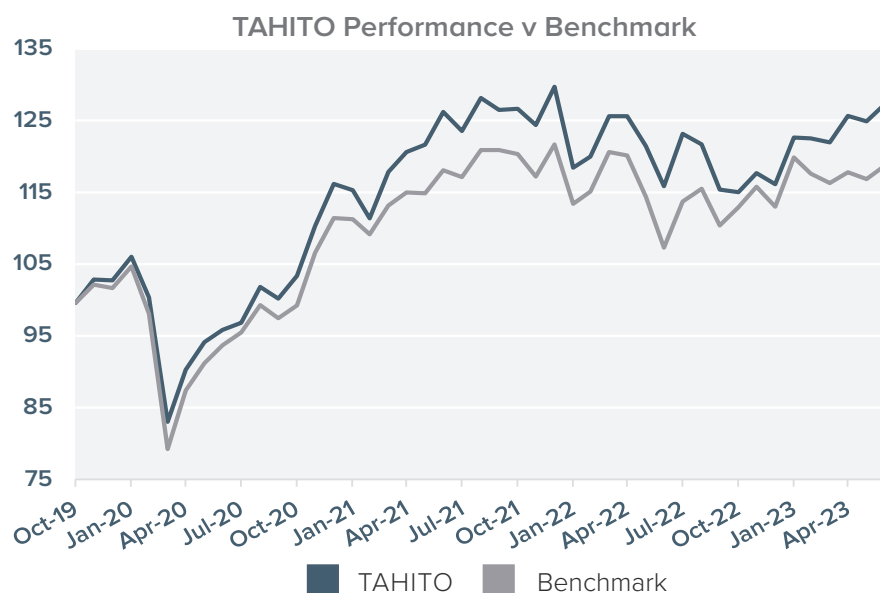


TAHITO Te Tai o Rehua Fund

This communication is for information purposes only and does not represent an offer to invest in TAHITO.

	30-Jun-23	Month	3 Mths	6 Mths	YTD	1 Year	2 Years	3 Years	Inception (p.a.)
Fund		1.9%	4.2%	8.8%	8.8%	9.0%	0.0%	9.6%	6.4%
Benchmark		1.6%	2.1%	5.1%	5.1%	10.8%	0.9%	8.8%	5.2%
Alpha		0.2%	2.1%	3.7%	3.7%	-1.8%	-0.9%	0.8%	1.3%

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.



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 for details.¹

1. The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

TAHITO Motuhake | TAHITO Te Tai o Rehua Fund Performance

Our Te Tai o Rehua Fund showed further positive performance for the month of June, returning 1.9% which was 0.2% above benchmark. The Fund has delivered a strong performance for the quarter from 1 April to 30 June, returning 4.2% which was 2.1% above benchmark. Both the ASX and NZX were up for the quarter, with the S&P ASX 200 returning 2.6% (in NZD terms) and the S&P NZX 50 Portfolio Index up by 1.7%. The majority of the major market indices (in NZD) were positive for the quarter, with the MSCI World Index (excluding emerging markets) returning 9.0%. The standouts were the US NASDAQ 100 (up 17.8%), the US S&P 500 (up 11.0%) and the Japan Nikkei 225 (up 11.3%). The exceptions were the Chinese CSI 300 (-7.2%) and the Hong Kong Hang Seng (-3.9%).

The latest OECD (Organisation for Economic Co-operation and Development) forecast for Aotearoa sees our country facing economic headwinds well into 2024. The report has real GDP growth projected to ease to 1% in 2023 and 1.2% in 2024. Private consumption is set to weaken due to lower employment growth and rising mortgage-servicing costs. Higher interest rates (OCR 5.50%) and declining house prices will weigh on investment. Unemployment is expected to increase throughout the projection period, on the back of weaker activity growth. The slowdown in

demand, increasing spare capacity and stabilising energy prices are expected to gradually reduce inflation through 2023-24.

The Kiwi Grit Report, a new study by OneChoice and consumer research group CoreData, found 74% of respondents believe the rising cost of living is one of the most challenging issues Aotearoa faces, along with the impacts of the COVID-19 pandemic (66 percent), housing affordability (61 percent) and crime, scams and safety (53 percent).

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

The key movers in the TToR Fund during June were:

- SIMS Ltd +11.6%. Sims announced CFO Stephen Mikkelsen as the new CEO, endorsing continuity of strategy.
- Australian Ethical + 25% on strong FY23 performance and record Funds Under Management.
- KMD Brands -8%, as consumer spending came under pressure from rising interest rates.

