TAHITO

TAHITO ETHICAL SUSTAINABLE FUND - TOITŪ ME TE TIKA · QUARTERLY REPORT

He Reo Pūtea

A VOICE FROM THE MARKETS

2ND QUARTER, PIPIRI (JUNE) 2026 | TE HAUWHA | TAHITO.CO.NZ

PIPIRI 2026

A quarter held to the standard

FUND RETURN	BLENDED BENCHMARK	ACTIVE DIFFERENCE
4.55%	2.44%	2.11%
June 2026	50% NZX50 / 50% ASX200 (NZD)	June 2026

PERFORMANCE TO 30 JUNE 2026 (RETURNS NET OF FEES)

30 JUNE 2026	MONTH	3 MTHS	6 MTHS	YTD	1 YR	2 YRS	3 YRS	5 YRS	START (P.A.)
Fund	4.55%	4.05%	-3.34%	-3.34%	-4.03%	4.69%	3.16%	1.89%	4.96%
Benchmark	2.44%	5.41%	2.94%	2.94%	13.91%	12.68%	9.69%	6.11%	7.17%
Alpha	2.11%	-1.36%	-6.28%	-6.28%	-17.94%	-7.99%	-6.53%	-4.22%	-2.20%

Benchmark: 50% S&P/NZX50 Portfolio Index Gross with Imputation and 50% S&P/ASX200 Accumulation Index in New Zealand dollars. Fund returns are after deductions for fees but before tax. Benchmark returns have no deduction for fees or tax.

I. TĀ TĀTOU HAERE · OUR PERFORMANCE

Pipiri (June) closed a quarter of two halves. The Fund returned 4.6% in the month of June net of fees, well ahead of the benchmark's 2.4%, as quality names across the portfolio found their footing. For the quarter the Fund gained 4.0% against the benchmark's 5.4%, a solid absolute result in a rising market, though the pace of the rally favoured the higher-carbon and more speculative corners of the index where we deliberately do not go.

Over one year the Fund is down 4.0% while the benchmark rose 13.9%. We do not look away from that gap. It reflects a period in which markets rewarded momentum and risk over quality and discipline, and our portfolio, with its lower beta and higher quality tilt, was not built for that weather. Since inception the Fund has returned 5.0% per annum.

Among the quarter's movers, Reliance Worldwide rose 25.4% for the quarter, including a 24% gain in June alone, after reaffirming its FY26 earnings guidance and setting out its tariff mitigation plan. Cochlear gained 22.7% for the quarter, including a 21% rise in June, on the continued rollout of its Nucleus Nexa implant system. Spark New Zealand eased 4.0% over the quarter, in line with a 4% June decline, amid a soft domestic economy, and PolyNovo fell 24.0% for the quarter, including a 25% fall in June, as analysts trimmed forecasts despite the company's earnings having grown strongly over three years.

The portfolio held 29 companies at quarter end, with 33.5% in New Zealand shares, 60.8% in Australian shares and 5.7% in cash. Funds under management stood at $30.2 million.

HE PĀNUI WHAKAMŌHIO · A CHANGE TO OUR REPORTING RHYTHM

From the next issue, He Reo Pūtea moves to a quarterly rhythm. Rather than a brief update every month, you will receive one fuller report each quarter, carrying the depth this issue carries: performance over meaningful periods, portfolio detail, company reviews and the stories behind the numbers. Month to month movements say little about a journey measured in generations; a quarterly rhythm lets us report with more care and less noise, and it reflects the way we invest, patiently, with our eyes on the horizon rather than the ticker. Your next He Reo Pūtea will follow the September 2026 quarter. Fund information remains available at tahito.co.nz, and our door stays open between issues.

NGĀ NEKENEKE MATUA · KEY MOVERS

RELIANCE WORLDWIDE CORP LTD RWC 24.0%

The plumbing products manufacturer reaffirmed its FY26 earnings guidance during the month, steadying investor nerves. The rebound reflects easing concern over the tariff overhang that had weighed on the stock, supported by management's mitigation plan, including a new Mexican manufacturing facility and a target to remove copper from its products by FY29.

COCHLEAR LTD COH 21.0%

COH rallied as the stock continues to recover off its April lows. June's strength reflected a broader ASX healthcare rebound. Sentiment was also supported by the ongoing rollout of the Nucleus Nexa system, the first cochlear implant with upgradeable firmware.

