



## TAHITO Te Tai o Rehua Fund

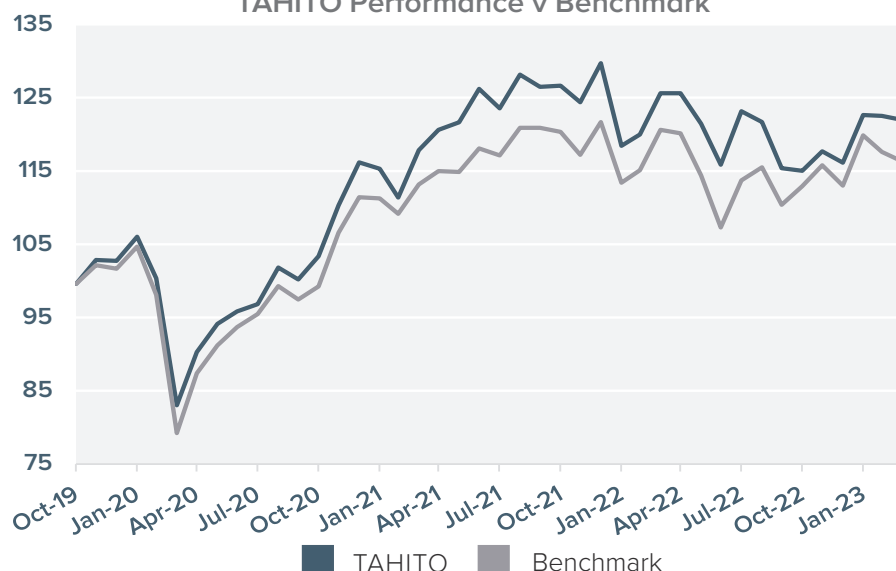
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	31-Mar-23	Month	3 Mths	6 Mths	YTD	1 Year	2 Years	3 Years	Inception (p.a.)
Fund		-0.4%	4.4%	5.0%	4.4%	-3.5%	1.4%	13.4%	5.7%
Benchmark		-1.1%	2.9%	5.4%	2.9%	-2.2%	2.1%	14.2%	4.9%
Alpha		0.7%	1.5%	-0.4%	1.5%	-1.3%	-0.7%	-0.8%	0.7%

Benchmark - 50% NZX 50 Portfolio index (including imputation credits) / 50% ASX Accumulation 200 index (in NZD).

Fund returns are after deductions for fees but before tax. Benchmark returns have no deduction for fees or tax.

TAHITO Performance v Benchmark



CERTIFIED BY RIAA

The TAHITO Te Tai o Rehua Fund has been certified by the Responsible Investment Association Australasia according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. See [www.responsiblereturns.com.au](http://www.responsiblereturns.com.au) for details.<sup>1</sup>

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### TAHITO Motuhake | TAHITO Te Tai o Rehua Fund Performance

After some volatility, both the NZX50 and the ASX200 ended in positive territory for the first quarter of 2023. For the three months to 31 March 2023, Te Tai o Rehua Fund returned 4.4% and outperformed its benchmark by 1.5% for the period. In the month of March, Te Tai o Rehua Fund returned -0.4% and outperformed its benchmark by 0.7%. On the economic and interest rate front, at their most recent cash rate reviews in early April, while the RBA remained steady, the RBNZ surprised the market and exceeded analysts' expectations by lifting the OCR by 50bps. The RBNZ cited the inflationary impact of the cyclone rebuild, and a risk of a fall in lending rates.

The main contributors to the outperformance in March were InvoCare (+27%), Xero (+15%) and Spark (+7%). At the other end, the key detractors were CBA (-2%), Computershare (-13%) and Heartland Group (-8%). We have since sold our InvoCare holding into a private equity takeover offer.

US markets were impressively resilient in the first quarter. Markets were encouraged by signs of an end to the cycle of US rate hikes, given further indicators of declines in inflation. For the first quarter of 2023, the Dow Jones advanced 0.5%, the S&P 500 gained 7.5%, the NASDAQ Composite jumped 17.1%, and the Russell 2000 added 2.7%. While investors were focused on inflation and potential

interest rate hikes, the sudden failure of Silicon Valley Bank (the 16th largest bank in the US), followed quickly by Signature Bank, exposed a potentially growing banking crisis. In response, the Federal Reserve and the Treasury Department created new lending programs aimed at shoring up regional banks and preventing bank runs but concerns about the health of the financial system persisted and those fears weighed on markets through the rest of March.

The surprise to many has been the extended recovery of cryptocurrencies from 2022's disaster, with Bitcoin leaping more than 50%.

While it is too easy to find headlines on the negative environmental and social impact of climate change and biodiversity loss, it is important to have optimism and a vision of what the world can be, living in balance and harmony with nature.