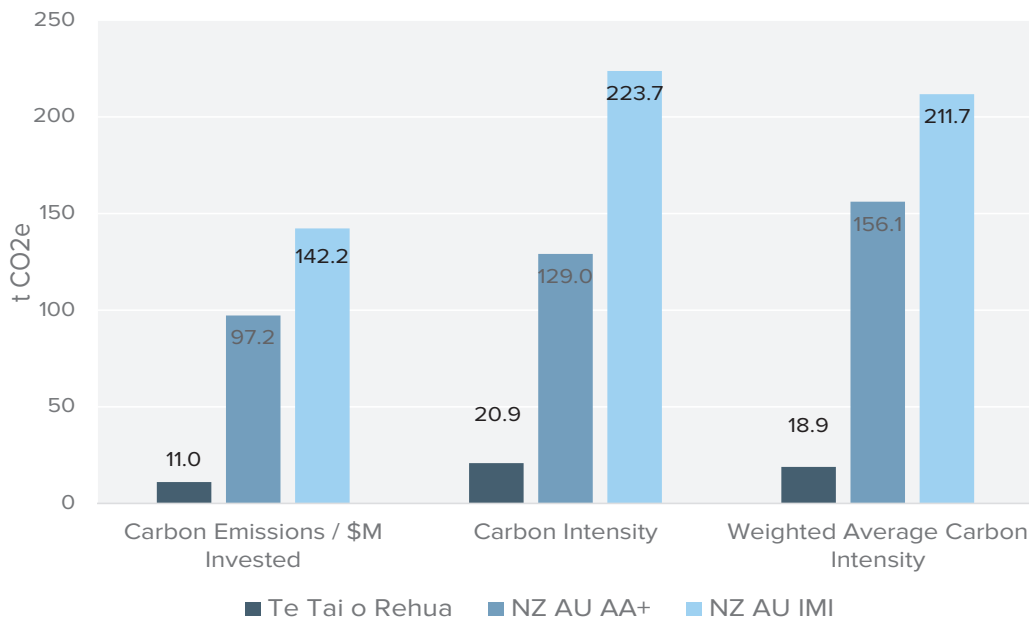
TAHITO Fund Performance continued

- EBOS -13% after losing the Chemist Warehouse contract worth approximately \$2 billion in revenue.

Good news regeneration (te whakahaau) stories from June 2023:

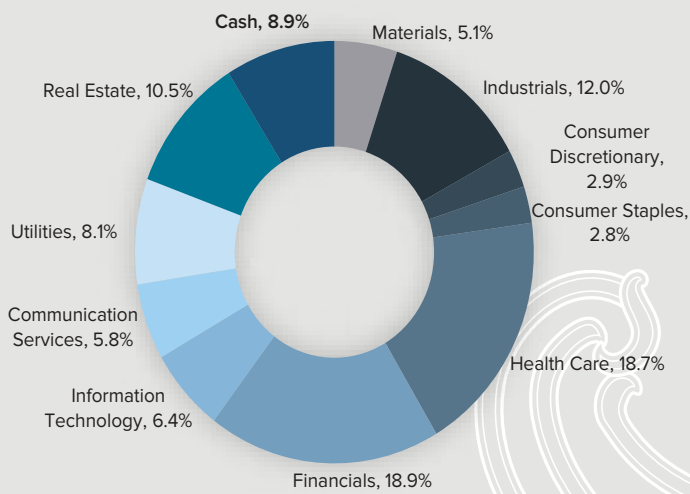
- One Tree Planted celebrates 100 million trees planted since 2014: One Tree Planted shared that in their 9th year, they have reached the milestone of 100 million trees planted. Together with their global network of planting partners (854 and growing!), they planted these trees through 724 impactful projects, 1,035 planting events, and 140 Urban Forestry projects in 79 countries around the world.
- New EV battery paves the way for a greener future: Toyota has announced a new electric car battery that could reduce charging time to under 10 minutes. Often, charging time is a big hurdle for people who are considering investing in an EV. Toyota has announced its plans to make an all solid-state battery as part of its ambitious plans for battery electric vehicles. Toyota said it's aiming for a commercial solid-state battery as soon as 2027.
- Climate 'victory': The Swiss people have voted yes to a new climate law that will see the country cut net greenhouse gas emissions to zero by 2050. A majority of 59 per cent of voters approved the government's Climate Protection Targets, Innovation and Strengthening Energy Security Act on 18 June. Almost three-quarters of people (74%) backed it in the canton of Geneva, following a record-breaking warm spring for the wealthy European nation.
- The world's only urban National Park in Nairobi: Just outside of Kenya's capital city is a green oasis that encompasses 117 square kilometres of open land home to many charismatic wildlife species. Like many other parks, the Nairobi National Park faces many threats such as pollution, poaching, and more. But many experts say that an urban national park is a major benefit to the country. Unlike other cities, Nairobi experiences lower pollution thanks to the National Park situated just miles outside of the city's heart. Mature trees help reduce the dangerous urban heat island effect, reduce ambient temperatures, absorb and retain water in the landscape, and more.
- Former dumping ground is now farmland: In a Cleveland neighbourhood, what once was an illegal dumping ground is now a food haven thanks to the help and leadership of local residents, supporting a community kitchen and farmers market. In 2011, Rid-All Green Partnership started small, and now it houses acres of sustainable farmland that impacts the local community in many ways. The entire food ecosystem eliminates food waste by turning it into compost that supports the farm and is sold to local community members. This business also provides apprenticeship training for community members and creates local jobs that help support the economy.