SPARK NEW ZEALAND LTD SPK -4.0%

SPK extended a run of underperformance. The weakness reflects ongoing pressure on earnings and cash flow amid a soft domestic economy, competitive mobile and broadband markets, and continued investor caution following earlier guidance resets. Despite the drift, analyst consensus points to material upside.

POLYNOVO LTD PNV -25.0%

PNV fell as the medical-device maker continued to de-rate. PolyNovo, developer of the patented NovoSorb bioabsorbable polymer platform, including its BTM dermal matrix for burns and complex wounds, saw analysts trim price targets and fair-value estimates through the month, with revenue and EPS forecasts revised lower. Over the past three years, earnings per share have risen strongly while the share price has fallen, meaning the stock has significantly lagged its underlying earnings, a gap the market is now recalibrating.

Returns shown above are for the month of June 2026. Movements over the full quarter are discussed in the performance commentary.

II. TE AO HOKOHOKO · MARKET ANALYSIS

The June quarter delivered one of the strongest global equity runs in years. The S&P 500 gained just over 15%, its best quarter since 2020, powered by technology and AI infrastructure earnings, an easing of the United States and Iran conflict, and broadening participation that by quarter end had lifted small caps and value stocks to new highs alongside the large cap leaders. Emerging markets rose further still.

Closer to home the tone was firmer but more measured. The S&P/NZX 50 climbed 5.5%, its best quarter since December 2024, reversing its first quarter decline, while the S&P/ASX 200 gained around 4%. New Zealand's market was led by infrastructure and technology names exposed to the AI buildout, while the local economy itself remained soft, a divergence between market prices and main street that we continue to watch.

On rates, the Reserve Bank of New Zealand held the Official Cash Rate at 2.25% through the quarter. Since quarter end the Bank has lifted the Official Cash Rate by 25 basis points to 2.50% in early July, its first increase in over three years, as it works to keep inflation on track for its 2% target amid renewed tensions in the Middle East and their effect on oil prices. In

Australia the cash rate sits at 4.1% after two increases this year. The era of easy money that fuelled the past year's rally is shifting, and markets priced for perfection leave little room for disappointment. We remain positioned in businesses whose earnings do not depend on the cycle staying kind.

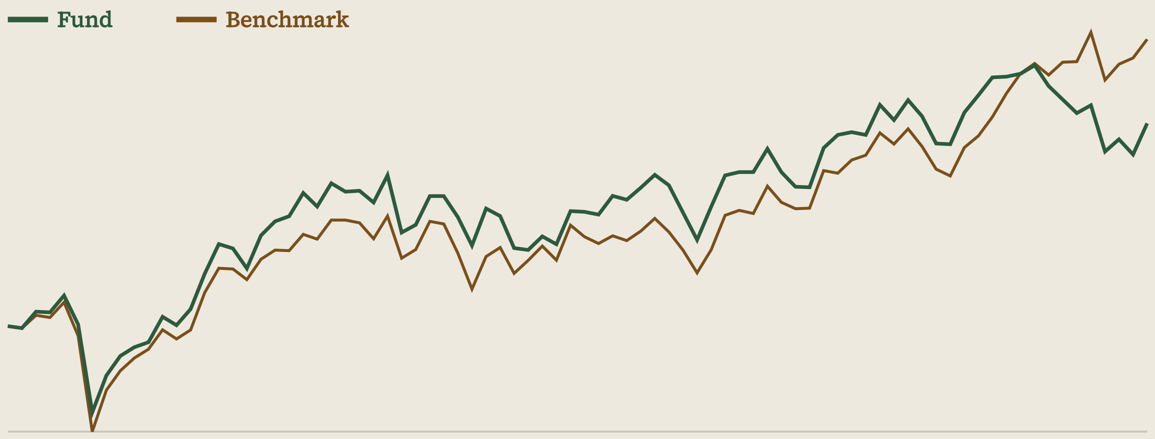
The full Shaw and Partners market review for the period is available here: Global equities move higher

TE KŌWHIRINGA TAPU · HE TIROHANGA MĀORI

This quarter closed in Pipiri (June), the month when the year draws inward, and as this pānui (newsletter) reaches you Aotearoa has just marked Matariki, the rising of the star cluster that begins the new year. Matariki asks three things of us: to remember those who have gone, to give thanks for what we have, and to plan for the season ahead. It is a discipline of time that looks backward and forward at once.

