (ebita if a loss)	0.6%	Climate Change Theme Score*	2.2
Has achieved Carbon Netural (CO2 only, Y/N)	N	Te Poho o Papa TAHITO Score	3.8
Target date for carbon netural if N	2050	Environmental Pillar Score*	5.7
Has set target for Net zero scope 1,2 (Y/N)	Y	Environmental Opportunities Score*	-
Target date for Net zero Scopes 1&2	2050	Natural Capital Score*	6.8
Has set target Carbon Net zero Scopes 1,2 &3 (Y/N)	Y	Pollution and Waste Score*	-
Target date for Net zero Scopes 1,2 & 3	2050	Human Capital Score*	8.2
Scopes 1&2 Carbon Emissions - Key *	Reported	Wage Ratio (multiple of median wage)**	23
Scope 1+2 (metric tons) *	130,229	Qualitative TAHITO Community Score	2.0
Scope 1+2 Intensity (t/USD million sales) *	24.5		
Scope 3 Carbon Emissions - Key *	Reported		
Scope 3 - Total (combined dataset) *	5,267,166		
Scope 3 - Total Sales Intensity (combined dataset) *	1,166.8		
Total GHG Emissions (Scopes 1, 2 and 3) *	1,588,340		

Carbon intensity +tons / \$M sales

* MSCI ESG data and scores

** CEOs salary divided by the median wage

TAHITO Critical Analysis: GainCorp Limited (GNC)

Executive Summary

GrainCorp Limited is a leading Australian agribusiness with over 100 years of history operating primarily in Australia and New Zealand. The company demonstrates several areas of strong alignment with TAHITO values, particularly in its climate change initiatives, gender equality achievements, and reconciliation efforts with indigenous communities. While GrainCorp has made notable progress toward sustainability and ethical business practices, significant opportunities remain to deepen integration of indigenous perspectives, develop more comprehensive emissions reduction strategies, and enhance their environmental impact measurement.

Climate Change and Environmental Initiatives

GrainCorp has implemented several meaningful climate change initiatives, aligning with the TAHITO principles of "Whakarongo - tō hiwa" (balanced approach) and "Kawa - tō ora" (cyclical success):

GrainCorp has launched "GrainCorp Next," a sustainable agriculture initiative focused on optimising greenhouse gas emission reductions across grain and canola supply chains. The company has achieved a 5% decrease in GHG emissions per tonne across processing sites and is developing emissions reduction targets aligned with the Science Based Targets initiative (SBTi). The company plans to submit both near-term and long-term emissions reduction targets for SBTi validation in 2025.

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However, GrainCorp's approach to emissions management requires further development. While the company demonstrates awareness of climate issues, they need a more detailed roadmap for achieving complete emissions reductions, particularly for Scope 3 emissions, which represent a significant portion of their environmental impact. The company would benefit from integrating indigenous perspectives on environmental stewardship to create more holistic climate strategies.

In waste management, GrainCorp has diverted more than 95% of Dust and Damaged Grain to beneficial reuse and completed a lifecycle assessment of recycled tarpaulins. The company has set a target of a 10% reduction in waste to landfill across their East Coast Australia network for FY25.

For biodiversity, GrainCorp has begun participating in the Nature Positive Roundtable and assessing recommendations from the Taskforce on Nature-related Financial Disclosures (TNFD). While these represent positive steps, there remains significant opportunity to develop more comprehensive biodiversity protection strategies and impact measurements.

Social Responsibility and Equity

GrainCorp demonstrates strong performance in social responsibility, particularly in gender equality and indigenous reconciliation, reflecting alignment with TAHITO principles of "Whanaungatanga - tō ao" (relational approach) and "Whakatau - tō kaha" (consensual approach).

The company has achieved the narrowest gender pay gap among ASX200 companies at just 0.3%, setting an industry benchmark for pay equity. GrainCorp has also implemented strong gender representation initiatives across the organisation, though opportunities remain to extend this equality beyond pay to leadership progression and mentorship.

In indigenous engagement, GrainCorp has made significant progress by achieving full endorsement from Reconciliation Australia for their Innovate level Reconciliation Action Plan (RAP), becoming the first Australian agribusiness to reach this milestone. However, the company could further develop comprehensive indigenous employment strategies and create clearer pathways for indigenous leadership within the organisation.

GrainCorp's community engagement is robust, with their Community Foundation working with over 150 community groups, providing more than 100 sponsorships, and allocating 95 grants. Employees contributed 1,110 volunteer hours, demonstrating commitment to the TAHITO principle of "Utu - tō mauri" (reciprocal care). The company has extended its partnership with Ronald McDonald House Charities into 2025, supporting families of seriously ill or injured children.