Carbon Emissions Comparison - June 2023



The carbon emissions in Te Tai o Rehua Fund are 88.7% lower than all NZ AU MSCI listed equities with a AAA or AA ESG rating. Carbon intensity is 83.8% lower and weighted average carbon intensity is 87.9% lower. (NZ AU AA+ = New Zealand and Australian equities with an 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

Top 5 Investment Holdings	Sector	T-Score	V-Score	Mkt Cap \$NZbn	Weight
Meridian Energy	Electricity NZ	7.4	6.4	14.5	8.1%
Commonwealth Bank of Australia	Banks	6.0	3.2	168.1	8.0%
Spark New Zealand	Telecommunications	6.4	5.2	9.4	5.8%
Sims Metal Management	Metals & Mining	7.2	6.2	3.0	5.1%
CSL	Biotechnology	5.5	4.4	133.8	4.8%

Statistical Review of World Energy 2023 | 72nd Edition

The 72nd edition of the Statistical Review of World Energy is the first year that Energy Institute has taken over the report's publishing from its previous publisher BP. The report features comprehensive data covering 2022's energy production and consumption across different sources, along with data on trade flows, prices, and generation capacities. Key take outs:

1. Primary energy consumption in 2022 increased by 1.1% YoY, while carbon dioxide emissions from energy use, industrial processes, flaring, and methane also reached a new high after a 0.8% YoY increase.
2. Fossil fuel consumption makes up 82% of primary energy consumption, with coal and oil consumption increasing by 0.6% and 3% in 2022 YoY.
3. Renewable power (excluding hydro) grew by 14% YoY in 2022, slightly below 2021's increase of 16%, with China accounting for 41% of global wind capacity additions and 37% of solar additions.
4. Brent crude oil prices averaged \$101/bbl in 2022, its highest level since 2013. Natural gas prices reached record levels in Europe and Asia in 2022, rising nearly threefold in Europe (TTF averaging \$37/mmBtu) and doubling in the Asian LNG spot market (JKM averaging \$34/mmBtu). Coal prices reached record levels in 2022, with European prices averaging \$294/tonne and the Japan CIF spot price averaging \$225/tonne (increases of 145% and 45% over 2021 respectively).

Statistical Review of World Energy 2023 | 72nd Edition continued

5. Coal consumption continued to increase, rising 0.6% in 2021 to 161 exajoules (EJ); the highest level of coal consumption since 2014. The growth in demand was largely driven by China (1%) and India (4%). Their combined growth of 1.7 EJ was sufficient to offset declines in other regions by 0.6 EJ. Coal consumption in both North America and Europe declined by 6.8% and 3.1% respectively. In 2022, OECD consumption was around 10% less than its 2019 pre-COVID level and non-OECD coal consumption over 6% higher.
6. Key minerals: Lithium carbonate prices rose 335% to average a record high of \$47,000/tonne. Similarly, the price of cobalt increased 24% in 2021 to average \$64,000/tonne. Lithium and cobalt production rose sharply by 21%.

Read the Report here: <https://elements.visualcapitalist.com/wp-content/uploads/2023/06/Statistical-Review-of-World-Energy.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. 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.

Sustainability Challenges | Sizing up the Oil and Metal Markets

The physical world we live in is built upon many raw materials (commodities) from Papatūānuku. The largest by a massive margin is the oil market.

While we are actively trying to transition to a sustainable and regenerative society, oil is still by far the primary energy source for transportation and a key raw material for numerous other industries like plastics, fertilisers, cosmetics, and medicine. The global physical oil market is not only astronomical in size, it has a significant economic and geopolitical influence, with only a few

countries dominating global oil production.

The Visual Capitalist infographic link below puts size of the crude oil market into perspective by comparing it to the 10 largest metal markets combined. To calculate market sizes, they used the latest price multiplied by global production in 2022, based on data from TradingEconomics and the United States Geological Survey (USGS).

<https://elements.visualcapitalist.com/sizing-up-the-oil-market-vs-top-10-metal-markets-combined/>

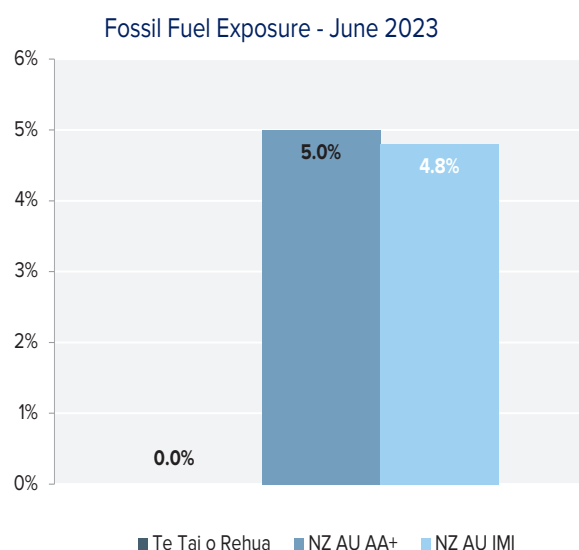
Te Kura Whakangao | Investment Philosophy

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.