COP27, held in Egypt in November 2022, confirmed the need for stronger co-operation on key issues such as climate finance and corporate net-zero commitments. We are looking to see significant advancement in these themes into 2023. The five key sustainability and climate trends we expect to see in 2023 are;

- Net Zero & Energy: More companies setting Scope 1, 2, and 3 net zero targets and pathways to net zero.

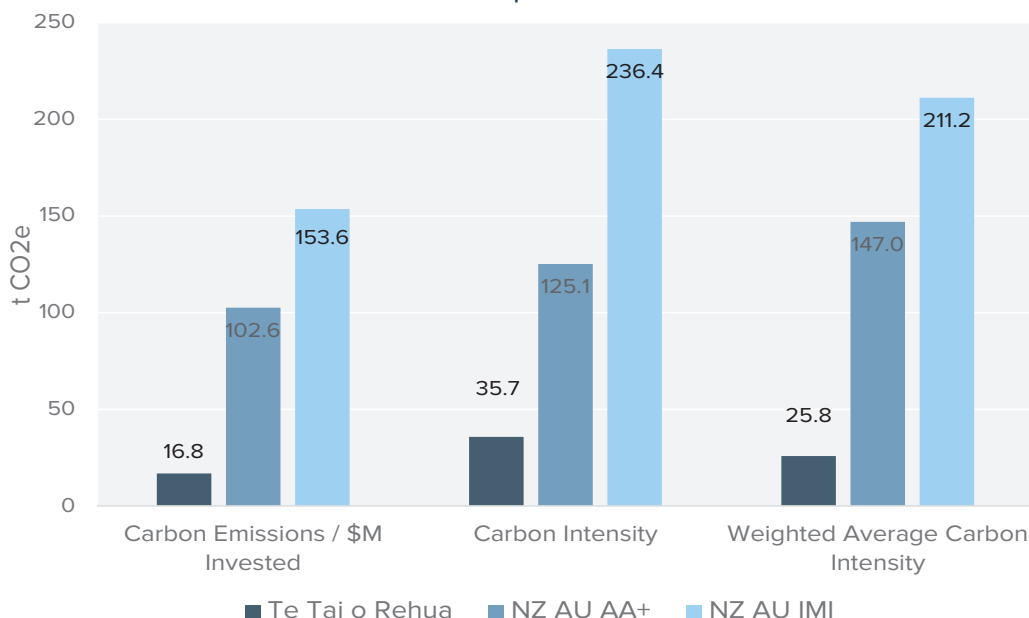
## TAHITO Fund Performance continued

- Resilience & Adaptation: Improved central government and corporate policies driving change.
- Circular Economy (CE): More companies adopting CE principles to tackle plastic, chemical and other pollutions.
- Ecosystems & Resources: A new global biodiversity framework creating collaboration and partnering with nature.
- Social Sustainability: More-inclusive climate action. Greater compensation for loss and damage in developing countries. Equitable solutions for the cost of living crisis.

Our Te Kōwhiringa Tapu system measures and monitors these developments, and we will continue to report and update you on our insights. For the rest of this decade, we are hoping to see a continued transformation from a wealth economy to a wellbeing economy.

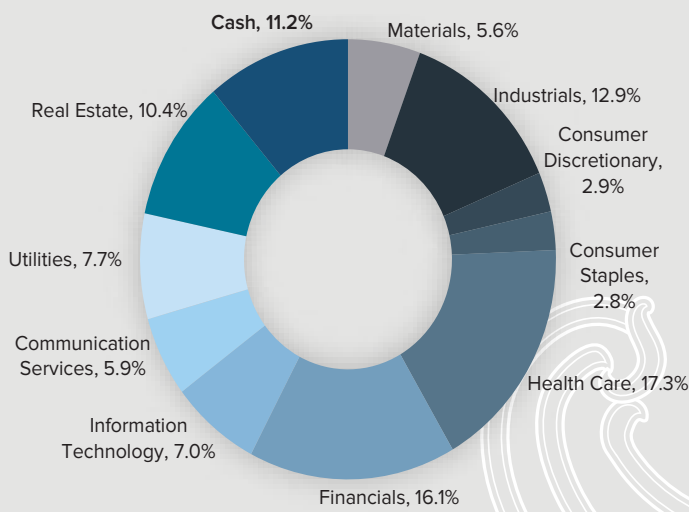
Top 5 Investment Holdings	Sector	T-Score	V-Score	Mkt Cap \$NZbn	Weight
Meridian Energy	Electricity NZ	7.4	6.4	13.6	7.9%
Commonwealth Bank of Australia	Banks	6.0	3.1	166.0	7.4%
Spark New Zealand	Telecommunications	6.4	4.7	9.5	6.0%
Sims Metal Management	Metals & Mining	7.2	6.0	3.0	5.4%
CSL	Biotechnology	5.5	4.7	139.1	4.6%

### Carbon Emissions Comparison - March 2023



The carbon emissions in Te Tai o Rehua Fund are 83.6% lower than all NZ AU MSCI listed equities with a AAA or AA ESG rating. Carbon intensity is 71.5% lower and weighted average carbon intensity is 82.5% lower. (NZ AU AA+ = New Zealand and Australian equities with and ESG rating of AA or better) (NZ AU IMI = The Morgan Stanley New Zealand and Australia Investible Market Index).

