



TAHITO Ethical Sustainable Fund

He Whakatauki: Na Manako ko Wananga, na Wananga ko Atamai' Dream it know it be it!, Dreams/desires leads to knowledge leads to wisdom. (*Knowledge plus experience creates wisdom*)

The TAHITO Ethical Sustainable Fund returned +1.8% in April 2026, compared to +2.1% for its blended benchmark (50% S&P/NZX 50 Portfolio Index / 50% S&P/ASX 200 Accumulation Index in NZD), a difference of -0.4% for the month.



SUSTAINABLE PLUS
— CERTIFIED BY RIAA —

Performance (Returns net of fees)

	30-Apr-26	Month	3 Mths	6 Mths	YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	Start (p.a.)
Fund		1.8%	-3.7%	-9.7%	-5.5%	0.5%	2.4%	2.8%	2.4%	4.7%
Benchmark		2.1%	-0.3%	0.0%	-0.3%	17.1%	10.4%	8.8%	6.0%	6.8%
Alpha		-0.4%	-3.4%	-9.7%	-5.2%	-16.6%	-8.1%	-6.0%	-3.7%	-2.1%

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

Our Performance

Global equities rebounded strongly in April as markets looked beyond Middle East conflict, with the S&P/ASX 200 climbing 2% while the S&P/NZX 50 closed the month essentially flat. The blended benchmark was therefore carried primarily by Australian large-caps, including sectors that TAHITO deliberately excludes.

The modest underperformance for the month reflects a dynamic that sustainability-focused funds across the world are navigating. A persistent reason many ESG and sustainability funds underperform during periods like this is the forced absence of energy, materials, and defence stocks — when these sectors rally, conventional index funds capture those gains while values-aligned portfolios remain restricted by their mandates. In 2026, the ASX Materials sector has been a standout performer, climbing significantly from mid-2025, driven by copper and other metals benefiting from tight supply and strong demand from energy transition and data centre construction. TAHITO holds a structural underweight in Materials, a direct expression of our kaitiakitanga principles — and in a month when that sector leads, the portfolio will reflect that position.

This is not a surprise, nor a cause for concern. It is the honest cost of integrity, paid in some months, and recovered across longer horizons. Research consistently shows that while sustainability funds can underperform their conventional counterparts in the short term, long-term performance tells a more positive story. TAHITO is designed for the long arc

— providing for future generations — not for month-by-month benchmark chasing.

The key movers in our Fund were:

- NZ Carbon Fund +22%, the fund's strongest monthly return in recent times. The rally reflected a meaningful recovery in secondary NZU (New Zealand Unit) prices, which climbed to their highest point in 2026, prior to the Government's announcement unlinking the ETS from international climate goals. Tightening supply dynamics are supporting the recovery, providing a structural tailwind for NZU prices over the medium term. The fund's strong April performance affirms its role as both a portfolio diversifier and a direct expression of our kaitiakitanga values — investing in the health of Te Taiao through the price signal that compels emitters to account for their impact on Papatūānuku.
- Sims Ltd +16%, a meaningful bounce following the sharp global market sell-off in March triggered by US tariff uncertainty. The recovery reflects renewed investor appetite for cyclical materials names as trade sentiment stabilised, alongside recognition of Sims' strategic progress in North America. For TAHITO, Sims remains the portfolio's most structurally compelling circular economy holding: recycled metals produce roughly 70–80% less carbon than virgin production, positioning the company directly within the global decarbonisation supply chain — an expression of our mimiti, tukuru, whakahou framework in action.