TAHITO | Portfolio Analysis as at 30 June 2023

Risk	TAHITO TToR	Benchmark	Difference
Total Risk	14.2	14.3	-0.1
Tracking Error	6.6		
Beta	0.9	1.00	-0.1
No. of Stocks	26	250	-224
Active share	76%		
Aggregate Statistics: Value	TAHITO TToR	Benchmark	Difference
Dividend Yield	3.9%	4.0%	-0.1%
Earnings Yield	5.5%	6.0%	-0.5%
Quality			
High Quality	35.0%	23.6%	11.4%
ROE	9.1%	13.5%	-0.2%



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 second quarter 2023 TAHITO submitted proxy votes for following companies:

IM8 – Sims: TAHITO meeting with Sims primarily to discuss the recent large fire in their South Auckland scrapyards. We also discussed other aspects of Sims operations, particularly community engagement in NZ, and the impact of Bluescope's planned electric arc furnace in NZ (which will be positive for Sims given the increased demand for scrap metal).

KPG – Kiwi Property Group: Whakarongo – tō hiwa (Balanced – collective awareness / equity and diversity). KPG has close to gender parity on the Board with only 2 female directors out of 6 total. TAHITO voted for the election of Carlie Eve and abstained on the two male directors Simon Shakesheff and Peter Alexander.

SCL – Scales: Whakarongo – tō hiwa (Balanced – collective awareness / equity and diversity). SCL does not have gender parity on the Board with only 2 female directors out of 8 total. We voted for the re-election of Miranda Burdon and against the two male directors Nick Harris and Mike Petersen. TAHITO voted for allowing the Board to fix the auditors remuneration.

SUM – Summerset Group: Whakarongo – tō hiwa (Balanced – collective awareness / equity and diversity). SUM has gender parity on the Board with 4 female directors out of 8 total. We voted for the re-election of Dr Andrew Wong and Vensao-Lorenzo, they both also bring ethnic diversity. TAHITO voted for Fiona Oliver. We voted for allowing the Board to fix the auditors remuneration.

Stockland Corporation Limited (SGP)

Whakarāpopototanga | Summary

SGP has a Tahito score of 6.8 (out of 10) with a great score in climate change efforts and a good community score. SGP has an 'AAA' MSCI ESG rating.

Stockland Corporation Limited Score		Real Estate Management & Services Score	
Women Directors	33.3%	T-score	6.8
Women in Executive roles	62.5%	V-score	5.3
Company discloses grants \$ data (Y/N)	Y	Te Pai o Rangi TAHITO Score	8.4
% of NPAT to community grants	0.4%	Climate Change Theme Score	10.0
Has achieved Carbon Neutral (CO2 only, Y/N)	N	Te Poho o Papa TAHITO Score	5.7
Target date for carbon neutral if N	2028	Environmental Pillar Score*	6.4
Has set target for Net zero scope 1,2 (Y/N)	Y	Environmental Opportunities Score*	6.4
Target date for Net zero Scopes 1&2	2028	Natural Capital Score*	8.5
Has set target Carbon Net zero Scopes 1,2 &3 (Y/N)	-	Pollution and Waste Score*	-
Target date for Net zero Scopes 1,2 & 3	0	Human Capital Score*	6.3
Scopes 1&2 Carbon Emissions - Key *	Estimation	Wage Ratio (multiple of median wage)**	60
Scope 1+2 (metric tons) *	48,609	Qualitative TAHITO Community Score	7.0
Scope 1+2 Intensity (t/USD million sales) *	24.8		
Scope 3 Carbon Emissions - Key *	Estimation		
Scope 3 - Total (combined dataset) *	444,689		
Scope 3 - Total Sales Intensity (combined dataset) *	227.1		
Total GHG Emissions (Scopes 1, 2 and 3) *	513,286		

* MSCI ESG data and scores

** CEOs salary divided by the median wage

Whakarāpopototanga | Summary

Stockland Corporation Limited is a diversified Australian property development company. It has business in shopping centres, housing estates, industrial estates and manufactured housing communities.

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

Utu - tō mauri (Reciprocal – collective dominance):

SGP is evolving their leadership in how their industry sources, uses, and repurposes resources and materials. A fundamental part of this is trialling new ways of advancing circularity by closing material loops and recognising that waste has value.

Kawa - tō ora (Cyclical - collective success):

To assist homeowners with increasing costs of living, Stockland has expanded its partnership with Natural Solar. The partnership will provide close to 40,000 households with the opportunity to reduce their electricity bills through discounted solar and battery solutions.

Te pae o Rangi | Environment: Info, Metrics and Targets

SGP have signed up to the UN Race to Zero Business Ambition for 1.5°C, which requires a commitment to set science-based emissions reductions targets for Scope 1, 2 and 3 emissions verified by the Science-based Targets Initiative (SBTi). SGP are partnering with external consultants to model their emissions footprint and develop a decarbonisation strategy comprising of primary emissions drivers, a set of emissions abatement initiatives, and cost estimates based on a prioritised list of actions.

Carbon Zero / Neutral: Info

The SGP target is to achieve net zero carbon by 2028 (Scope 1 and 2) across all business activities, extending their commitment to climate action and delivering positive environmental, social, and economic outcomes to the community. Their target is underpinned by a partnership with the Clean Energy Finance Corporation (CEFC), who in 2020 provided a \$75 million debt facility to fund key initiatives including net zero carbon for their Industrial portfolios and corporate head offices.