## TAHITO Te Tai o Rehua Portfolio Weights



## Ngā āhuatanga motuhake o te Tahua Key features of the fund

- Positive ethical screening
- Low carbon foot print
- Holistic sustainability measures
- High ESG quality
- Active management
- Experienced team
- Environmental & social impact
- Competitive fees

## The IPCC Synthesis Report | Sixth Assessment Report

Calling for urgent climate action to secure a liveable future, the Intergovernmental Panel on Climate Change (IPCC) has released its Synthesis Report (SYR) of the IPCC Sixth Assessment Report (AR6). The SYR summarises the state of knowledge of climate change, its widespread impacts and risks, and climate change mitigation and adaptation. Here are bullet points on the first two summary statements:

Observed Warming and its Causes:

- Human activities, principally through emissions of greenhouse gases, have unequivocally caused global warming, with global surface temperature reaching 1.1°C above 1850–1900 in 2011–2020.
- Global greenhouse gas emissions have continued to increase, with unequal historical and ongoing contributions arising from unsustainable energy use, land use and land-use change, lifestyles and patterns of consumption and production across regions, between and within countries, and among individuals.

Observed Changes and Impacts:

- Widespread and rapid changes in the atmosphere, ocean, cryosphere and biosphere have occurred.
- Human-caused climate change is already contributing to many weather and climate extremes in every region across the globe. This has led to widespread adverse impacts and related losses and damages to nature and people (high confidence).
- Vulnerable communities who have historically contributed the least to current climate change are disproportionately affected.

Read the Summary Report here: [https://report.ipcc.ch/ar6syr/pdf/IPCC\\_AR6\\_SYR\\_SPM.pdf](https://report.ipcc.ch/ar6syr/pdf/IPCC_AR6_SYR_SPM.pdf)

## Te Whakaaturanga Tahua | Fund Description

**Putting Environment and People before profit:** The TAHITO Te Tai o Rehua is a values led ethical and sustainable Australasian equities fund for investors who want competitive market returns but equally would like to see their capital applied to a high ethical standard and in investments that are making a positive social and environmental impact.

TAHITO Te Tai o Rehua provides a holistic accountability on wellbeing using ethical and sustainable screens derived from Māori indigenous values. Māori values and ethics place people and the environment in high priority. This thinking is derived from the ancestral Māori worldview, which can be described as a holistic socio-ecological system that centres on the connection and interrelationship of all things. The process is called 'Te Kōwhiringa Tapu' which translates to 'Careful Selection'.

Te Kōwhiringa Tapu investment process integrates ESG on a values basis and applies a positive scoring system. The fund measures 'Aroha Connection', because the stronger the Aroha the better the Mauri.

## Te Whakaaturanga Tahua | Fund Description continued

We are effectively measuring 'behaviour change', the transition of companies from the 'substantive', internally focused, very self-absorbed behaviours, to the ideal 'relational', externally connected, collective behaviours. This requires ethically strong and committed governance with a clear drive toward long-term sustainability to enhance financial returns.

## EU Corporate Sustainability Reporting Directive | CSRD

In a regulatory effort to boost visibility on everything from companies' greenhouse-gas emissions to gender pay differences, new European Union sustainability reporting rules are set to come into effect in the next few years. The Corporate Sustainability Reporting Directive, or CSRD, will likely require at least 10,000 companies outside the EU to step up their sustainability reporting and independently verify a number of sustainability disclosures.

New Zealand and Australian domiciled companies that export to the EU, along with thousands of American, Canadian and British

companies, will be captured by this sustainable reporting regulation. In our TAHITO analysis of Australasian listed companies, we are already finding a noticeable improvement in the reporting standard of companies that export in to the European Union compared to those that have mostly a local focus.