That is also how we invest. **Whakapapa** (genealogy, our lines of descent) teaches that we are not owners of what we hold but a living link in a line of descent, receiving from those before us and answerable to those who follow. Papatūānuku (the earth mother) is not a resource to be managed; she is a tūpuna (ancestor) to whom we belong, and the companies we choose to hold are chosen with that kinship in mind. A portfolio, like a whānau (family), is judged not by one bright season but by what it carries safely across generations.

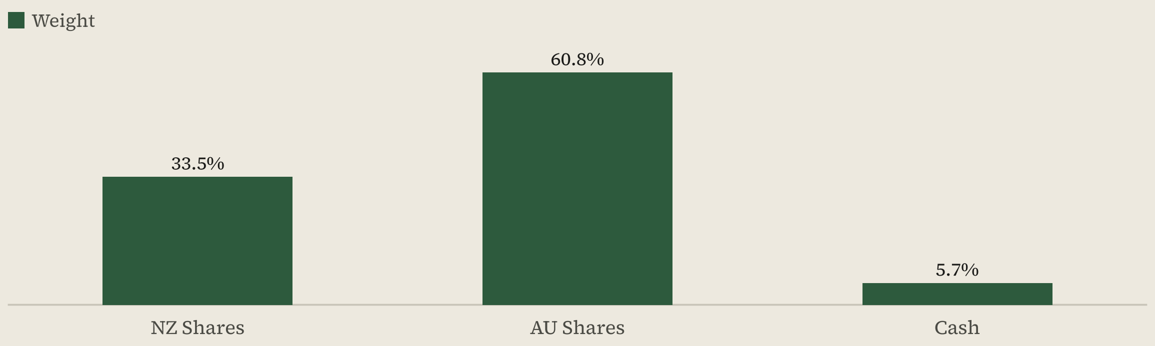
So while markets celebrated a strong quarter, Matariki reminds us to lift our eyes from the ticker to the horizon. The stars that guided voyagers across Te Moana-nui-a-Kiwa (the Pacific Ocean) did not move for anyone's quarterly cycle. Patience, observation and care for what sustains us remain the oldest investment principles we know.



Growth of $100 invested at inception (8 Oketopa 2019), fund versus blended benchmark, to 30 June 2026. Source: TAHITO and MSCI ESG Manager.

IV. TE KŌPEKA HAUMI · PORTFOLIO

PORTFOLIO WEIGHTS



Sector weights as at 30 June 2026.

NGĀ ĀHUATANGA MOTUHAKE O TE TAHUA · KEY FEATURES

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

TOP 5 INVESTMENT HOLDINGS

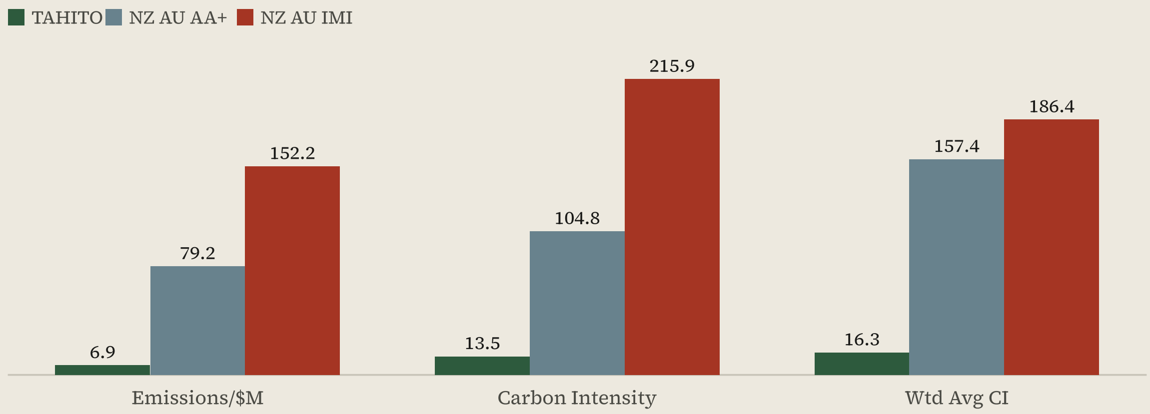
HOLDING	SECTOR	T-SCORE	V-SCORE	MKT CAP $NZBN	WEIGHT
Meridian Energy (MEL)	Utilities	5.8	5.0	15.2	7.5%
Spark New Zealand (SPK)	Communication Services	5.2	6.2	5.4	5.9%
Sims Limited (SGM)	Materials	5.5	4.6	3.5	5.9%
Brambles (BXB)	Industrials	6.4	5.3	26.1	5.6%
Commonwealth Bank of Australia (CBA)	Financials	6.3	1.9	271.2	4.9%