The SGP net zero carbon target is supported by three key emissions reductions strategies:

- continuing to focus on energy efficient design and operations and the electrification of the portfolio
- increasing investment in on and off-site renewable energy
- pioneering innovations and technology to reduce the overall carbon footprint

In FY22, SGP performed climate resilience assessments across their Commercial Property and Communities portfolios in line with the IPCC's Representative Concentration Pathway projections.

In FY22, SGP completed thermal imaging at their Aura community (QLD) to assess the causes and impacts of urban heat stress. Findings were used by the project teams to develop a list of mitigation actions that can help relieve heat sinks, such as cool roofs, water sensitive urban design, native trees, and more suitable built form materials.

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

In 2006, SGP began to accelerate the focus on improving the energy efficiency of their assets. Since then, they have reduced the emissions intensity of their Commercial Property portfolio by 69 per cent, resulting in over \$150 million of savings, with more than half passed on to tenants.

SGP is evolving their leadership in how their industry sources, uses, and repurposes resources and materials. A fundamental part of this is trialling new ways of advancing circularity by closing material loops and recognising that waste has value.

Waste management / reduction: Info

In FY22, SGP continued working with Waste Options, their centralised waste management contractor, to find new opportunities to collect data and increase waste diversion rates across their portfolio, particularly in their Town Centres.

Their Masterplanned Communities civil contractors achieved a waste diversion rate of 96 per cent, exceeding the target of 90 per cent.

SGP continue to roll out 'Reconophalt' as part of their commitment to use sustainable alternatives to traditional asphalt at 30 per cent

of all Masterplanned Communities by 2024.

In FY22, works were completed at Katalia (VIC), Evergreen (VIC), and Minta (VIC). This resulted in the delivery of close to 9,000 tonnes of recycled asphalt, which has abated approximately 90 tonnes of carbon emissions and diverted eight million plastic bags and 230,000 printer toners from landfill.

Bio Diversity: Positive Impact Info

In line with the SGP commitment to making a net positive contribution to biodiversity across their new Masterplanned Communities, they have achieved an aggregated net positive score across five new developments. This is assessed using their proprietary Biodiversity Calculator, which was created in partnership with a national ecological consultant. The calculator reviews conditions before and after development by using relative biodiversity weightings defined by qualified ecologists and a national bioregion importance factor. This was driven by a range of on-site and off-site rehabilitation and conservation activities.

Circular E: Principles, policy, plan info

The SGP regenerative and circular living initiatives aim to deliver greater resilience, efficiencies and value for customers and residents, while protecting and regenerating the environment for generations to come.

The SGP commitment to developing Zero Net Carbon (ZNC) homes has progressed after working with builders at Cloverton (VIC) display villages. This aims to help them communicate the benefits of sustainable housing products to more of their customers.

In their Communities business, SGP has continued their work as a Gold Sponsor of the Green Star Homes pilot initiative. This tool provides a new national standard to certify homes that are healthy, resilient and climate positive.

The use of energy efficient technologies, on-site solar PV and battery pack, draught sealing, and other passive design principles meant that a new 2-bedroom town home at the Waterlea masterplanned community in Victoria achieved an 8.2 Star NatHERS rating. The energy modelling estimates that the home will experience an approximate 85 per cent reduction in operational costs through the renewable energy solution, equating to approximately \$1,800 of savings per annum, which may vary depending on the residents' actual usage. Residents will also benefit from lower indoor pollutant levels created by a high-performance building fabric and outside air heat recovery ventilation (HRV) system.

Re-use, Reduce, Regenerate: Info (other general info)

SGP has also continued lifting the performance of their Masterplanned Communities portfolio through the expansion of their 7-Star NatHERS homes program and piloting of other sustainable housing products.

In FY22 SGP increased operational renewables capacity to 15MW with an additional 5.5MW under development. In FY22, they installed four new solar PV systems across their Commercial Property portfolio, representing \$28.5m of investment.

In FY22, SGP reduced water consumption in their Commercial Property portfolio through the continued delivery of their sub-metering network, which resulted in approximately 43,000 kL of savings over the course of the year through prevented leaks.

This year, SGP implemented a range of water-saving initiatives across the Communities business. They installed rainwater tanks on medium-density houses at Elara (NSW) and Willowdale (NSW) and mandated their use for all lots at Aura (QLD) above 225m². SGP has partnered with Altogether, a service provider focused on water efficiency solutions, at The Gables (NSW) to promote the use

Stockland Corporation Limited (SGP) - Continued

of recycled water in households rather than potable water. The project also made it compulsory for contractors to use recycled water for dust suppression, irrigation, and street cleaning. The use of native landscaping and passive irrigation at certain projects help deliver further reductions in potable water usage and increase the drought tolerance of their internal communities.

United Nation Sustainable Development Goals (SDGs):

The below goals have been identified as the most relevant to SGP and its stakeholders based on where they believe they have the greatest opportunity to influence change and generate positive outcomes. Environmental Goals SDG: 7, 11, 12, 13 and 15. Social Goals SDG: 3, 5, 8 and 11.

