

Te Hauwha Tuatoru | 3rd Quarter Report

Mahuru: 30 September 2025



TAHITO Te Tai o Rehua Fund

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

30-Sep-25	Month	3 Mths	6 Mths	YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	Start (p.a.)
Fund	0.4%	2.8%	10.0%	6.3%	8.2%	10.6%	8.8%	8.2%	6.8%
Benchmark	2.7%	9.0%	14.4%	10.3%	12.8%	14.1%	10.8%	9.3%	7.3%
Alpha	-2.4%	-6.1%	-4.5%	-4.0%	-4.6%	-3.6%	-2.0%	-1.1%	-0.5%

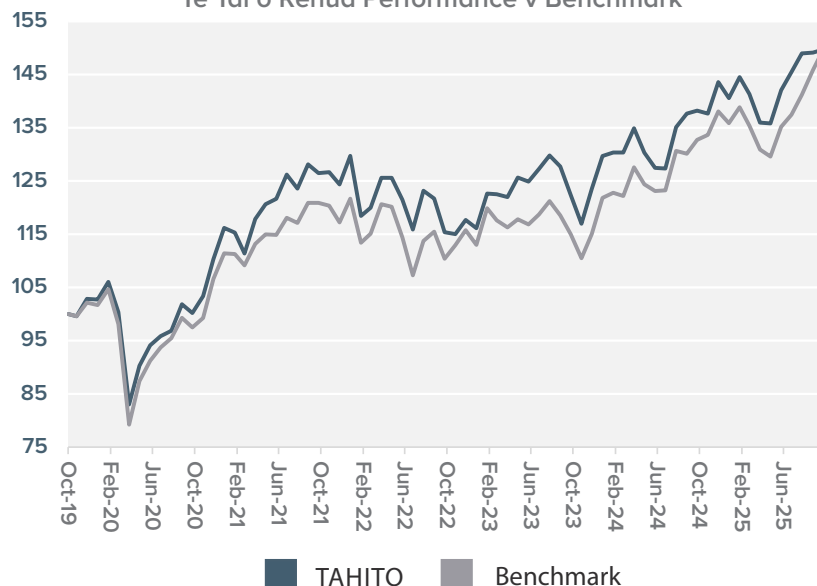
Benchmark - 50% NZX 50 Portfolio index (including imputation credits) / 50% ASX Accumulation 200 index (in NZD). Fund returns are after deductions for fees but before tax. Benchmark returns have no deduction for fees or tax.



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

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

Te Tai o Rehua Performance v Benchmark



TAHITO Motuhake | TAHITO Te Tai o Rehua Fund Performance

While slightly positive in absolute terms, Te Tai o Rehua Fund performed poorly against the benchmark for the month of September returning +0.4%, -2.4% below the benchmark at +2.7%. The September quarter performance languished at +2.8%, -6.1% below benchmark. Having greater exposure to Australia over Aotearoa counted against us in this period. In addition, the Australian resources, materials, metals and mining sectors performed strongly, and these are sectors we have little or no exposure to due to their negative environmental impact.

The NZ market was positive in September with the NZX 50 Portfolio index up +3.3%, and the ASX 200 up +2.1% (in NZD terms, -0.8% in local currency). Both the NZ and Australian markets were up for the quarter - the NZX 50 Portfolio showed +7.2% while the ASX200 showed a strong +10.7% in NZD (4.7% in AUD).

The New Zealand share market in September 2025 was shaped by a mix of domestic and global macroeconomic factors. Domestically, the Reserve Bank's decision to cut the Official Cash Rate (OCR) to 3.0% in August signalled a shift toward monetary easing, aiming to stimulate a sluggish economy. However, GDP data revealed a sharper-than-expected contraction of 0.9% in the June quarter, raising concerns about the fragility of the recovery. This, combined with weak manufacturing and services sector performance, dampened investor

sentiment. Globally, uncertainty stemming from trade tensions and slower growth projections by the OECD added to market caution. The US Federal Reserve's rate cut also influenced local markets, contributing to volatility and a downward adjustment in equity valuations.

The Reserve Bank of Australia (RBA) cut the cash rate to 3.60%, helping to lift household spending and improve real disposable incomes. Economic growth of 0.6% in the June quarter confirmed a private sector recovery, although concerns lingered over weak productivity and sticky inflation. Globally, easing inflation in Europe and cautious optimism in China provided a relatively stable backdrop, while the US Federal Reserve's dovish pivot and rate cut expectations helped sustain risk appetite. Despite these tailwinds, analysts remained cautious due to elevated valuations and potential structural shifts, particularly around AI-driven market disruption.

Global markets generally showed strong performances again in the September 2025 quarter apart from Europe. The MSCI World (incl. emerging markets) was up +8.0%, the S&P 500 +8.1%, Nasdaq 100 +9.0%, Japan Nikkei 225 +11.8%. Hong Kong Hang Seng +12.5% Chinese CSI 300 +19.1%, Canadian S&P TSE Composite up +12.5% UK FTSE 100 +7.5%, while the Euro Stoxx 50 showed +4.5% and German DAX was down -0.1% (all in local currencies).