Temuera Hall
Portfolio Manager

For more information on our Fund please contact:

TAHITO Limited

Level 1, 87 Hurstmere Road,
Takapuna, Auckland,
New Zealand

☎ +64 09 308 1450

✉ info@tahito.co.nz

🌐 www.tahito.co.nz

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- Australian Ethical Investments -11%, the decline continuing a difficult period for the company, reflecting the ongoing re-rating of listed fund managers in a volatile market environment. The weakness follows a mixed Q3 FUM update released in mid-April. While new member joins rose, and the superannuation pipeline remains constructive, the market is discounting near-term earnings headwinds from lower average FUM. For TAHITO, AEF is a values-aligned holding, Australia's only pure-play ethical fund manager whose business model mirrors our own kaupapa in important aspects. The April pullback, while uncomfortable, reflects market cyclicality rather than any deterioration in the underlying mission or growth thesis.
- CSL -12%, as the overhang from the troubled Vifor Pharma acquisition continues to weigh heavily. Sentiment was further tested with a CEO review delivering a further guidance downgrade. Stripping out the noise, CSL Behring's underlying plasma franchise looks healthier. US immunoglobulin end-customer demand is still growing at mid-to-high single digits but the market is pricing in execution risk and leadership transition uncertainty. For TAHITO, CSL remains a core healthcare holding whose purpose 'delivering lifesaving plasma therapies and vaccines to patients globally' is aligned with our mauri ora values. The current reset, while painful, reflects capital allocation missteps rather than any deterioration in the underlying mission.

Global markets — April 2026

Global equities staged a powerful risk-on rally driven by a rotation back into AI stocks; tensions in the Middle East continued, with the Strait of Hormuz severely disrupted and Brent crude pushing above \$110/barrel, yet markets reached new highs. The S&P 500 posted its best month since November 2020, advancing 10.4% and setting new all-time highs.

Information Technology, Communication Services, and Consumer Discretionary all posted double-digit gains; the Energy sector slipped in April despite rising oil prices, reflecting profit-taking and sector rotation. Global equities rebounded in April; the S&P/ASX 200 climbed 2% while the S&P/NZX 50 closed the month flat. Small caps outperformed large caps.

The S&P/NZX 50 was broadly flat over April, with weakness in consumer durables and non-energy minerals offsetting gains in healthcare and logistics. Commodities gained 4.2% overall, with energy (+7.7%) and industrial metals (+5.0%) the clear outperformers. The ASX Materials sector climbed 44% from mid-2025, with copper hitting US\$12,000–13,000 per tonne, backed by tight supply and strong demand from energy transition and data centre construction.

For a more comprehensive review of financial markets, please see the monthly Market Review from our partner company Shaw and Partners. [Shaw and Partners - Middle East continues to dominate](#)

Ngā rongō pai mō te toitūtanga - Good news sustainability stories:

- » **Renewables Overtake Coal in Global Power Generation:** For the first time in the modern era, renewable energy has surpassed coal in the global electricity mix. Renewables, including solar, wind, hydropower and other clean sources contributed more than a third of global electricity generation in 2025, overtaking coal's share for the first time in history. Solar power alone met 75% of the net increase in electricity demand globally, with solar and wind together meeting almost all (99%) of demand growth. Critically, 2025 was the first year this century that fossil generation fell in both China and India, historically the world's largest fossil power economies.
- » **Regenerative food systems take root in Aotearoa:** Across Aotearoa, interest in forest gardening and regenerative food systems is growing, with practitioners adapting traditional permaculture ideas to local ecosystems. These multi-layered "forest gardens" are being designed to produce food, fibre, and medicine while restoring biodiversity and soil health. The movement highlights how working with nature, rather than against it, can build resilience, strengthen local food security, and reconnect communities with the land in a uniquely New Zealand context. At the 2026 Underground Festival in Waipara, 400 farmers gathered with their families to share knowledge and experience.
- » **New Zealand's renewable energy momentum builds:** April saw encouraging progress in New Zealand's clean energy transition, with solar and wind generation increasing by around 11% year-on-year and new capacity continuing to come online. Projects like the expansion of wind farms and strong solar performance signal a steady shift toward low-emissions electricity. Alongside this, New Zealand's broader strategy to significantly expand renewable generation continues to gather pace, showing how infrastructure investment and innovation are driving real climate progress.
- » **Global push to secure water for one billion people:** April also saw momentum behind major international collaboration on water security and climate resilience. Initiatives such as "Water Forward" aim to improve access to safe water for up to one billion people in vulnerable regions over the next few years. By recognising water as central to ecosystems, health, and economic stability, this effort reflects a growing global shift toward integrated solutions that support both people and planet—especially in communities most affected by climate change.