Suppliers and Sustainability:

SGP believes there is a better way to live and sustainability is a fundamental part of that belief. Their 2030 sustainability vision is to regenerate the environment, ignite inclusive prosperity and inspire people to thrive. SGP measures and reports on their performance against a range of global sustainability and ESG assessments, frameworks and standards so that they align with best practice sustainability management and disclosure.

Summary of the SGP ESG Management Approaches –

- Environmental, social and governance disclosures in alignment with the Global Reporting Initiative (GRI) Standards, providing information on how they manage, analyse, and respond to ESG matters.
- ESG Data Pack – comprehensive annual data sets on environmental, community and people metrics including their GRI Index and Sustainability Accounting Standards Board (SASB) Real Estate references.
- Modern Slavery Statement – Stockland’s statement on actions to assess and address modern slavery risks in their operations and supply chain.

SGP claims that a key element of developing sustainability credentials is understanding the embodied impact of materials. At their M_Park (NSW) development, they performed a Materials Flow Analysis (MFA) in collaboration with third-party consultants to help identify ways in which they can reduce their embodied carbon impacts. The MFA process involved measuring the quantity of each material used during the construction and operation of M_Park Building A and their associated environmental impacts. They used this information to identify impact hotspots and opportunities for improvement across the building’s life cycle, including materials selection, future renovations, and end-of-life. The analysis revealed that the most carbon-intensive materials in the construction phase of the project were concrete, steel, aluminium, insulation, and glass. Solar panels and ventilation systems were also key contributors due to their embodied carbon content, but they noted that these products play an important role in delivering highly efficient buildings powered by renewables. The next step in this process is applying a costing overlay to the emissions footprint to reveal the most cost-effective and impactful interventions, such as cross-laminated timber, bio-based insulation, and low carbon concrete. This aims to assist in reducing embodied impacts in future developments.

SGP Targets and Progress

Biodiversity:

For new Masterplanned Communities, make an aggregated net positive contribution to the biodiversity value by FY24 as determined by the biodiversity calculator: SGP achieved an aggregated net positive contribution across the five Masterplanned Communities

assessed in FY22.

Carbon and energy:

- 5 Star NABERS energy Commercial Property portfolio average by asset class: The average NABERS ratings for Town Centre and Workplace portfolios have improved this year to 5.0 Stars.
- Medium density developments to exceed National Construction Code (NCC) energy related compliance standards by 25per cent: In FY22, SPG exceeded NCC energy related compliance standards by 47 per cent across Medium Density developments.
- All new Workplace and Town Centre developments to achieve a minimum 5 star Green Star rating. Their new Workplace developments at Stockland Piccadilly, M_Park (NSW) and Affinity Place (NSW) are targeting 6 stars.
- All new Logistics developments to achieve a minimum 4 star Green Star rating: All new Logistics developments are targeting 5 stars except Stage 1 of Yatala Distribution Centre, which is targeting 4 stars.
- All new Masterplanned Communities (over 1,000 lots) to achieve a Green Star rating: Several Masterplanned Communities in the early stages of development are currently reviewing Green Star submission requirements.
- 10 per cent improvement in carbon intensity and 5 per cent improvement in energy intensity by FY24 for Commercial Property (FY20 baseline): Since FY20, SGP have achieved an 8.2 per cent improvement in carbon intensity and a 4.7 per cent improvement in energy intensity.

Waste:

Divert waste from landfill

- 90% Masterplanned Communities civil contracts
- 55% Town Centre waste
- 80% Logistics and Workplace operations

In FY22, SGP achieved diversion rates of:

- 96% Masterplanned Communities civil contracts
- 40% Town Centre waste
- 70% Logistics and Workplace operations

Performance across Commercial Property was impacted by increasing demand for single-use packaging due to COVID-19 related protocols.

Water:

- 4 Star NABERS Water Workplace portfolio average: Achieved an average NABERS Water rating of 4.7 stars.
- NABERS Water Town Centre portfolio average of 3.5 stars: Achieved an average NABERS Water rating of 3.7 stars.
- 5 per cent improvement in Commercial Property water intensity by asset class against FY20 baseline: Since FY20, achieved an 8 per cent improvement in water intensity.

Te Mana Taurite | Equity & Diversity

SGP continued to elevate and celebrate innovation across the Group through the 2022 Stockland Innovation & Excellence Awards.

Stockland has achieved WELL Health-Safety ratings for offices and tenancies at Stockland Piccadilly (NSW) and Durack Centre (WA),

Stockland Corporation Limited (SGP) - Continued

and the Melbourne and Brisbane Head Offices. The WELL Health-Safety ratings, an initiative of the International WELL Building Institute, helps deliver buildings which support human health and wellbeing.

Code of Ethics

In the SGP Code of Conduct, when describing how they do business it states: 'Behave in a way that considers impact on the communities where they operate, and environmental and social impact in the short and long term'.

SGP monitors compliance with corporate policies and reports any breaches:

- Employee Conduct – there were 36 substantiated breaches in FY22, which resulted in 18 terminations of employment and nine formal warnings.
- Grievances – there was one formal grievance raised in FY22.
- Whistleblower – Stockland's Whistleblower Protection Officers (WPOs) received a total of 11 concerns via their whistleblower escalation channels in FY22. They state that all of these matters have been investigated, actions taken, and the matters closed, with the exception of one matter where the investigation is ongoing.

