

# *Investing Humanely*

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**The Economy of Conflict**  
How your KiwiSaver can limit weapons exposure

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**Divesting Story**  
Tesla

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**Ethical Scorecards**  
Get the ethical lowdown on our funds

## **Sustainability Report 2025**

Pathfinder Asset Management Limited is the issuer of the Pathfinder KiwiSaver Plan and Pathfinder Investment Funds. Product Disclosure Statements for the offers are available at [www.pathfinderkiwi.com](http://www.pathfinderkiwi.com).

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## Section One

# Welcome to our 2025 Sustainability Report

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# About this report

## Welcome to Pathfinder's Sustainability Report for 2025.

We're looking back at the 2024-2025 financial year (1st April 2024 – 31st March 2025) and beyond in this report. A snapshot was taken on the 31st March 2025 for data relating to all our investments (the Pathfinder KiwiSaver Plan and Managed Funds), and right up until November 2025 for all other notable achievements.



This year marks our 5th Sustainability Report, and the Pathfinder KiwiSaver Plan's 5th birthday in July 2024. This milestone helps confirm the validity of our thesis; that kiwis care how their retirement savings are generated because people keep picking Pathfinder every year.

2025 also saw further economic hardship and uncertainty. That said, we still have good news and highlights to share, which include another win at the Mindful Money Awards – for the 5th year in a row (notice a pattern?). And that our total KiwiSaver member numbers have increased by 22%, with over 12,000 investors now choosing to save for their retirement, ethically, with Pathfinder.

In order to give our members more options, we've also launched a new fund, aimed at likely higher long-term returns – read about that on page 15.

Ethical investing is as much about what you avoid as it is what you invest in. That's why this report covers our divestment of Tesla and our research into the report produced by the special rapporteur for the UN on the topic of Gaza.

We've included the second year of our groundbreaking 'ethical scorecards'. Per fund, they cover the number of human rights policies, weighted average carbon emissions and how well we're doing in minimising investment in our excluded activities.

And, because what you measure can be managed, we've included data on Pathfinder's investing and women – featuring a breakdown of women on boards and in executive roles per company and how many companies, per fund, report on the gender pay gap. We see transparency around reporting on these topics as good practice from companies we invest in.

We hope you enjoy reading this report as much as we enjoyed the work that went into producing it. Thank you for joining us, one person alone can do a lot, but a movement of people can help change the world.

*Note to reader: While not all the data in this report informs our investment decisions, we have included it because we think it is important that you know about the ethical characteristics of the companies you're invested in when you invest with us.*

# Report highlights



## 01.

### Launching the new Pathfinder KiwiSaver High Growth Fund



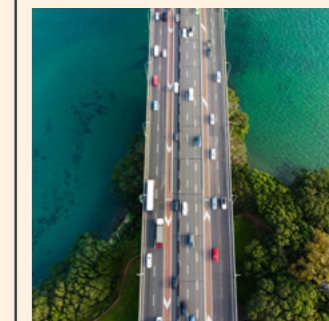
## 02.

### Winning the Mindful Money Best Ethical KiwiSaver Award for the 5th year in a row



## 03.

### Second year of providing you with Ethical Scorecards



## 04.

### A year's worth of impact from our 'Champions of People, our Planet, and Animals' giving program



# CEO



# Letter

Last year I heard Jonnie Hughes speak. He’s an impact producer in the environmental space who for many years has worked closely with David Attenborough.

I took the chance to ask him something that had been playing on my mind. How do you balance frightening environmental facts with the need to keep hope alive.

While Jonnie works in film production, my role as CEO of an ethical investment company has some parallels. When addressing environmental, human rights and ecosystem challenges, I must

balance harsh realities of our world with the hope that positive investing could bring. Our 2025 Sustainability Report reflects the whole team’s collective efforts at achieving this balance.

I’m deeply appreciative that many NZ media included Pathfinder’s voice (and our voice is much more than just mine) this year in a range of discussions across podcasts, radio, magazines and occasionally TV. This also included speaking at a number of conferences both inside and outside the investment industry. Every chance I get to publicly share our views, means another opportunity for hope to germinate.

The following topics were those I was most frequently asked to wade in on, and they tell us a lot about the world right now and where we’re heading:

**Cost of living crisis:** Due to the recessionary environment, I’ve reminded people of some bread-and-butter financial mantras. Like choosing the right risk profile (don’t stay in a conservative fund if you can accept more risk for example) and avoid locking in losses by switching funds in reaction to market moves. I’ve also touched on the link between financial stress and mental health, a topic needing more discussion considering the budgeting pressure and rates of unemployment presently.

**Conflict, weapons and human rights:** Five years ago a weapons discussion generally centered on controversial weapons (like landmines or cluster munitions) and military hardware. Now it’s become almost Orwellian, with the weaponisation of software, technology deployed for surveillance and control, services to military, and the use of data. And much of this can be traced back to portfolios through listed companies generating revenue from these activities. We dive more deeply into this on page 16 in the article Conflict and Your KiwiSaver and on page 22 where we discuss our approach to the special rapporteur report on Gaza.

**Business leadership:** As a company we’ve continued urging business to step up its leadership and increase their contribution to the issues that face our world. Part of this means extending time horizons business leaders think in, and part is challenging the social responsibility of business. I was honoured to have my views on ethical leadership made available at the undergraduate and MBA level by Victoria University’s School of Business. Our ESG analyst has been active this year in supporting better climate outcomes from a major freight company which you can read about on page 36.