[https://www.wsj.com/articles/at-least-10-000-foreign-companies-to-be-hit-by-eu-sustainability-rules-307a1406?reflink=share\\_mobilewebshare](https://www.wsj.com/articles/at-least-10-000-foreign-companies-to-be-hit-by-eu-sustainability-rules-307a1406?reflink=share_mobilewebshare)

## Te Kura Whakangao | Investment Philosophy

The TAHITO investment philosophy focuses on providing high quality ethical and sustainable investment services to investors. It is based on the following principles;

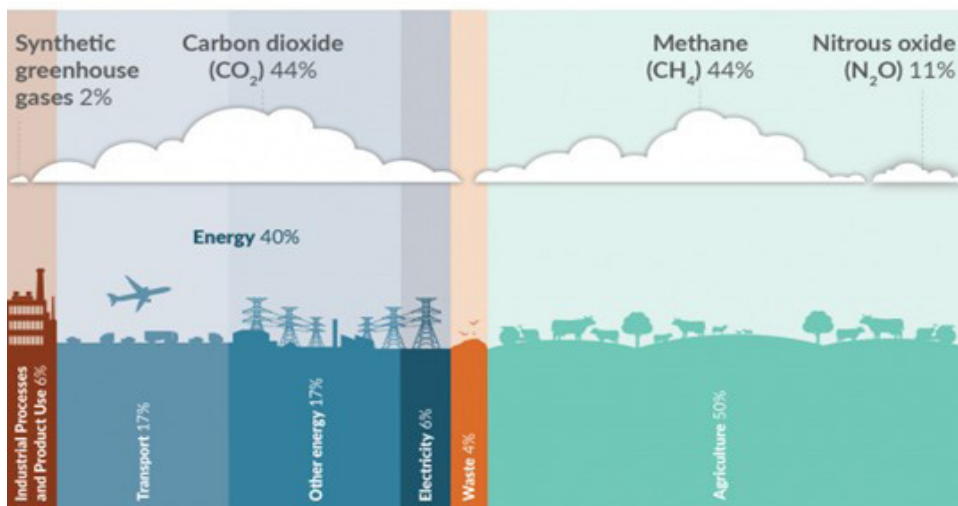
1. We are ethical investors. We actively seek companies that are well run and meet our stringent Māori ethical screening tests.
2. We have a disciplined approach to risk management.
3. We actively manage the portfolio, enabling quick assessment and reaction to adverse changes.
4. We look for long term sustainable growth potential and a willingness to change and engage new tech.
5. We take a long-term view.
6. We are values-based investors. We invest in quality companies that are serious about their ethics and committed to low environmental impact and a high-level of social and corporate responsibility.
7. All securities undergo fundamental valuation and financial quality analysis.
8. We integrate MSCI Environmental Social and Governance (ESG) research on a values basis in our ethical screening.

## NZs Green House Gas Emissions | Busting the Methane Saga

Stats NZ has New Zealand's gross greenhouse gas emissions at 78.8 million tonnes of carbon dioxide equivalent (CO<sub>2</sub>-e), 4.7 percent lower than 2005 and 20.8 percent higher than 1990. The indicator measures greenhouse gas (GHG) emissions which result from production activity in New Zealand territory from 1990 to 2020. Emissions from the different greenhouse gases are shown in carbon dioxide equivalent (CO<sub>2</sub>-e) units.

Gross methane emissions in 2020, mainly produced by livestock (88.9 percent), were up 8.5 percent from 1990, down 2.0 percent from 2005, and down 0.4 percent from 2019. Livestock methane emissions in 2020 were mainly produced by cattle digestion (65.7 percent) and sheep digestion (27.2 percent).

The Ministry for the Environment graphed our 2020 Contributions to gross GHG emissions by sector:



## NZs Green House Gas Emissions continued

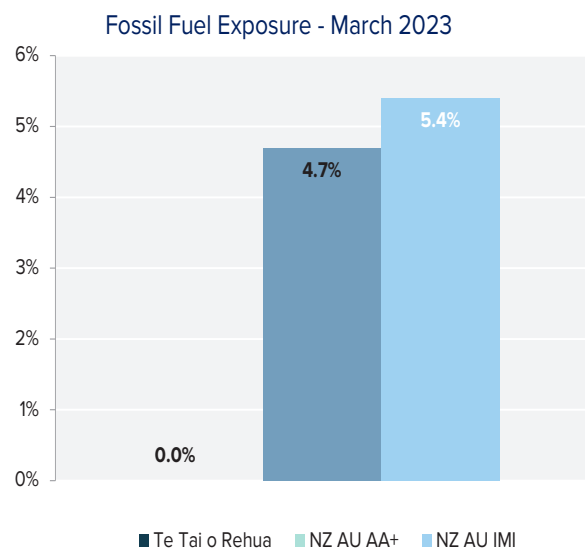
44% of our NZ emissions are said to be from methane and there is increasing pressure upon governments to reduce this agriculture-based gas. International studies like the latest IPCC Report continue to note the severity of methane emissions. But for now, agriculture is excluded from the NZ Emissions Trading Scheme and the Government has delayed its decision about how methane should be charged. The Prime Minister has said that they still plan to introduce a charge for agricultural emissions in 2025, but have not yet made a decision about how to implement that.