People and whanau: internal

Stockland's two-year Graduate Program had an intake of 44 graduates in February 2022.

Health and wellbeing: This year, SGP provided employees with an integrated wellbeing program to help staff navigate the ongoing impacts of the pandemic. The program comprised virtual Wellness on Demand sessions, regular publications through the Wellbeing Employee Advocacy Group, and a series of wellbeing webinars, attended by the majority of staff. These webinars provided information on sleep, mental health and wellbeing, parenting and caring responsibilities, vaccination, and psychological renewal strategies.

Gender Diversity

Parental leave return rate 88%, exceeded target of 80%. Women in management 46.5%, exceeded target of 40%. Gender pay equity ratio 98.8%, met target of 97-103%.

Diversity and inclusion: SGP state that their Diversity & Inclusion Strategy is a key pillar of their People and Culture Strategy. Its guiding principles include:

- creating workplaces where all employees are respected, valued, and supported, and feel like they can bring their authentic self to work
- building aware and capable people leaders who embrace diversity and inclusion
- maximising diversity in leadership positions
- being a diversity thought-leader, advocate, and employer-of-choice in the property sector.

SGP uses five Employee Advocacy Groups (EAGs) to deliver on these goals.

These are represented by employees at various levels in the organisation and from a mix of other demographics to encourage diversity of thought, more informed decision making, and better business outcomes.

Indigenous policy rights, values and numbers

As part of the forest rehabilitation, the local Kabi Kabi First Nations People supervised 'cool' cultural burns to promote natural regeneration of the forest, which is now thriving with wildlife. This enabled Indigenous Peoples to train alongside the rural fire brigade using traditional burning methods in hazard reduction and rehabilitation.

This year, Stockland appointed its first National Indigenous Engagement Manager, who is responsible for the strategic development and design of their Indigenous Inclusion Strategy and advancing their commitment to reconciliation through their Innovate RAP.

This appointment coincided with the implementation of a new Cultural Learning Strategy, developed in partnership with Indigenous consultants, Two PointCo. SGP continues to build capability in areas such as cultural heritage management practices on development sites, people systems, and the provision of training and employment opportunities for Indigenous People.

In FY22 SGP made a total supplier spend of over \$13.2million in direct procurement from First Nations suppliers. They have made progress on their All-Indigenous Tenders program approach to increasing Indigenous inclusion in their construction tenders.

Through a relationship with Dharug women as custodians of Country, they have developed new ways of working that encourage new learning through a 'two-way' deep listening and relational worldview. By this depth of understanding it has shown the relevance of what is under the ground as well as the location of developed area.

Wage ratio (Within 1 to 10)

60 to 1, meaning the CEO's remuneration is 60 times the national median.

Te Hāpori Whanui | Community

The Stockland CARE Foundation was established to support charity organisations that can help Stockland deliver on their aspiration to improve the health, wellbeing, and education of Australian communities. An element of the Foundation's activities is the facilitation of workplace giving, corporate donations, in-kind support, and employee volunteering. The aim is to continue to provide the business and workforce with opportunities to leave a clear, positive, and lasting impact on their communities.

CARE Foundation Target: \$21m contribution from Stockland and the Stockland CARE Foundation through community development and investment activities: In FY22, they achieved total community development spend of \$5.4 million.

This year, SGP provided a total community contribution of \$5.7million, comprising \$5.4million of community development spend, which delivers social infrastructure and programs across their strategic focus areas, and over \$300,000 of community investment, which encompasses employee giving and volunteering programs.

Charity Partnerships

SGP has a partnership with BindiMaps, which helps blind or vision-impaired customers navigate indoor areas through a wayfinding mobile application that verbally guides them to their destinations.

Workplace giving and volunteering

In FY22 SGP employees donated over \$100,000 to more than 100 individual charities. Stockland matched approximately 87 per cent of these donations through their workplace giving program. Over the year, 23 per cent of employees participated in the workplace

Stockland Corporation Limited (SGP) - Continued

giving program and 15 per cent participated in Stockland's team volunteering program, student mentoring or personal volunteering programs, which generated \$119,000 in financial value.

SGP is investing in alternative housing models. Their land lease product helps retirees enjoy the security of home ownership without having to purchase land, which is an increasingly expensive portion of traditional housing packages. Instead, residents pay a leasing fee, which frees up equity for retirement in connected communities with resort-style amenities. In Queensland, the Aura, Providence, and Botanica communities have dedicated 5% of their respective sites to 'social housing' in line with project commitments. These products are owned and operated by the government or a registered Community Housing Provider. Similarly, these communities are also required to dedicate 25% of their sites to affordable housing.

To assist homeowners with increasing costs of living, Stockland has expanded its partnership with Natural Solar. The partnership will provide close to 40,000 households with the opportunity to reduce their electricity bills through discounted solar and battery solutions. They received ~950 enquiries and completed 54 orders this financial year.

Te Ngākau Aroha

Values

Stockland's values are (CARE)

Community: Work together to create better places and experiences for everyone.

Accountability: Take responsibility for ourselves, our work and our team's and Stockland's success.