Te Whakawhitinga Pūngao me te Toitūtanga - Energy Transition & Sustainability

Global investment in the energy transition hit a record \$2.3 trillion in 2025, up 8% from the prior year. The largest investment drivers were electrified transport (\$893 billion), renewable energy (\$690 billion), and grid investment (\$483 billion). Clean energy supply investment outpaced fossil fuel supply for a second consecutive year in 2025, with the gap widening to \$102 billion.

According to BloombergNEF's base-case scenario, investments in the energy transition are expected to rise by an average of 25% over 2026–2030, higher than last year's projections.

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Alternative energy stocks staged a sharp comeback in 2025, outpacing the broader stock market. The energy transition narrative has evolved beyond decarbonisation alone, shifting toward a more pragmatic emphasis on energy security, affordability, and industrial competitiveness. The clean energy sector is entering a new phase in 2026 driven not only by climate goals but by artificial intelligence; global electricity demand from data centres could more than double by 2030 according to the IEA Energy and AI report. Global energy transition investment hit a record \$2.3 trillion in 2025.

ESG-designated funds recorded a net outflow of \$935 million in January 2026, the fourteenth consecutive month of negative flows. Total fund count declined 12% year-on-year. A persistent reason many sustainability funds underperform during periods like this is the structural absence of energy and defence stocks — when these sectors rally, conventional index funds capture those gains while values-aligned portfolios remain restricted by their mandates. Research consistently shows that while sustainability funds can underperform in the short term, long-term performance tells a more positive story.

[BloombergNEF Finds Global Energy Transition Investment Reached Record \\$2.3 Trillion in 2025, Up 8% from 2024 | BloombergNEF](#)

Transurban Group (TCL)

Whakarāpototanga | Summary

Transurban Group		Score	Transporation Infrastructure		Score
Women Directors	40%		T-score		6.0
Women in Executive roles	0.0%		ESG Rating		AAA
\$M Donations and community grants	\$57.83		Te Pai o Rangi TAHITO Score***		7.9
% of community grants to NPAT (ebita if a loss)	0.0%		Climate Change Theme Score*		10.0
Has achieved Carbon Netural (CO2 only, Y/N)	A		Te Poho o Papa TAHITO Score***		4.3
Target date for carbon netural if N	Achieved		Environmental Pillar Score*		8.3
Has set target for Net zero scope 1,2 (Y/N)	Y		Environmental Opportunities Score*		-
Target date for Net zero Scopes 1&2	2030		Natural Capital Score*		8.3
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*		10.0
Carbon Reduction Targets Y/N	0		Wage Ratio (multiple of median wage)**		58
Scopes 1&2 Carbon Emissions - Key *	Reported		Qualitaitve TAHITO Community Score		-
Scope 1+2 (metric tons) *	189,976				
Scope 1+2 Intensity (t/USD million sales) *	69.1				
Scope 3 Carbon Emissions - Key *	Estimation				
Scope 3 - Total metric tons (combined dataset) *	803,038				
Scope 3 - Total Sales Intensity (combined dataset) *	291.9				
Total GHG Emissions - metric tons (Scopes 1, 2 and 3) *	993,014				

Carbon intensity = tons / \$M sales

* MSCI ESG data and scores

** CEOs salary divided by the median national wage

*** Te Pae o Rangi is a TAHITO score for total emissions

*** Te Poha o Papa is a TAHITO environment score

Portfolio Assessment Summary - Te Arotake Pūtea

Transurban Group is Australia's largest toll road infrastructure operator, managing 22 road concessions across Melbourne, Sydney, Brisbane, and the United States — linking millions of people daily to their work, whānau, and places of interest, community and leisure. Through *Te Kōwhiringa Tapu* — our sacred selection framework — we recognise Transurban as a company of genuine environmental and gender leadership, standing at a significant threshold on its journey toward collective self-intelligence.