This article by Meg Chatham from the Regeneration points out the fundamental difference of Methane (GH4) as a biogenically produced gas, when compared to the fossil fuel produced carbon dioxide (CO2). If you are not already aware of the science behind biogenic carbon versus fossil fuel carbon, then this is an interesting read.

[https://weekly.regeneration.works/p/livestock-methane-andmisinformation?utm\\_source=direct&utm\\_campaign=post&utm\\_medium=web](https://weekly.regeneration.works/p/livestock-methane-andmisinformation?utm_source=direct&utm_campaign=post&utm_medium=web)

## TAHITO | Portfolio Analysis as at 31 March 2023

Risk	TAHITO TToR	Benchmark	Difference
Total Risk	14.8	15.2	-0.5
Tracking Error	6.6		
Beta	0.9	1.00	-0.1
No. of Stocks	25	250	-225
Active share	75%		
Aggregate Statistics: Value	TAHITO TToR	Benchmark	Difference
Dividend Yield	3.8%	4.1%	-0.3%
Earnings Yield	5.4%	6.0%	-0.7%
Quality			
High Quality	32.6%	24.9%	7.7%
ROE	10.4%	11.0%	-0.5%



## TAHITO | No Fossil Fuels\*

The companies in the Te Tai o Rehua Fund hold no fossil fuel reserves and don't have any ties to fossil fuels. (\*Data from the MSCI ESG Carbon Portfolio Analytics report and the MSCI fossil fuel reserves and ties to fossil fuels screens. Also supported by the Morningstar Carbon Report. Carbon reports are updated quarterly.)

### Fossil Fuel Reserves

This field identifies companies with evidence of owning fossil fuel reserves regardless of their industries, including companies that own less than 50% of a reserves field. Fossil reserves are defined as proved and probable reserves (i.e. 1P and 2P) for coal and proved reserves (i.e. 1P) for oil and natural gas. Evidence of owning reserves includes companies providing the exact volume of reserves, and companies making a statement about their ownership of reserves.

### Fossil Fuels - Any Tie

Companies with an industry tie to fossil fuels (thermal coal, oil and gas), in particular reserve ownership, related revenues and power generation. It does not flag companies providing evidence of owning metallurgical coal reserves.

## TAHITO Engagement and Proxy Voting

### Whakarāpopototanga | Summary

During the first quarter 2023 TAHITO submitted proxy votes for following companies:

TNE – Technology One: Whakarongo – tō hiwa (Balanced – collective awareness / equity and diversity). TNE has two female directors out of a total of eight. They should be increasing the number of female directors. TAHITO voted for the re-election of Jane Andrews and against the re-election of Cliff Rosenberg. TNE has a 1 - 21 wage ratio. Based on our equity principle TAHITO voted against the remuneration report and against the increase in the Non-Executive Directors' fee pool. TAHITO voted for the amendments to the Omnibus Incentive plan as it is a small move to better employee equity.

## EBOS Limited (EBO)

### Whakarāpopototanga | Summary

EBOS has a Tahito score of 5.5 (out of 10) with good scores in climate change and environmental efforts and governance quality. EBOS has an 'AA' MSCI ESG rating.

T Score  
**5.5**

V Score  
**4.6**

TAHITO Score Card - EBO (Out of 10)	Score
Te Taiao - Environment	<b>6.2</b>
Hapori - Social	<b>3.4</b>
Mana whakahaere - Governance	<b>4.4</b>
<b>MSCI ESG Ratings (Out of 10)</b>	<b>AA</b>
Climate change	8.3
Environment	8.3
Human capital development	4.9
Corporate governance	8.5

### Whakarāpopototanga | Summary

EBOS Group (EBOS) is the largest and most diversified Australasian marketer, wholesaler and distributor of healthcare, medical and pharmaceutical products. Last year, EBOS marked its centenary. The original business began in 1922 as the Early Brothers Trading Co.

### Ngā tohu matau i aro ki ngā whaipanga ō TAHITO | Key points aligned to TAHITO values

**Utu - tō mauri** (Reciprocal – collective dominance):

EBOS has approved the scoping of an 18.8MW solar array. This infrastructure is planned to meet the total annual electricity demand of its Australian operations.

**Kawa - tō ora** (Cyclical - collective success):

In 2022 EBOS celebrated its centenary. The Board has stated that for the next one hundred years, they believe in the power of people working together to bring about positive change as demonstrated by the success of their enduring partnerships with key stakeholders – investors, employees, suppliers, customers, clients, consumers, patients and community-based organisations.