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TAHITO Fund Performance

In September 2025 the U.S. share market was influenced by a complex mix of monetary policy shifts, labour market softening, and persistent inflation. The Fed cut the federal funds rate by 25 basis points to 4.00–4.25%, its first rate reduction since December 2024, in response to rising unemployment (4.3%) and slowing job creation. However, inflation remained sticky at 2.8%, complicating the Fed's path forward. Investor sentiment was buoyed by strong performance in tech and AI sectors, while small-cap stocks also rallied amid expectations of further easing. Despite these gains, concerns over trade tariffs, a potential government shutdown, and weakening consumer confidence tempered optimism. Treasury yields fluctuated sharply, reflecting market uncertainty around growth and inflation trajectories. Gold was the flavour of the month as confidence in the US dollar declined.

(The U.S. Government Shutdown began 1 October 2025, triggered by a budget impasse over healthcare subsidies and Medicaid cuts and led to the furlough of around 750,000 federal workers and disruption of many public services. Investors shifted toward safe-haven assets like gold and Treasuries, as market volatility increased. The broader economic impact will depend on the shutdown's duration. Short-term effects include reduced consumer spending and delayed government contracts, while prolonged disruption could dent GDP growth and strain local economies. Despite the noise, historical data suggests markets often recover quickly once funding resumes.)

Globally, equity markets navigated a landscape of easing inflation, divergent regional growth, and geopolitical tensions. The IMF maintained its 3.0% global growth forecast but flagged downside risks from trade disruptions and uneven policy responses. Europe showed signs of fragile recovery, while China faced deflationary pressures despite a temporary boost from a tariff truce with the U.S. Emerging markets benefited from fiscal expansion and improved financial conditions, particularly in Sub-Saharan Africa and MENA. Central banks across major economies continued rate cuts, supporting equity valuations, while gold remained a favoured hedge amid volatility. The global economy is undergoing structural transformation driven by AI adoption, trade realignments, and fiscal imbalances, creating both systemic risks and long-term opportunities.

The key movers in the Fund during the month were:

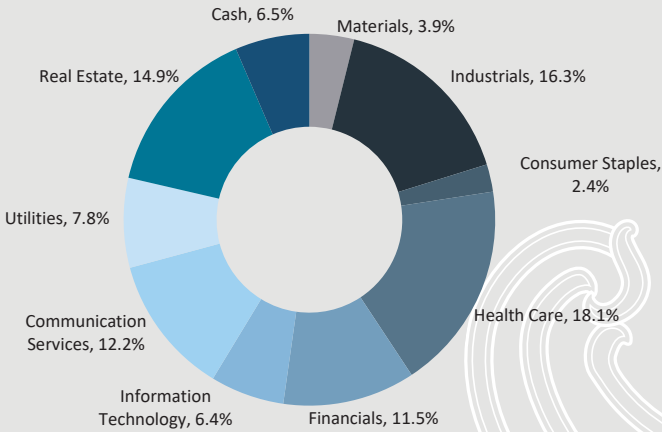
- Graincorp Ltd +12.8%, up on the back of strong broker upgrades and optimistic crop forecasts. Analysts noted expectations of a bumper east coast winter crop, supported by favourable rainfall. GrainCorp's own guidance also pointed to increased grain receivals and exports, alongside a buoyant outlook for biofuel feedstock demand.
- ALS Ltd +7.3%. The share price climbed steadily, driven by strong investor confidence following its robust FY25 results and strategic growth initiatives, led by organic expansion in its Life Sciences division and resilient margins in Commodities.
- Ingenia Communities fell -7.9%. Investor concerns over regulatory and cost headwinds pushed the share price down. The market reacted negatively to the removal of Deferred Management Fee (DMF) income following a VCAT ruling. Rising costs in utilities, council rates, and land tax—outpacing CPI—alongside anticipated increases in marketing expenses for new projects, weighed on sentiment.
- Sonic Healthcare -9%. The drop was largely attributed to investor disappointment over earnings growth that fell short of elevated market expectations, particularly in the context of recent acquisitions and strategic contracts. Broader sector pressures and cautious sentiment around healthcare valuations also contributed to the downward movement.

Good news regeneration (te whakahau) stories from Mahuru - September 2025:

- **Tribal artisans keeping India's crafts alive:** Shweta Menon, a former IT professional, founded *Truly Tribal* to revive and sustain India's traditional tribal crafts by directly connecting over 500 artisans across 18 states with consumers. Motivated by her upbringing in Madhya Pradesh's tribal belt and a desire to create meaningful impact, she built a platform that eliminates exploitative middlemen, ensures fair pay, and promotes cultural heritage. Truly Tribal has empowered artisans economically and socially, helping preserve endangered art forms like Warli and Pichwai while adapting them for modern markets. The initiative has grown through B2B partnerships, bulk orders, and online workshops, proving that tradition and innovation can thrive together.
- **Transforming land and lives:** Grassroots growers around the world—from war-torn Ukraine to urban London—are reclaiming land and transforming lives through community gardening and regenerative agriculture. These land defenders, often from marginalised communities, are using gardens not only to grow food but also to heal, empower, and challenge systemic inequalities. Initiatives like Ukraine's permaculture gardens, Zambia's Ubuntu Learning Trust, and London's LION (Land In Our Names) are reshaping access to land, promoting sustainability, and fostering social justice. Their efforts, supported by the 2025 Lush Spring Prize, highlight the power of soil and community to drive meaningful change in even the most unlikely places.
- **Reviving the Chicago River:** Hundreds of swimmers took part in the first official swim in the Chicago River in nearly 100 years, marking a symbolic milestone in the river's environmental recovery. Once heavily polluted and considered untouchable, the river has undergone decades of cleanup efforts driven by legislation like the Clean Water Act and local advocacy. The event showcased how urban waterways can be reclaimed for public use and ecological health. The swim highlighted both the success of restoration and the need for continued vigilance to protect these gains.
- The annual **Keep New Zealand Beautiful Clean Up Week** in September 2025 mobilised thousands of volunteers across the country to remove litter from streets, parks, and waterways. This nationwide initiative not only improved local environments but also reinforced a strong public commitment to sustainability and community action. The event highlighted the power of grassroots participation in environmental stewardship and served as a reminder of the collective responsibility to protect Aotearoa's natural beauty.