T-Score and V-Score are shown on a 1 to 10 scale.

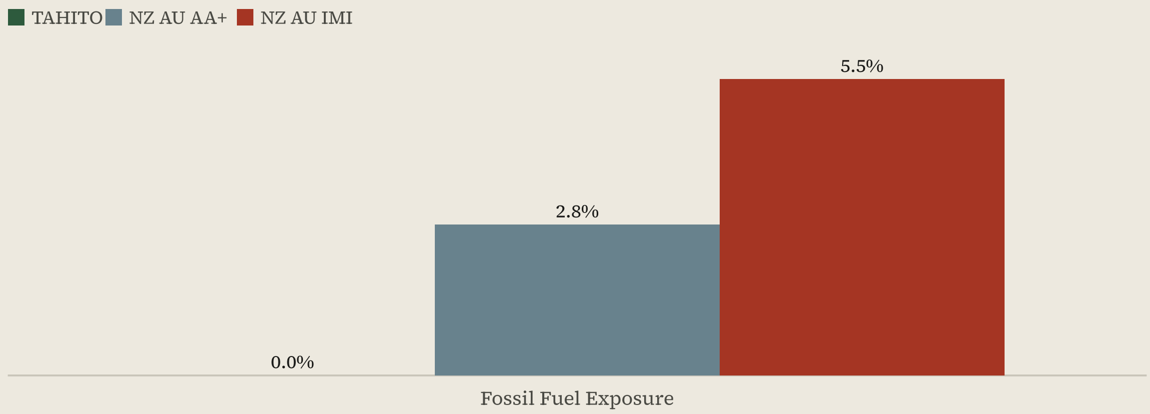
TE WHAKAATURANGA TAHUA · FUND DESCRIPTION

Putting environment and people before profit: the TAHITO Ethical Sustainable Fund - Toitū me te Tika is a values-led ethical and sustainable Australasian equities fund for investors who want competitive market returns and equally want their capital applied to a high ethical standard, in investments making a positive social and environmental impact.

The fund provides holistic accountability on wellbeing using ethical and sustainable screens derived from Māori indigenous values. This thinking descends from the ancestral Māori worldview: a holistic socio-ecological system centred on the connection and interrelationship of all things, in which people and te taiao are kin within one whakapapa, not manager and resource. The selection process is Te Kōwhiringa Tapu, Careful Selection. It integrates ESG on a values basis and applies a positive scoring system measuring Aroha Connection: the stronger the aroha, the better the mauri. We measure behaviour change, the transition of companies from substantive, internally focused, self-absorbed behaviours toward relational, externally connected, collective behaviours. This requires ethically strong, committed governance with a clear drive toward long-term sustainability to enhance financial returns.



Weighted average carbon intensity 16.3 for the fund against 157.4 for the NZ AU AA+ group and 186.4 for the NZ AU IMI group, as at 30 June 2026.