### Te pae o Rangī | Environment: Info, Metrics and Targets

EBOS supports widespread consensus around the world that governments, corporates and civil society must work together to limit global warming within 1.5 degrees Celsius of pre-industrial levels.

EBOS has a 15 year partnership with Greenfleet, a not for-profit working to protect the climate by restoring native forests. Since 2007, the EBOS healthcare segment has offset estimated annual transport emissions from customer deliveries with carbon credits from Greenfleet totalling over 90,000 tonnes of CO<sub>2</sub>e.

2022 Highlights: 12,192 tonnes of Co<sub>2</sub> offset with Greenfleet. Carbon neutral targets established.

### Carbon Zero / Neutral: Info

In FY22, the EBOS Board endorsed the commencement of a journey to becoming a Carbon Neutral organisation.

EBOS Targets:

- Reduce energy consumption by 15% through efficiency measures by FY25.
- Generate renewable energy to meet the electricity demand for all Australian operations by FY27.
- Achieve an average 4-stars NABERS Energy rating at the highest energy-consuming sites by FY28.
- Neutral Scope 1 emissions in FY23, Neutral Scopes 1 and 2 emissions in FY27, Neutral Scopes 1, 2 and 3 building emissions in FY28.
- Continue to offset the estimated greenhouse gas emissions from transport associated with customer deliveries in the healthcare segment with Greenfleet.

Scope 1 emissions are generated by machinery or equipment owned/ controlled by EBOS. These are driven predominantly by gas powered drying and heating. **741 tCO<sub>2</sub>e Scope 1 GHG emissions.**

Scope 2 emissions are linked to consumption of electricity on sites that are owned/controlled by EBOS. Since grid-purchased power in New Zealand is ~90% renewable, the vast majority of these emissions arise in the Australian operations. **14,452 tCO<sub>2</sub>e Scope 2 GHG emissions.**

EBOS has started to estimate Scope 3 emissions arising from essential business activities in the value chain such as waste disposal, road transport in the distribution network, staff commuting and data storage.

EBOS has approved the scoping study for an 18.8MW solar array. This infrastructure is planned to meet the total annual electricity demand of the Australian operations. The solar array is a multi-year project scheduled to be delivered in four stages.

## EBOS Limited (EBO) - Continued

### Te Poho o Papa | Environment: Info, Metrics and Targets

2022 Highlights: Ethical sourcing strategy developed. Sustainable packaging goals set, commencing 2025 or earlier. EBOS plans to convert all packaging for their Grocery brands into reusable, recyclable, or compostable materials.

#### Waste management / reduction: Info

- In FY22, Masterpet\* and Sentry\* achieved 'Advanced'-level APCO performance ratings, indicating tangible action on optimising use of recyclable materials, increasing reusable packaging and improving recoverability of packaging at end-of-life, among other indicators of progress.
- Masterpet is engaging actively with major packaging suppliers on their sustainability program. The goal is for 80% of Masterpet packaging to be recyclable by 2025.
- Sentry uses Forest Stewardship Council (FSC) certified paper for own-brand packaging and its product lines with 400gsm gray inside and white outside carton packaging are made of 50-70% recycled material.
- Endeavour Consumer Health\* has launched a new range of dietary supplement products packaged in plant-based material derived from sugarcane, which are 100% recyclable. (\*EBOS Brands)

### Te Mana Taurite | Equity & Diversity

EBOS measures and discloses meaningful information about the Group's performance guided by the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB).

#### Code of Ethics

In FY22, EBOS implemented online Integrity training to ensure that employees understand EBOS policies and can uphold legal and regulatory requirements. E-learning courses on topics such as Worker Health & Safety, Discrimination and Harassment, Anti Bribery & Code of Ethics, Fraud Awareness, Whistleblower, Consumer Protection & Unfair Business Conduct and Privacy were assigned to relevant employees.

EBOS notes that their Ethical Sourcing Framework includes: Modern Slavery, Child Labour, Compliance with labour laws - including wage compliance, Health and safety, Environmental standards, Compliance with other laws - including international sanctions.

#### People and whanau: internal

EBOS allows employees to become shareholders in the Group through the EBOS Employee Share Plan (ESP). The latest ESP invitation in 2022 was accepted by nearly 60% of eligible employees.

#### Gender Diversity

EBOS has 43% Women representation on the Board (3 of 7) and 36% Women representation on the Executive team (4 of 11).

#### Indigenous policy rights, values and numbers

In August 2021, EBOS released their second Reflect Reconciliation Action Plan, aiming to embed better awareness and understanding of Aboriginal and Torres Strait Islander peoples, cultures, histories and achievements throughout the organisation. Their stated focus is on how EBOS can improve career opportunities for First Nations people and procure more goods and services from Aboriginal and Torres Strait Island suppliers.