TAHITO Te Tai o Rehua Portfolio Weights

TTOR 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	6.0	6.5	15.2	7.8%
Spark New Zealand	Telecommunications	5.8	6.0	4.5	6.8%
Brambles	Commercial Services	5.8	5.7	33.8	4.7%
Summerset	Retirement NZ	5.3	5.0	2.7	4.4%
ALS	Commercial Services	5.2	3.9	11.0	4.3%

Te Whakamahere Mo Te Ao Mahana 2.3°C | Planning For A 2.3°C Warmer World

Sustainability Insights - Why Planning For A 2.3°C Warmer World Is Critical This Decade And Next: Using probabilistic analysis, S&P Global estimate a 90% likelihood that, by 2040, the average global temperature will exceed the Paris Agreement's goal of 1.5° Celsius (1.5 C) above pre-industrial levels. And there is a 50% likelihood of it exceeding 2.3 C. This suggests that--as a baseline--all sectors, including households, may want to prepare for the impacts of physical climate risks associated with a 2.3 C world. S&P Global's latest climate economics research, reinforces the critical importance of planning for a 2.3°C warmer world across this decade and the next. Their analysis projects that climate physical risks could impose a \$1.2 trillion annual cost on the world's largest companies by the 2050s, assuming no adaptation measures are implemented. In a slow transition scenario, 4.4% of world GDP could be at risk of losses annually absent adaptation, with 60% of those losses related to extreme heat and water stress, while compound climate events become increasingly prominent. The research emphasises that while the 2.3°C pathway falls short of Paris Agreement targets, it represents the pragmatic reality that demands immediate strategic response.

From a TAHITO perspective, this analysis confirms our ancestral understanding that *Te hononga o ngā mea katoa, kaore he mea i a ia anō* (Everything is interrelated nothing exists of itself). Lower and lower-middle income countries face the greatest risk, especially in South Asia and Sub-Saharan Africa, demonstrating how climate disruption fractures the interconnected web of global wellbeing and violates the principle of *utu* (reciprocity). S&P Global emphasises that collaboration across sectors and disciplines will be key to addressing these challenges, aligning with our view that *mahitahi* (cooperative action) is essential for collective resilience. Companies that embrace early adaptation, transparent disclosure, and genuine climate preparedness will demonstrate the *whakapapa tō mana* (interdependence) and *whakarongo tō hiwa* (balance) that TAHITO measures seek to identify and reward.

[Sustainability Insights: Why Planning For A 2.3°C | S&P Global Ratings](#)

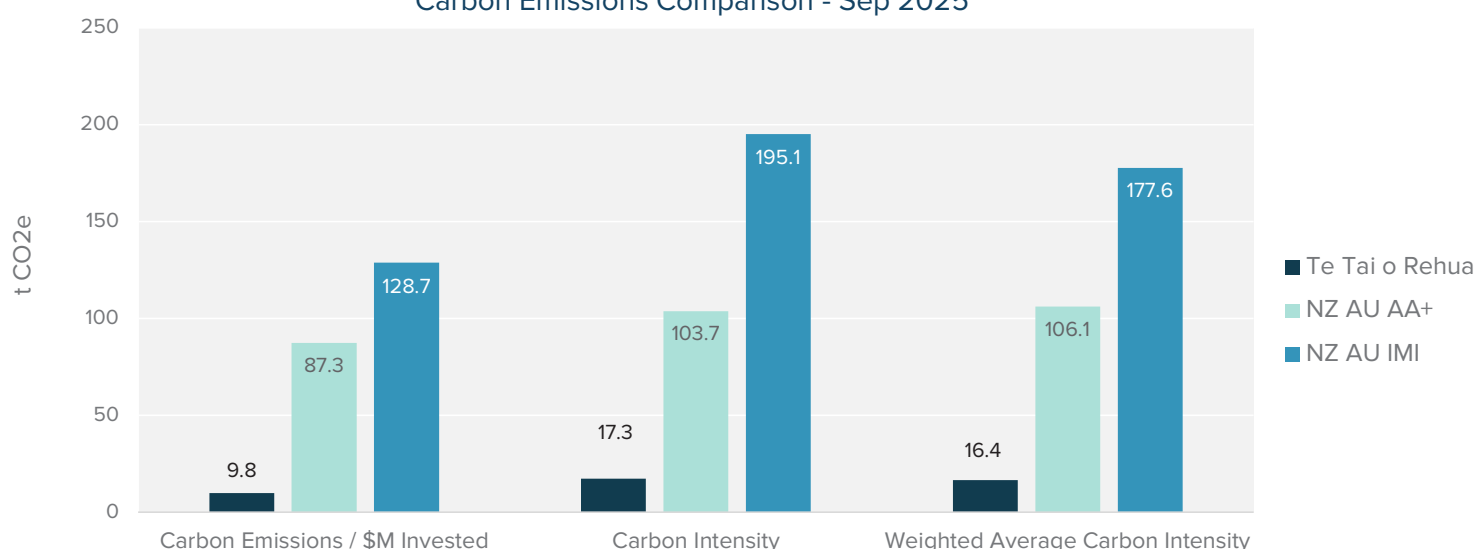
Te Whakaaturanga Tahua | Fund Description

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.