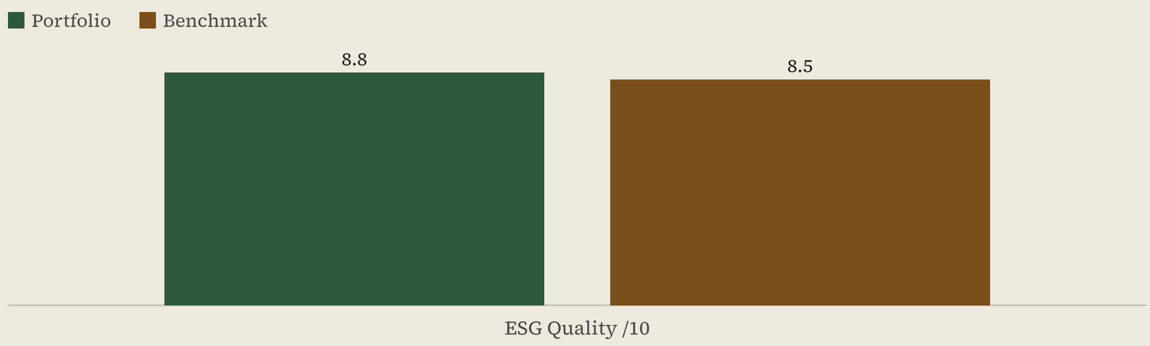


Fossil fuel exposure as at 30 June 2026. NZ AU AA+ is New Zealand and Australian equities rated AA or better by MSCI ESG; NZ AU IMI is the MSCI New Zealand and Australia Investable Market Index.

MEASURE	TAHITO	BENCHMARK	DIFFERENCE
Total Risk	18.0	19.0	-1.0
Estimated Tracking Error	6.6		
Beta	0.89	1.00	-0.11
Number of Stocks	29	248	-219
Active Share	72.7%		
Dividend Yield	4.0%	3.8%	0.2%
Earnings Yield	5.6%	5.5%	0.1%
High Quality	39.5%	30.1%	9.4%
ROE	7.2%	6.9%	0.3%

High Quality is the proportion of the portfolio invested in companies classified as high quality under a composite measure from UBS Quant Answers, which blends several underlying quality indicators into a single classification. It reads as a share of the portfolio, not a raw score. Estimated tracking error is a forward looking estimate, not a realised figure.

MSCI ESG · FUND METRICS DISTRIBUTION



Portfolio weighted average MSCI ESG quality score 8.75 (rating AAA) against benchmark 8.50 (rating AA). Distribution shows portfolio weight by MSCI ESG rating band. Source: MSCI ESG Manager.

VII. TE REO KAIPUPURI · ENGAGEMENT AND PROXY VOTING

No proxy votes were submitted during the quarter. Engagement letters were profiled and sent to: Transurban Group, Commonwealth Bank of Australia, CSL Limited. Please see the TAHITO Fund Proxy Votes and Engagement Notes for more information.

Humpback Whales Rebound Worldwide, Turning Whale-Watching into Conservation Tool. Humpback whale populations are surging globally, and nowhere is that more visible than Brazil's Guanabara Bay, where numbers have rocketed from around 2,000 in 1986 to roughly 35,000 today. As the whales migrate from Antarctic feeding grounds to breeding waters near Rio de Janeiro and the biodiverse Abrolhos Bank, local groups like the Humpback Whale Project and Amigos da Jubarte are documenting the boom, calling it proof the species is "recovering, healthy, and thriving." Tourism officials see the sightings as more than a spectacle as Niterói's tourism agency president put it, boat trips can build the kind of connection that turns visitors into advocates for protection. The comeback echoes similar good news from South Africa, eastern Australia, and Washington's Salish Sea, where humpbacks have returned by the hundreds after long absences.

One of the world's rarest birds just had the best breeding season anyone has ever recorded. New Zealand's kākāpō, a plump, flightless, nocturnal parrot with only about 235 adults left on Earth, hatched more than 100 chicks in 2026, smashing the previous record of 85 set in 2019. Hauled back from the brink by one of the planet's most intensive conservation programmes, every single bird is named and monitored on predator-free islands. A bumper crop of chicks is a genuinely big deal for a species this rare, and a sign that decades of painstaking effort are finally paying off.

Cochlear began rolling out Nucleus Nexa, the world's first cochlear implant with upgradeable firmware. Recipients can receive future improvements without further surgery. It is a powerful example of technology built to serve people over decades, not product cycles.

Reliance Worldwide confirmed its commitment to remove copper from its products by FY29. The move reduces pressure on the extraction of new material from Papatūānuku (the earth mother) while managing supply chain risk, a reminder that care for our tūpuna whenua (ancestral lands) and commercial resilience so often point the same way.

CSL Limited: Portfolio Company Profile

CSL · ASX · BIOTECHNOLOGY / PHARMACEUTICALS · TIER 3 CATALYST HOLDING

TE KŌWHIRINGA TAPU: NGĀ KAHA O NGĀ POU

CSL Limited is one of the world's leading biotherapies companies, collecting and transforming donated human plasma into life saving therapies for haemophilia, immune deficiencies, and other rare and serious conditions, while also delivering vaccines worldwide through its Seqirus division. Through *Te Kōwhiringa Tapu*, our sacred selection framework, we hold CSL as a Tier 3 Catalyst Holding. The assessment identified *Te Tūhono*, Connection, as CSL's strongest pillar, anchored in the breadth of relationships its plasma donor model sustains.