Respect: We value each other's points of view and differences.

Excellence: Strive to be the best in what we do and what we deliver.

Vision

'Leading creator and curator of connected communities'

Purpose

'We believe there is a better way to live'

Mauri Oho-oho

Strategic priorities

- Accelerating their commitment to sustainable development and a carbon positive, green portfolio
- Demonstrating leadership in social impact
- Reflecting ESG leadership commitments throughout a strategy with robust governance and disclosure.

Certifications, Awards, Recognition, SDGs

World Dow Jones Sustainability Index (DJSI) - Real Estate Ranking. 4th Global, Top 5 for 11 consecutive years.

GRESB (Global Real Estate Sustainability Benchmark) Ranking Green Star. Top quintile for eight years.

MSCI ESG Rating AAA 'Leader' rating for over 10 years.

Sustainalytics ESG Real Estate Rating Over 1,000 assessed Top 3% real estate groups.

Te Whakaaturanga Pakihi | Business Description

Stockland Corporation Limited is an Australia-based creator and curator of connected communities. The Company is focused on developing, funding, owning, operating, and managing its residential and commercial property assets. The Company operates through five segments: Commercial Property, Residential, Land Lease Communities (LLC), Retirement Living and Other. The Commercial Property segment invests in, develops, and manages Retail Town Centres, Workplace, and Logistics properties. The Residential segment delivers a range of master-planned and mixed-use residential communities in growth areas, town homes and apartments in general metropolitan areas. The LLC segment invests in, designs, develops, manages, and delivers communities for over 50s. The Retirement Living segment invests in, designs, develops, manages and delivers communities for over 55s and retirees. Together, Residential, Land Lease Communities and Retirement Living represent the Company's Communities business.

MSCI ESG Rating

Stockland's rating is unchanged at 'AAA'. The company continues to be among leading peers in policies and programs aimed at managing ESG-related risks and opportunities. With 67% of its portfolio certified to green building standards in 2020, the company leads most peers in getting its properties certified to such standards (industry average for Diversified REITs was 28% in 2020). Stockland invests in green building certifications for assets across its diversified portfolio: 67% of the properties in its portfolio has NABERS and Green Star certifications, as of 2020. Further, the company has developed a Zero Net Carbon Tool for its residential portfolio, and works on improving the environmental performance of its logistics assets. The company's governance practices appear strong relative to those of peers. In particular, a majority of directors on the board, and the chairman are independent, and so are the audit and pay committees. Furthermore, the company, in addition to internal assurance and supplier control mechanisms, has adopted programs such as partnership with Supply Chain Sustainability School to provide training opportunities to contractors.

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
SGP: 6.8	6.2%	12.6	11.1	1.1	-1%	5.8%	30%

Website: www.stockland.com.au

Ticker: SGP

Market Capitalisation: \$6,917.04 bn

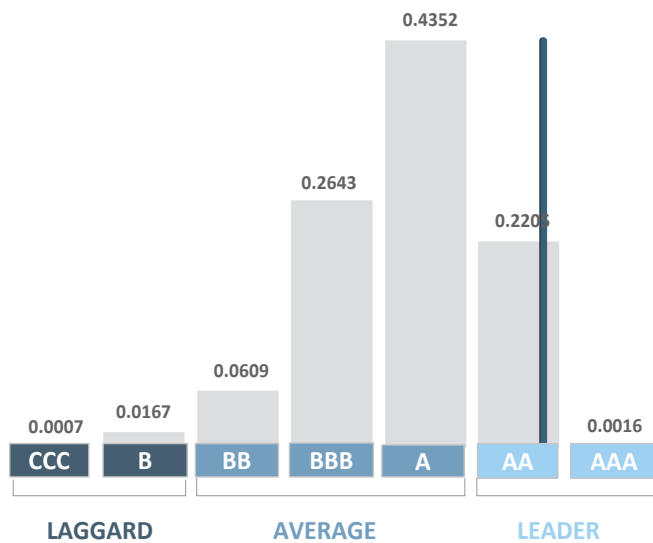
Country: Australia

Industry: Real Estate Management & Services

GICS Sub-Industry: Diversified REITs

MSCI ESG | Fund Metrics Distribution

Coloured bars correspond to portfolio and benchmark ESG Quality Scores



MSCI ESG
Quality Score
(out of 10)

TTor
Portfolio

8.30

Primary
Benchmark

8.32

Te Tai o Rehua Fund ESG summary

<p>PORTFOLIO Weighted Avg ESG Score</p> <p>Portfolio 8.30 Te Tai o Rehua Fund</p> <p>Benchmark 8.32 MSCI NZ AU AA+ ESG Rating</p>	<p>MSCI ESG Ratings</p> <p>AA</p> <p>AA</p>
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<p>ESG Quality</p> <p>ESG Ratings Distribution</p> <p>ESG Ratings Momentum</p>	<p>PORTFOLIO ESG Rating Summary</p> <p>Leader Portfolio = Benchmark</p> <p>Leaders 20.5% under benchmark Portfolio Laggards% = Benchmark Laggards%</p> <p>Upward momentum 2.6% under benchmark</p>
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