Carbon Emissions Comparison - Sep 2025



The carbon emissions in Te Tai o Rehua Fund are 89% lower than all NZ AU MSCI listed equities with a AAA or AA ESG rating. Carbon intensity is 83% lower and weighted average carbon intensity is 84% 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).

Whakapiki i te AI Haepapa | Advancing Responsible AI

The World Economic Forum's Advancing Responsible AI Innovation: A Playbook, developed in collaboration with Accenture, addresses the urgent need for organisations to operationalise responsible AI practices. Despite growing awareness, fewer than 1% of companies have fully implemented responsible AI in a comprehensive way, leaving a significant gap in trust, resilience, and ethical oversight. The report positions responsible AI not as a constraint but as a strategic advantage—one that enables innovation to scale safely, inclusively, and sustainably while protecting societal and environmental interests.

To help organisations bridge this gap, the playbook outlines nine practical and adaptable strategies across three dimensions: strategy and value creation, governance and accountability, and development and use. These include leading with a long-term responsible AI vision, designing resilient processes, appointing governance leaders, and increasing workforce literacy. By embedding these plays into core operations and aligning with evolving regulatory frameworks, businesses can foster public trust, mitigate risk, and unlock the full potential of AI innovation.

[WEF Advancing Responsible AI Innovation A Playbook 2025.pdf](#)

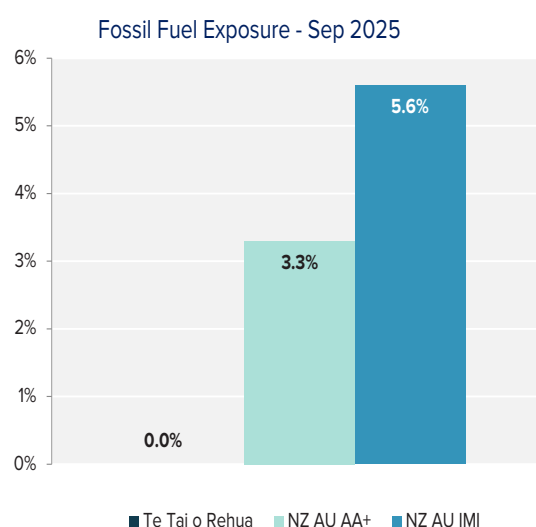
Te Kura Whakangao | Investment Philosophy

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 September 2025

Risk	TAHITO TToR	Bench-mark	Difference
Total Risk	15.1	16.4	-1.3
Tracking Error	4.6		
Beta	0.89	1.00	-0.11
Number Of Stocks	27	246	-219
Active Share	74%		
Aggregate Statistics: Value	TAHITO TToR	Bench-mark	Difference
Dividend Yield	3.4%	3.4%	0.0%
Earnings Yield	4.5%	4.8%	-0.4%
Quality			
High Quality	36.0%	28.7%	7.3%
ROE	6.5%	6.5%	0.0%



TAHITO Engagement and Proxy Voting

Whakarāpopototanga | Summary

During the quarter TAHITO submitted proxy votes for following companies:

FPH - Fisher & Paykel Healthcare: FPH breaches our TAHITO indigenous ethical principle Utu - tō Mauri (Reciprocity) with an estimated CEO-to-median employee wage ratio of ~30:1 against our 10:1 target. While the company demonstrates strengths in Mahitahi (Co-operation) through R&D investment and global healthcare impact, the breach of Honotahi - tō Wairua (Complementary) and lack of collective wealth-sharing is the reason we vote against the remuneration proposals. The FPH board demonstrates reasonable gender balance with 43% female representation (3 of 7 directors) but fails the indigenous representation principle. While the company excels operationally through its Indigenous Growth Leadership Programme, Manaaki Committee, and extensive Māori employee development initiatives, the absence of Indigenous governance participation shows weak alignment with Te Tiriti o Waitangi partnership principle. If the company appointed tangata whenua directors this would ensure the board reflects the Indigenous population of their primary operational territory and would elevate their excellent cultural programmes from operational to strategic governance level. The concentration of CEO and Managing Director roles in a single individual represents a misalignment of our Whakarongo - tō Hiwa (Balanced) and Mahitahi - tō Tapu (Co-operational) values.

TAHITO Voted: for the re-election of Neville Mitchell, Lisa McIntyre, Cather Simpson and Mark Cross. Voted against the reappointment of Lewis Gradon (Don't require a Managing Director). Against the grant of discretionary long term remunerations instruments to Lewis Gradon.

GMT - Goodman Property Trust: GMT demonstrates strong alignment with our TAHITO framework through meaningful tangata whenua representation via Laurissa Cooney, who also serves as Chair of the Audit Committee. The board achieves reasonable Whakarongo (Balanced) gender representation at 33% (2 of 6 directors) and demonstrates authentic Whakapapa (Interdependent) principles through Indigenous governance participation that aligns with their Auckland operational territory. Goodman Property Trust exemplifies positive progress in honouring Te Tiriti partnership principles, though opportunities exist to enhance gender parity toward 50% and broaden ethnic diversity.