Te Tūhono: **Connection**

Under *Te Tūhono*, the Connection pillar, *Te Kōwhiringa Tapu* recorded a genuinely global relational network: CSL operates across more than 40 countries, employs over 29,000 people, and reaches patients in over 100 countries through its plasma therapies and vaccines. Employee engagement registered strongly at 72.9%, from an 80% survey response rate, evidence of an organisation whose people feel heard and involved. CSL's board also demonstrates balance, with women holding 40% of director seats. The assessment recorded one structural tension worth naming honestly: a workforce restructuring of up to 15% was announced alongside record FY2025 profit, a reminder that CSL's wide relational reach is still being tested under commercial pressure. *Whakapapa*, the ethical infrastructure underpinning these relationships, currently rests on conventional compliance and risk language rather than kinship obligation, an invitation for CSL to root that infrastructure more deeply in genealogical terms.

Te Mahi Tahi: **Collaboration**

Under *Te Mahi Tahi*, the Collaboration pillar, the assessment recorded a genuine willingness to be held accountable: CSL's 2024 shareholder meeting delivered a first strike against its Remuneration Report, and the Board responded with a formal review rather than dismissing the concern, a real act of *Whakatau*. *Honotahi*, the value TAHITO weights most heavily within this pillar, told a harder story. *Te Kōwhiringa Tapu* found CSL's CEO to median worker remuneration ratio sitting near 156 to 1, well beyond the framework's aspirational 10 to 1 benchmark and its 20 to 1 interim milestone, and beyond the threshold at which wealth is understood to have stopped circulating through an enterprise and begun pooling at its apex. This is the clearest structural opportunity in CSL's profile: a credible, publicly committed, multi year pathway toward a materially lower ratio would do more for CSL's standing within *Te Kōwhiringa Tapu* than any other single decision currently available to the company.

Te Manaaki: **Care**

Under *Te Manaaki*, the Care pillar, *Te Kōwhiringa Tapu* recorded CSL's community contribution at US$35.4 million in FY2025, equivalent to 1.18% of net profit, clearing the framework's Tier 2 threshold of 1% of NPAT but still well short of the 10% relational aspiration that treats a company's prosperity and its community's wellbeing as one *whakapapa*. The Board's transparent, structured disclosure and its conciliatory response to shareholder concern reflect *Humārie*, harmony grounded in honesty rather than avoidance. On *Kawa*, CSL's long horizon is real and evidenced: a decade long sustainability strategy and a five year, US$5.8 billion research commitment. That same long view sits in tension with a workforce reduction announced in the same results cycle as record profit, a signal worth resolving as CSL's cyclical story continues to unfold.

TE UTU PĀNGA: NGĀ ARONGA UTU PĀNGA

Te Pae o Ranginui: **Horizon of Sky Father, Zero Carbon**

Te Kōwhiringa Tapu found that CSL's public disclosures did not evidence Scope 1, 2, or 3 emissions data, a validated science based target, or a stated renewable energy trajectory, and that CSL's climate language remains framed as regulatory and commercial risk rather than as obligation. TAHITO's benchmark calls for named governance standards: published Scope 1/2/3 data and independent, third party target validation. *Ranginui* and *Tāwhirimātea* are *tūpuna* whose realm, the atmosphere, is not a risk variable to be managed but a senior relative to whom obligation is owed directly.

Te Poho o Papatūānuku: **Breast of Earth Mother, Zero Waste, Circular Economy**

The assessment found no disclosed circular economy commitment, waste diversion data, or biodiversity outcome for CSL's manufacturing and plasma collection operations across its global network. TAHITO's benchmark asks for a published, measurable circular economy or waste reduction pathway, named, targeted, and tracked over time. *Papatūānuku* is *tūpuna*, not a resource base to be drawn upon; the obligation to reduce waste and regenerate what CSL's operations take is genealogical, owed to a senior relative, not a compliance exercise to be managed at arm's length.