Transurban's environmental leadership is among the strongest in the TAHITO portfolio:

- MSCI AAA ESG rating — five consecutive years
- SBTi-validated 2050 net-zero pathway (Scope 1, 2, and 3) with interim 2030 targets, achieved Scope 1+2 target seven years early
- 91% renewable energy equivalent sourced across the Group in FY25
- #1 globally on gender equality, Equileap 2025 ranking, second consecutive year; 40% female board composition
- 479,000 hours and A\$2.3 million in fuel saved by road users every working day
- Innovate Reconciliation Action Plan active with First Nations employment programme and cultural design integration

Transurban's governance foundation is equally strong: a fully independent ten-person board, multi-framework sustainability disclosure (GRI, SASB, TCFD), and a community engagement survey reaching more than 5,000 Australians annually. Their purpose 'to be the link between people, places and progress' resonates with *whanaungatanga*, the relational threads that bind communities together.

Walking with Country — Whakapapa and First Nations Governance

Every one of Transurban's Australian roads traverses Aboriginal and Torres Strait Islander country — Wurundjeri, Gadigal, Turrbal, and dozens of other First Nations' Country, home to peoples whose connection to that land stretches back 65,000 years. Yet today, not a single Aboriginal or Torres Strait Islander voice sits in Transurban's boardroom. The opportunity is clear and urgent: move beyond the Innovate RAP toward a Stretch-level framework with formal governance partnership. TAHITO invites Transurban to appoint at least one First Nations director, establishing the kind of *whakapapa* — relational interdependence - that transforms infrastructure from extraction to belonging. This is Transurban's most significant transformation opportunity.

Honouring the Pathway — Community Reciprocity and Utu

Transurban's roads generate substantial toll revenue and deliver real, quantified community benefits, nearly half a million hours saved daily. Its community investment programme, including *kaitiakitanga* aligned initiatives like Kidsafe car safety and First Nations community grants, reflects genuine care. TAHITO encourages Transurban to grow this investment toward a transparent, publicly disclosed community investment target as a percentage of proportional earnings with a dedicated allocation to the First Nations and adjacent communities on whose spaces those earnings are generated. *Utu* (true reciprocity) requires that the communities sustaining and impacted by the business share meaningfully in its rewards.

Completing the Climate Circle — Scope 3 and the Road Ahead

Transurban's operational climate credentials are sector-leading - achieving the SBTi Scope 1+2 target seven years ahead of schedule is exceptional. The next frontier is the emissions generated by 2.5 million daily vehicle trips across the network. TAHITO encourages Transurban to publish a quantified Scope 3 downstream reduction pathway: embedding EV-ready infrastructure, smart routing incentives, and multi-modal mobility integration into the concession model. A company that can reduce its own emissions by 24% year-on-year holds the organisational capacity to help its customers do the same.

We see Transurban at a threshold moment. Their environmental and gender achievements demonstrate an institution of genuine transformative capacity, one that moves when it chooses to commit. The question *Te Kōwhiringa Tapu* holds is not whether Transurban can extend that commitment to First Nations partnership and community reciprocity, but whether it will choose to. Every road Transurban has built crosses country with a *whakapapa* far older than the concession that funds it.

We hold Transurban in our portfolio not because we see real transformation potential and because the precedent this company can set for infrastructure investment across Australia is thoughtful. We walk alongside with expectation and generous partnership, building roads that respect *tangata whenua*, connect communities, and serve future generations yet to come.

“Ko te ara e haere ai, ko te ara e hoki mai ai”

The path by which you go, is the path by which you return

Temuera Hall - Portfolio Manager

Responsible Investment Association Australasia certification

The TAHITO Ethical Sustainable 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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