TAHITO voted for the reappointment of John Dakin, Greg Goodman and Steve Jurkovich.

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XRO - Xero Limited: From our TAHITO indigenous ethical investment perspective, Xero's 2025 Remuneration Report demonstrates misalignment with our Māori values and collective self-intelligence principles. The CEO's total compensation package of US\$15.2 million annually, plus one-off share options valued at US\$26.49 million, creates an approximate 870:1 wage ratio - dramatically exceeding our TAHITO target of 10:1 ratio. This represents a breach of utu (reciprocity), prioritising individual accumulation over collective wellbeing and contradicting our indigenous worldview of shared prosperity.

Board Equity Analysis: While Xero demonstrates good progress on gender equity (37.5% female representation) and general ethnic diversity (25% non-Caucasian directors including Anjali Joshi and CEO Singh Cassidy), there remains a gap in Indigenous representation. Despite being New Zealand-founded and operating extensively across Aotearoa and Australia, Xero's board lacks any Māori, Aboriginal, or other Indigenous representation at governance level.

TAHITO Vote: Against remuneration report; Support directors with noted Indigenous representation concerns.

ALQ - ALS Limited: Whakarongo – tō hiwa (Balanced – collective awareness / equity and diversity). ALQ has near gender parity with four females on a nine member Board. TAHITO voted for the re-election of Catherine Farrow and Siddhartha Kadia. ALQ has a very high wage ratio of 32 to 1 (it is the view of TAHITO that wage disparity in corporates, sports and other areas is a significant contribution to global inequity. Ideally the difference between the median wage and top salary should be no more than a multiple of 10). On this principle TAHITO voted against the Remuneration Report, and against the grant of performance rights to the CEO.

TAHITO voted in favour of renewing the proportional takeover provisions in the Constitution.

Company Engagement:

INA - Ingenia Communities Group Ltd: INA was profiled in our Here-turi-kōkā - Te Whakahou (August Revitalise report). Ingenia Communities Group (INA) demonstrates good alignment with indigenous Māori values through TAHITO's Te Utu Pānga framework, earning recognition for building genuine belonging in communities across Australia. With their core purpose "To Build Belonging," INA embodies whanaungatanga (relationships) and kaitiakitanga (guardianship) through affordable housing solutions, land lease communities, and holiday parks that prioritise human connection over purely financial metrics. Their commitment to achieving net zero emissions by 2035, combined with substantial renewable energy investments exceeding \$4 million, reflects the TAHITO principle of utu (reciprocity) - giving back to the environment that sustains them.

From a critical Te Utu Pānga perspective, INA's strengths include industry-leading gender diversity (67.4% female leadership), meaningful community partnerships generating \$120,000 in annual donations, and innovative sustainability initiatives like geothermal systems and Green Star community developments. However, opportunities exist to deepen indigenous engagement through expanded Reconciliation Action Plan initiatives and greater representation of indigenous voices in leadership positions. INA's transformation from a \$110 million to \$2.5 billion portfolio demonstrates that businesses can achieve substantial financial growth while maintaining authentic commitment to whakapapa (interconnectedness) and aroha (compassionate care) for all stakeholders - people, planet, and prosperity in true collective harmony.

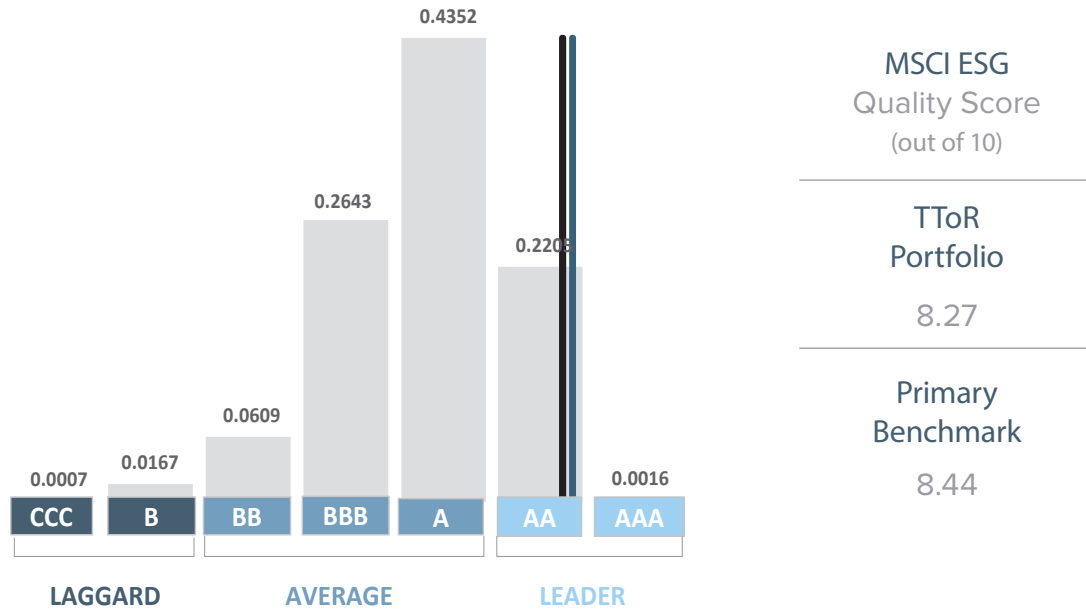
RWC - Reliance Worldwide: RWC was profiled in our Hōngongoi - Te Whakahou (July Revitalise report). RWC demonstrates evolving commitment to collective wellbeing with a TAHITO score of 5.4/10. The global plumbing solutions company shows strong progress in environmental stewardship—achieving 35% emissions reduction and zero waste to landfill in UK operations—while advancing diversity with 38% female executive leadership and 98% parental leave return rates. Their community investment approach reflects a growing understanding of whanaungatanga (relational connectivity), including water filter projects impacting 23,000+ lives.