EBOS has partnered with Supply Nation, a directory of more than 3,500 verified Indigenous businesses. Supply Nation offers under-represented businesses the same opportunities to compete for business as other qualified suppliers giving rise to a range of business benefits, including supplier diversity, sustainability, flexibility, innovation and value, and helping to close the gap between First Nations and non-Indigenous businesses.

EBOS works with 15 Times Better, a First Nation's organisation with a mission to support companies in establishing, improving, scaling up and delivering Indigenous affairs programs as part of the collective national effort to 'close the gap.'

EBOS also commenced cultural awareness training in New Zealand to improve their Cultural Intelligence of Māori inclusion. The program explored New Zealand's diverse and evolving cultural landscape and equips leaders to effectively manage cultural profiles, styles and assumptions in the workplace.

#### Wage ratio (Within 1 to 10)

1 to 56.3 (Wage ratio = CEOs salary divided by median salary)

#### Partnerships

Business and industry associations:

- National Pharmaceutical Service Association (NPSA): The peak organisation representing full-line pharmaceutical wholesalers in Australia.
- Medicines New Zealand: Representing modern medicines recognised as life-changing, breakthrough and leading therapies in New Zealand.
- Medicines Australia: The leading industry body for research based medicines in Australia.
- Medical Technology Association of NZ: The leading industry body representing medical technology manufacturers, importers and distributors in New Zealand.

### Te Hāpori Whanui | Community

EBOS provided medical supplies to global relief efforts after an urgent plea for help on behalf of the Australian Federation of Ukrainian Organisations. \$160,000 of medical supplies went to the Ukraine.

In August 2021, EBOS introduced a COVID-19 vaccination incentive; donating \$75 to UNICEF for every employee who received the vaccination. As a result, 2,897 employees were vaccinated, raising \$217,000 for UNICEF's VaccinAid appeal.

EBOS has been supporting the September challenge steps for Cerebral Palsy for 5 years. In 2021 staff raised \$32,873 with 96,261,533 steps. The money goes to initiatives including early detection of cerebral palsy, research, telehealth, investment in mobility and communication aids, and state-of-the art therapy centres.

TerryWhite Chemmart aims to raise an additional \$150,000 for Ovarian Cancer Australia by the end of 2022. Every year 1500 Australian women are diagnosed with ovarian cancer – and for the past 16 years TerryWhite Chemmart has been supporting Ovarian Cancer Australia's efforts to find a cure for the disease. TerryWhite Chemmart has raised more than \$1.7 million for the Melbourne-based organisation.

TerryWhite Chemmart has partnered with the Jodi Lee Foundation on its Trust Your Gut campaign to raise awareness of regular bowel screening and to sell bowel screening kits.

## EBOS Limited (EBO) - Continued

### Te Ngākau Aroha

In FY22, EBOS developed ESG sub-strategies to deliver on their ESG Program, including setting targets, milestones and Key Performance Indicators (KPIs) for Environmental Stewardship, Packaging and Waste, Ethical Sourcing and Our People – Health, Safety and Wellbeing, Culture and Engagement, Talent and Capability, and Performance and Reward.

EBOS products and services impacts lives of millions of consumers and patients each day. They profess commitment to serving stakeholders with goods and services that are safe, effective and affordable, healthy for people, animals and the planet. They claim to focus on continually enhancing the fundamentals of good quality, safety, social responsibility and environmental protection.

### Values

EBOS values: customer driven; brave and innovative; working together; taking care of each other; striving for excellence; and doing what is right.

### Purpose

The EBOS ESG program comprises five pillars encompassing 20 material ESG topics that EBOS believe to significant for the sustainability of their business and/or the interests of our stakeholders.

Core Business offering: Pillars 1 and 2 of the ESG Program, Health & Animal Care Partners and Consumers & Patients, focus on impacts of the Group's daily business operations. They aim to support customers to achieve better health outcomes by ensuring the availability and reliability of medicines and other essential products and services.

Social and environmental role: Pillar 3 of the ESG Program, Community & Environment, addresses broader sustainability challenges facing communities. Reaching out to help out is understood to be an integral part of their corporate culture. They aspire to contribute positively towards resolving complex problems such as responding to climate change and helping to create a fairer, healthier and more equal society.

Firm foundations: Pillars 4 and 5 of the ESG Program, Our People and Responsible Business, recognise that corporate sustainability stems from solid foundations embedded in their corporate culture.

### Mauri Oho-o

Community Service Obligation: Community pharmacies and Community Service Obligation (CSO) wholesalers fulfil a vital role in ensuring that all Australians enjoy reliable and affordable access to essential medicines under the Pharmaceutical Benefits Scheme (PBS) and National Diabetes Services Scheme (NDSS).