Te Mana Taurite: **Equality**

Te Kōwhiringa Tapu recorded sound board gender balance at CSL, 40% women, alongside a materially weaker executive team at 25% women, zero indigenous directors and zero indigenous executives despite an existing Reconciliation Action Plan, and a CEO to median worker ratio near 156 to 1, beyond the framework's absolute 80 to 1 threshold. TAHITO's aspiration is representation aligned to national demographics, alongside a wage ratio approaching 10 to 1. CSL's Reconciliation Action Plan is a genuine first step; the invitation is to progress it toward governance level indigenous representation, honouring *mana whenua* as *tangata whenua* of the lands on which CSL operates.

Te Hapori Whānui: **Wider Community**

Te Kōwhiringa Tapu recorded CSL's community investment at US$35.4 million, 1.18% of NPAT, above TAHITO's 1% Tier 2 minimum and approaching, but well short of, the 10% relational aspiration. CSL is meeting the minimum benchmark and has clear, achievable room to grow this ratio.

***Te Ngākau Aroha*: Compassionate Leadership**

The assessment recorded genuine compassionate signals at CSL, mental health benefits extended across 43 countries and a new Community Impact Awards programme, sitting alongside a workforce reduction announced in the same results cycle as record profit. CSL is approaching, not fully meeting, this target.

***Mauri Ohoho*: Collective Wellbeing**

Te Kōwhiringa Tapu recorded a 72.9% employee engagement index from an 80% survey response, evidence of a living, responsive internal culture. CSL is approaching this target, though the engagement data predates the announced restructuring and will need to be revisited at next assessment.

COMPANY DATA: TE UTU PĀNGA MEASURES

CSL LIMITED · BIOTECHNOLOGY

Women Directors	40%	T-Score	5.2
Women in Executive roles	25.0%	ESG Rating	AA
$M Donations and community grants	$35.40	Te Pai o Rangi TAHITO Score ***	8.4
% of community grants to NPAT (EBITDA if a loss)	1.1%	Climate Change Theme Score *	10.0
Has achieved Carbon Neutral (CO2 only, Y/N)	N	Te Poho o Papa TAHITO Score ***	4.6
Target date for carbon neutral if No	2050	Environmental Pillar Score *	5.9
Has set target for Net Zero Scopes 1&2 (Y/N)	Y	Environmental Opportunities Score *	-
Target date for Net Zero Scopes 1&2 if Yes	2050	Natural Capital Score *	9.5
Has set target Carbon Net Zero Scopes 1, 2 & 3 (Y/N)	Y	Pollution and Waste Score *	5.9
Target date for Net Zero Scopes 1, 2 & 3	2050	Human Capital Score *	5.3

Carbon Reduction Targets (Y/N)	Y	Wage Ratio (multiple of median wage) **	145
Scopes 1&2 Carbon Emissions - Key *	E.CSI	Qualitative TAHITO Community Score	-
Scope 1+2 (metric tons) *	462,488		
Scope 1+2 Intensity (t/USD million sales) *	30.7		
Scope 3 Carbon Emissions - Key *	Estimation model		
Scope 3 - Total metric tons (combined dataset) *	3,328,341		
Scope 3 - Total Sales Intensity (combined dataset) *	221.1		
Total GHG Emissions - metric tons (Scopes 1, 2 and 3) *	3,790,829		

Carbon intensity = tons / $M sales. * MSCI ESG data and scores. ** CEO's 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 ARA WHAKAMUA: TIER RATIONALE AND LOOKING FORWARD

We hold CSL in our portfolio as a Tier 3 Catalyst Holding, a placement driven jointly by its *Te Kōwhiringa Tapu* pillar performance and its *Te Utu Pānga* composite: genuine strength in *Te Tūhono* and steady *Te Manaaki* performance, set against a *Te Mahi Tahi* result pulled down almost entirely by the *Honotahi* remuneration finding, and an impact profile still approaching rather than meeting most of its *Utu Pānga* targets. We walk alongside CSL with a formal engagement pathway centred on wealth distribution and indigenous governance representation, and with high expectations, given how much of CSL's own business already depends on the willing circulation of a shared human resource from person to person.

Ngā mihi nui.

Na te hau mārire, me te wai marino, ka rere te waka

With gentle winds and a calm sea the canoe will sail at pace: ‘When conditions are good things progress with ease’

TAHITO