While RWC's alignment with our indigenous values framework shows promise through their climate action and circular economy initiatives, opportunities exist for deeper integration of Te Ao Māori principles. Their stable financial performance (\$1.2B+ revenue) provides the foundation for enhanced reciprocal community investment and more transformative sustainability practices. As we measure aroha (connection) and mauri (life force), RWC demonstrates the beginnings of transition from substantive to relational business practices—essential for achieving He Ao Whakahou (A Regenerative World).

SPK - Spark NZ Limited: Met with the Head of Māori strategy at Spark. Talk through our TAHITO assessment and the SPK 'Te Korowai Tupu o Kora Aotearoa'. Led by kawa (protocol), tikanga (process), and kaupapa Māori the SPK strategy and values are embracing the physical and spiritual nature of te ao Māori. SPK is showing transformational leadership.

MSCI ESG | Fund Metrics Distribution

Coloured bars correspond to portfolio and benchmark ESG Quality Scores



Te Tai o Rehua Fund ESG summary

PORTFOLIO
Weighted Avg ESG Score

Portfolio 8.27
Te Tai o Rehua Fund

Benchmark 8.44
NZ-AU MSCI ESG AA+

MSCI ESG Ratings

AA

AA

PORTFOLIO ESG Rating Summary

ESG Quality: Leader
2.0% below benchmark

ESG Ratings Distribution: Leaders 28.7% under benchmark
Portfolio Laggards% = Benchmark Laggards%

ESG Ratings Momentum: Upward momentum 14.0% under benchmark
Downward momentum 6.6% over benchmark

Stockland Corporation Limited (SGP)

Whakarāpopototanga | Summary

SGP has a Tahito score of 5.9 (out of 10) with good scores in climate change (Carbon Emissions, Product Carbon Footprint, Climate Change Vulnerability, and Financing Environmental Impact), and Natural Capital (Water Stress, Biodiversity and Land Use, and Raw Material Sourcing). SGP has an 'AA' MSCI ESG rating.

Stockland Corporation Limited	Score	Real Estate Management & Services	Score
Women Directors	33%	T-score	5.9
Women in Executive roles	57.1%	ESG Rating	AA
\$M Donations and community grants	\$3.15	Te Pai o Rangi TAHITO Score***	7.5
% of community grants to NPAT (ebitda if a loss)	1.0%	Climate Change Theme Score*	9.9
Has achieved Carbon Netural (CO2 only, Y/N)	N	Te Poho o Papa TAHITO Score***	2.2
Target date for carbon netural if N	2025	Environmental Pillar Score*	4.9
Has set target for Net zero scope 1,2 (Y/N)	Y	Environmental Opportunities Score*	4.9
Target date for Net zero Scopes 1&2	2025	Natural Capital Score*	7.8
Has set target Carbon Net zero Scopes 1,2 & 3 (Y/N)	Y	Pollution and Waste Score*	-
Target date for Net zero Scopes 1,2 & 3	2050	Human Capital Score*	7.5
Scopes 1&2 Carbon Emissions - Key *	Reported	Wage Ratio (multiple of median wage)**	30
Scope 1+2 (metric tons) *	37,813	Qualitative TAHITO Community Score	3.0
Scope 1+2 Intensity (t/USD million sales) *	18.9		
Scope 3 Carbon Emissions - Key *	Estimation		
Scope 3 - Total metric tons (combined dataset) *	462,288		
Scope 3 - Total Sales Intensity (combined dataset) *	231.6		
Total GHG Emissions - metric tons (Scopes 1, 2 and 3) *	510,897		

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 Poho o Papa is a TAHITO environment score

Te Pārongo Ahumoni - Financial Information

Ticker	Forward Dividend Yield	Forward Price / Earnings Ratio	Long Run Median P/E	Forward P/E rel LRM	Forecast EPS Growth (Yr 2&3)	Return on Capital	Total Debt / Total Capital
SGP	2.1%	29.8	25.2	1.2	12%	10.1%	62%

Stockland Corporation Limited is one of Australia's largest diversified property groups, specialising in residential property development through master planned communities, alongside owning and managing a commercial property portfolio that includes retail town centres, workplace and office assets, logistics centres, and land lease communities for over-50s living. The company's earnings are split between residential and commercial development (approximately 40% of funds from operations) and its investment management business (around two-thirds of earnings), which generates rental income and management fees from its diversified asset portfolio.

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STOCKLAND CORPORATION LIMITED (SGP) - TAHITO CRITICAL ASSESSMENT

Executive Summary

Stockland Corporation Limited demonstrates sophisticated conventional ESG leadership within Australia's real estate sector, achieving net zero Scopes 1 & 2 emissions by FY2025 and maintaining top-tier recognition (4th globally in DJSI for Equity REITs, 16 consecutive years WGEA Employer of Choice). However, when assessed against TAHITO's regenerative Māori worldview principles, the company exhibits misalignment between stated values and operational reality. The TAHITO score of 5.9/10 reflects strong technical climate performance alongside weakness in wealth distribution (CEO-to-median ratio 28:1 vs. 10:1 ideal), Indigenous inclusion (1.13% workforce representation), and authentic reciprocity to communities and ecosystems.