## Te Whakaaturanga Pakihi | Business Description

EBOS Group Limited is an Australasian marketer, wholesaler and distributor of healthcare, medical and pharmaceutical products. The Company is also an Australasian animal care brand owner, product marketer, and distributor. Its segments include Healthcare, Animal Care and Corporate. The Healthcare segment incorporates the sale of healthcare products in a range of sectors, such as own brands, retail healthcare, medical devices, capital equipment, pharmacy services, and wholesale activities. The Animal Care segment incorporates the sale of animal care products in a range of sectors, own brands, retail, and wholesale activities. Its Community Pharmacy business includes Symbion, Endeavour Consumer Health, ProPharma, DoseAid, TerryWhite Chemmart, and Pharmacy Wholesalers Russells, among others. Its Contract Logistics business includes Healthcare Logistics and Healthcare Logistics Clinical Trials. Its Institutional Healthcare includes Clinect, Cryomed Aesthetics and Onelink, among others.

## MSCI ESG Rating

EBOS Group has been upgraded to 'AAA' from 'AA'. EBOS Group leads global peers on corporate governance. The company does not have a controlling shareholder and follows the one share one vote principle, aligning shareholders' voting power with economic exposure. Moreover, its executive pay practices appear to be generally well-aligned with sustainable shareholder interests. We note the company is on par with peers in quality management performance. Like healthcare distributor peers, the company is exposed to corruption risks due to multiple touchpoints with the government for approvals. Nevertheless, it leads global and home market peers with strong ethics management practices, notably a robust anti-corruption policy and whistleblower protection. As a distributor of medical equipment and supplies, EBOS Group is exposed to risks related to product quality. Our research indicates the company has evidence of certification to international quality standards (ISO 9001). However, we note it had at least one Class II (moderate) recall in the three years ended March 2022. EBOS Group has a relatively low exposure to risks of compliance costs stemming from new or more stringent carbon regulations. Nevertheless, the company implements some carbon mitigation measures, such as setting reduction targets and using cleaner energy sources, which are on par with those of global peers.

## Te Pārongo Ahumoni | Financial Information

Ticker and V Score	Forward Dividend Yield	Forward P/E	Long Run Median P/E	Forward P/E rel LRM	Forecast EPS Growth (Yr 2&3)	Return on Capital	Total Debt / Total Capital
EBO: 4.6	3.0%	28.0	16.7	1.7	15%	8.9%	33%

Website: [www.ebosgroup.com](http://www.ebosgroup.com)

Ticker: EBO

Market Capitalisation: \$NZ8,550m

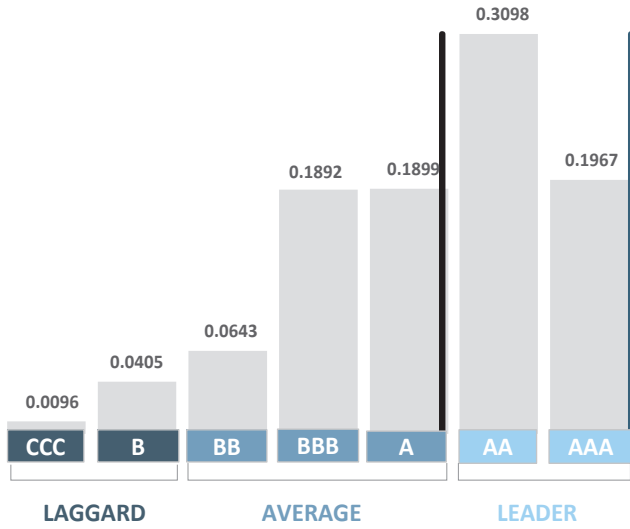
Country: New Zealand

Industry: Health Care Providers & Services Sub-Industry: Health Care Distributors



## MSCI ESG | Fund Metrics Distribution

Coloured bars correspond to portfolio and benchmark ESG Quality Scores



**MSCI ESG**  
Quality Score  
(out of 10)

**TToR**  
Portfolio

7.0

**Primary**  
Benchmark

10.00

## Te Tai o Rehua Fund ESG summary

<b>PORTFOLIO</b> Weighted Avg ESG Score	<b>MSCI ESG</b> Ratings
Portfolio 8.23 Te Tai o Rehua Fund	<b>A</b>
Benchmark 8.34 MSCI NZ AU AA+ ESG Rating	<b>AAA</b>

<b>PORTFOLIO ESG</b> Rating Summary
<b>ESG Quality</b> Leader Portfolio = Benchmark
<b>ESG Ratings Distribution</b> Leaders 33.1% under benchmark Portfolio Laggards% = Benchmark Laggards%
<b>ESG Ratings Momentum</b> Upward momentum 19.4% under benchmark

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