Governance and Leadership

GrainCorp's governance approach demonstrates alignment with the TAHITO principles of "Mahitahi - tō tapu" (co-operational practices) and "Honotahi - tō wairua" (complementary business ethics). The company has a clear vision to "Lead sustainable and innovative agriculture through another century of growth" and a purpose to "Proudly connect with customers and rural communities to deliver value through innovation and expertise."

The Board welcomed two new directors, Peter Knoblanche and John Maher, while recognising the contribution of Dan Mangelsdorf who retired after 19 years of service. This emphasises the company's commitment to board renewal and enhancement of skill sets, though greater diversity in board composition remains an opportunity.

GrainCorp's core organisational values of Safety, Doing What's Right, Care, and Delivery reflect a commitment to ethical business practices and collective responsibility. The CEO, Robert Spurway, has outlined a strategic approach focused on enhancing, expanding, and evolving the business while maintaining attention to grower and customer service.

Financial Performance Context

GrainCorp's financial performance for FY2024 reflects challenging agricultural and economic conditions, with revenue of \$6,507 million (down from \$8,229 million in FY23) and Underlying EBITDA of \$268 million (down from \$565 million in FY23). Despite these challenges, the company maintained a strong balance sheet with core cash of \$337 million and distributed dividends of 48 cents per share. The company's Return on Invested Capital was 5.6% (down from 18.6% in FY23), and net debt decreased to \$99 million (from \$373 million in FY23).

These financial results demonstrate resilience in difficult conditions and reflect the company's disciplined capital management approach, though there remain opportunities to improve revenue growth strategies and margin management.

TAHITO Values Alignment Assessment

GrainCorp demonstrates varied alignment with TAHITO values and principles:

Strong Alignment:

- Whakatau - tō kaha (Consensual approach): Exceptional performance in gender pay equity and transparent reporting
- Utu - tō mauri (Reciprocal care): Strong community engagement through the GrainCorp Community Foundation
- Whakarongo - tō hiwa (Balanced approach): Developing climate strategies and waste reduction initiatives

Moderate Alignment:

- Whanaungatanga - tō ao (Relational approach): Reconciliation Action Plan progress but needs deeper indigenous integration
- Kawa - tō ora (Cyclical success): Commitment to sustainability but requires more comprehensive circular economy implementation
- Mahitahi - tō tapu (Co-operational approach): Ethical governance framework but needs expanded indigenous representation

Opportunities for Development:

- Honotahi - tō wairua (Complementary approach): Enhance integration of indigenous knowledge in business practices
- Humarie - tō mārama (Harmony): Develop more comprehensive diversity beyond gender representation
- Whakapapa - tō mana (Interdependence): Create more explicit connections between business operations and ecological impacts

Recommendations

1. Deepen Indigenous Integration: Develop more comprehensive indigenous employment strategies, create pathways for indigenous leadership, and integrate traditional ecological knowledge into sustainability practices.
2. Enhance Emissions Strategy: Create detailed implementation roadmaps for emissions reduction, particularly addressing Scope 3 emissions, and set more specific, quantifiable net-zero targets.
3. Expand Impact Measurement: Develop more robust metrics for measuring biodiversity impact, community engagement outcomes, and circular economy implementation.
4. Strengthen Supplier Sustainability: Expand the supplier code of conduct to include more detailed sustainability requirements and increase indigenous supplier partnerships.
5. Broaden Diversity Focus: While maintaining the excellent gender equality performance, expand diversity initiatives to address other dimensions including ethnic and cultural representation.

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GrainCorp demonstrates promising alignment with TAHITO's Te Utu Pānga (Impact) theory of change, particularly in prioritising collective environmental well-being and showing commitment to ethical business practices. By implementing these recommendations, the company could more fully realise the TAHITO vision of "He hononga o ngā mea katoa" (everything is interrelated) and drive meaningful environmental and social transformation.

Temuera Hall - Portfolio Manager

Responsible Investment Association Australasia certification

The TAHITO Te Tai o Rehua Fund has been certified and classified by the Responsible Investment Association Australasia according to the operational and disclosure practices required under the Responsible Investment Certification Program. See www.responsibleinvestments.com.au and [RIAA's Financial Services Guide](#) for details.¹

¹ The Responsible Investment Certification Program provides general advice only and does not take into account any person's objectives, financial situation, or needs. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Because of this, you should consider your own objectives, financial situation and needs and also consider the terms of any product disclosure document before making an investment decision. Certification are current for 24 months and subject to change at any time.

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