Climate & Environmental Performance: Technical Competence, Philosophical Gaps

Stockland achieved net zero Scopes 1 & 2 emissions three years ahead of schedule through 100% renewable electricity via the Energy Bay partnership (25MWp solar capacity) and minimal offsetting using Australian Carbon Credit Units. Absolute emissions decreased 9% year-on-year, with portfolio emissions intensity reductions of 72% (Workplace assets) and 65% (Town Centres) since 2006.

Strengths: The renewable energy strategy prioritises generation over offsets, with innovative inter-asset energy trading and 40 Battery Energy Storage Systems (78MWh capacity) enhancing resilience. Development waste diversion rates are exceptional (92.6% commercial, 98% civil works), and lower-carbon materials partnerships achieved competitive pricing for concrete with 30% cement replacement and steel with up to 87% lower embodied carbon.

Weaknesses: The 2050 net zero timeline for all scopes creates a 25-year window of continued cumulative emissions, accumulating environmental debt inconsistent with TAHITO's *Te Utu* (reciprocity) principle demanding urgent restoration. The company withdrew from Science Based Targets initiative validation, creating accountability gaps. Scope 1 emissions increased 13% unexpectedly, and operational waste diversion declined year-over-year (workplace: 81% to 79%; town centres: 41% to 40%), indicating performance regression. Most critically, no zero waste targets exist despite enhanced systems implementation, and contaminating emissions beyond CO2 receive minimal disclosure and no elimination targets.

TAHITO Alignment: Partial alignment with *Te Pae o Ranginui* (zero carbon) through achieved Scopes 1 & 2 net zero, but reliance on offsets contradicts absolute zero emissions ideal. The absence of comprehensive non-CO2 contamination disclosure and elimination targets reveals Western scientific framing separating greenhouse gases from other pollutants, whereas TAHITO recognises all contamination as interconnected degradation of *Te Taiao* (natural environment).

Biodiversity & Circular Economy: Promising Frameworks, Limited Implementation

The Biodiversity Sensitive Urban Design (BSUD) framework launched in FY25 provides systematic principles for integrating biodiversity across developments. The 13-year Aura community conservation program manages 700 hectares of rehabilitation with 150+ hectares supporting vulnerable Wallum Sedge Frog habitat through a university research partnership.

Circular economy initiatives at Minta community demonstrate advanced materials reuse (100% recycled plastic e-mesh, recycled glass, recycled HDPE stormwater pipes, recycled concrete in road layers), while Halcyon Gables' sustainable water network provides

closed-loop recycled water for homes.

Weaknesses: Biodiversity work concentrates at Aura site rather than systematic application across 53 active master planned/land lease communities. No nature-positive or net biodiversity gain targets exist, meaning Stockland aims to minimise harm rather than actively restore ecosystems. BSUD framework implementation outcomes remain undisclosed. Circular economy initiatives are project-specific without enterprise-wide targets, measurement frameworks, or disclosed end-of-life material recovery plans. The declining operational waste diversion contradicts continuous improvement principles.

TAHITO Alignment: The absence of nature regeneration targets represents misalignment with *Te Poho o Papatu-a-nuku* (regeneration) demanding active ecosystem restoration, not harm minimisation. Aura conservation demonstrates genuine *kaitiakitanga* (guardianship) but remains isolated rather than embedded enterprise-wide, suggesting tokenistic approach inconsistent with *Mahitahi* (co-operational behaviour).

Indigenous Engagement: Cultural Learning Excellence, Structural Power Exclusion

Stockland achieved exceptional 97% employee completion of four-tier First Nations Cultural Learning Framework and grew Indigenous procurement 139% to \$20.3M (including \$14.5M second-tier through contractor engagement). The Designing with Country Framework provides systematic Indigenous knowledge integration, with early MPark implementation demonstrating authentic Dharug community collaboration including Ochre storage and cultural narratives in landscape design.

Disappointments: Indigenous employment reached only 19 individuals (1.13% of 1,677 workforce) compared to 3.2% Australian Aboriginal/Torres Strait Islander population, representing dramatic underrepresentation despite cultural learning investment. No Indigenous governance structures exist — no Board representation, no co-governance councils with decision authority, no profit-sharing from developments on traditional lands. Indigenous procurement, while growing, represents a small proportion of total spend without disclosed targets.

TAHITO Alignment: *Strong Whakarongo* (balanced awareness) through 97% cultural learning demonstrates enterprise-wide Indigenous knowledge investment. However, the fundamental *Honotahi* (complementary collective self) failure (employment <2% and zero governance power-sharing) means Indigenous peoples remain marginalised stakeholders rather than empowered partners. True *Te Mana Taurite* (Indigenous equality) requires representation reflecting demographics and co-governance transforming power relationships, not consultation maintaining colonial structures.

Wealth Distribution & Workplace Culture: Employee Ownership Progress, Executive Concentration Crisis

The MyStock employee ownership program achieved 65% enrolment at launch, resulting in 80%+ employees becoming securityholders and aligning interests with long-term performance. Employee engagement reached 84%, exceeding Australian National Norm and 80% target. Gender representation demonstrates progress with overall 55.1% women, 62.5% women on Stockland Leadership Team, and sustained WGEA Employer of Choice recognition (16 consecutive years). LGBTQ+ Ally Program participation reached 48% of employees.

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The Critical Revelation: FY24 CEO-to-median pay ratio of 28:1 contradicts TAHITO's 10:1 wage ratio aspiration by 178%. This single metric exposes that despite MyStock and equity rhetoric, wealth concentration remains extreme — precisely what TAHITO principles oppose.

TAHITO Alignment: MyStock demonstrates emerging *Honotahi* (complementary collective self) through enabling employee ownership and participation in value creation. However, the 28:1 pay ratio represents severe *Te Mana Taurite* (equality) violation. When combined with FY25 statutory profit of \$826M generating \$600M+ distributions to securityholders while discretionary community giving remains undisclosed, the pattern reveals extractive capitalism dressed in progressive language rather than authentic wealth sharing.

Community Contribution: Infrastructure Obligation vs. Discretionary Reciprocity

Stockland reports \$500.3M cumulative social value created (FY24-25) towards a target of \$1B by 2030, measured through proprietary Social IQ tool using the Business for Societal Impact framework. Community infrastructure serves 125,000+ residents and 25,000+ students through educational facilities.

Transparency Issue: The \$500.3M social value aggregates mandatory development requirements (schools, medical centres required for planning approvals) with voluntary philanthropy, making authentic community difficult to verify. The 2025 ESG Data pack shows:

- \$814k – charitable gifts
- \$1,336k – community investment
- \$92k – workplace giving
- \$87k – volunteering

(Total \$2.33 M, 0.3% of NPAT of \$826M)

The Calculation: With \$826M statutory profit and estimated ~\$250M annual social value (averaged), social value represents ~30% of profit—seemingly strong until recognising this includes commercial obligations. Disclosed discretionary contribution is shown above. TAHITO's *Te Hapori Whanui* principle seeks 10%+ NPAT discretionary community investment—current reporting opacity prevents clear assessment.

TAHITO Alignment: The fundamental *Te Utu* (reciprocity) weakness: blending regulatory obligations with voluntary giving obscures authentic giving back. True reciprocity requires transparent, substantial contributions beyond planning minimums proportionate to value extracted through development activities on communities' lands.

Governance: Procedural Compliance, Democratic Deficit

The Board Sustainability Committee provides oversight with ESG integration into executive remuneration. The Investment Committee assesses ESG impacts for major capital decisions. Three new Non-Executive Directors appointed in FY25 strengthens property/finance expertise.

Structural Exclusions: No Indigenous Board representation, no community representatives, no stakeholder governance mechanisms, no employee Board representation beyond executive management. Code of Conduct environmental/community provisions remain undisclosed in Annual Report. Shareholder primacy model prioritises investor returns over multi-stakeholder wellbeing.

TAHITO Alignment: Governance demonstrates *Whakatau* (accountability) through ESG committees but fundamentally *disregards Honotahi* (collective power-sharing) through exclusion of Indigenous peoples, communities, workers, and ecosystems from decision-making authority. The 28:1 pay ratio reveals governance serves executive enrichment over collective benefit.

TAHITO Values Alignment Summary

Stockland represents sophisticated incremental improvement within a fundamentally extractive framework rather than a transformational shift toward regenerative development. The company demonstrates:

Emerging Alignment (Score: 5.9/10):

- *Mahitahi* (co-operational behaviour): MECLA founding membership, supplier partnerships, industry collaboration
- *Whanaungatanga* (relational connectivity): Energy Bay partnership, Indigenous cultural learning (97% completion)
- *Whakarongo* (balanced awareness): Climate action leadership, social value measurement

Misalignment:

- *Honotahi* (wealth sharing): 28:1 CEO-to-median ratio vs. 10:1 ideal; \$826M profit with minimal disclosed community discretionary giving
- *Te Utu* (reciprocity): Business model remains develop-sell-move-on without obvious ongoing stewardship; social value blends obligations with philanthropy
- *Te Mana Taurite* (equality): Indigenous employment 1.13% vs. 3.2% population; no governance power-sharing; extreme pay concentration
- *Te Poho o Papatu-a-nuku* (regeneration): Harm minimisation strategy rather than ecosystem restoration; no nature-positive targets
- *Te Ngākau Aroha* (selflessness): Growth orientation (\$56B pipeline) contradicts degrowth/sufficiency principles; purpose emphasises creating not restoring

The Question: Can a company operating within an extractive development paradigm, prioritising securityholder returns, planning 25-year net zero timelines while accumulating environmental debt, and maintaining 28:1 executive-to-median pay ratios authentically align with Indigenous values demanding restoration, equitable wealth distribution, and primacy of environmental / community wellbeing?

Answer: Stockland is on a journey toward alignment but has not arrived. The company demonstrates willingness to engage First Nations knowledge and measure impacts, but these remain overlays on a conventional business model rather than fundamental transformation. Stockland requires accelerated net zero timeline (2035-2040), Indigenous co-governance structures, CEO-to-median ratio movement toward 10:1 transparent discretionary philanthropy separation (10%+ NPAT), nature-positive biodiversity targets, and transition from sustainability to regenerative development demonstrated through measurable ecosystem/community restoration—not just activities performed.

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