**And there were three things I wasn’t asked about as much as I’d have liked. These topics don’t get enough airtime and I’d like to introduce them into more conversations:**

(1) the proliferation of synthetic industrial substances (called forever chemicals or ‘PFAS’) that are harmful to humans and wildlife, and the technologies we can invest in to solve this (2) the energy demands and carbon emissions of AI and data centers, and (3) the increasingly blurred lines between corporate power and politics.

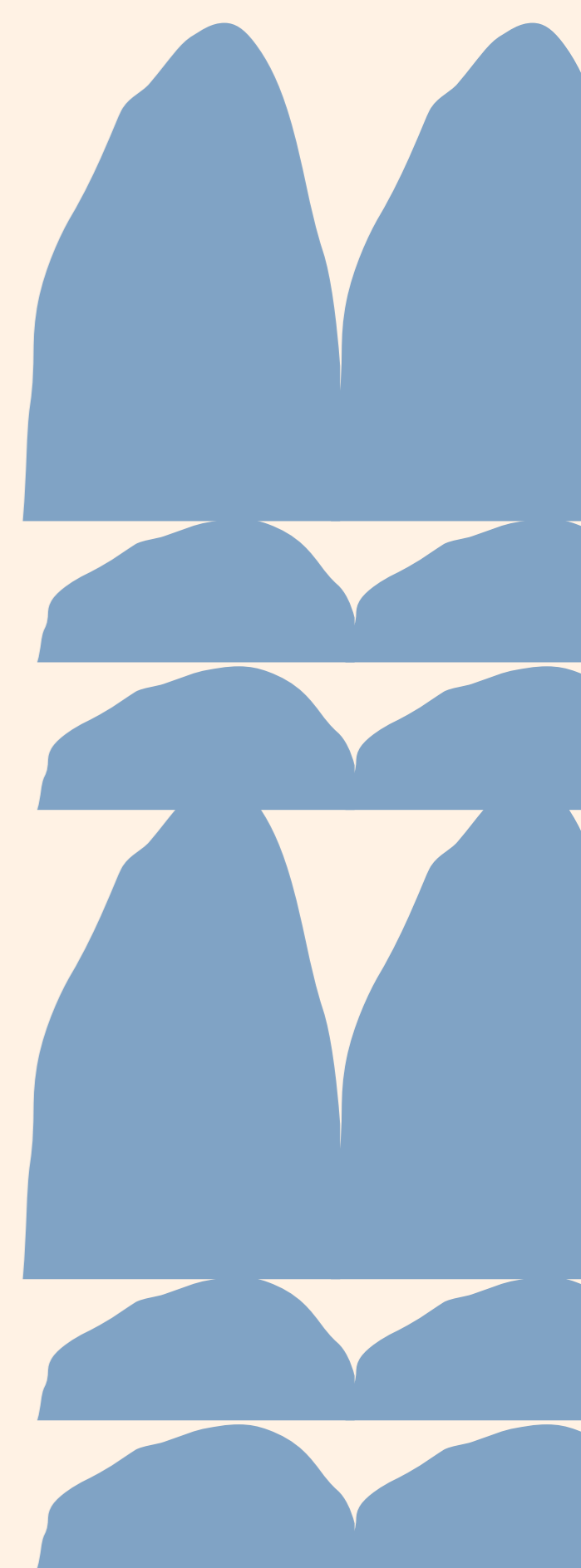
You can see now the parallels I was drawing between the topics in Jonnie’s films and the role ethical investing plays in them. Diverse ecosystems, fragile habitats and the human influence on it all.

So what did Jonnie tell me when I asked him how to balance fear and hope? He told me that the days of scaring people into action are over, and people have become far too astute to respond to false hope. He told me that, in the end, people need real hope for a better future.

I’m proud to say that this is what the Pathfinder team are striving for: real hope of better outcomes in a complicated world. Our team work to improve what’s within our control, including holding companies to account when we can. And at the same time we strive for strong long term financial outcomes for our investors. We want our investors to reach their financial milestone of retirement feeling proud of how they got there; the harm that was avoided and the good that was achieved along the way.

Thank you, Pathfinder team, and thank you to our many investors who support our work and believe in us. Let this report provide you some real hope that investing ethically can be an agent of positive change.

Best,  
**John Berry - Pathfinder Co-Founder & CEO**





# Scorecard: How Pathfinder is tracking on key metrics

This table shows some key metrics in relation to Pathfinder’s investments.

Note that, last year, we captured another category: How much more we’ve invested in renewable energy (compared to MSCI All Country World Index). We aren’t able to report on the renewable energy, against the index, because the open-source tool we used (PACTA) has been discontinued.

Category	Year	Amount	Comments
Amount invested in green bonds via our Green Bond Fund	2022	\$727,570	Investment has increased here with more investors in our Green Bond Fund (GBF) and our Pathfinder KiwiSaver Plan Funds (that are also invested in our GBF).
	2023	\$103,583,035	
	2024	\$110,463,820	
	2025	\$169,012,234.85	
Amount invested in orange bonds	2022	\$3,370,890	These are bonds issued to fund enterprises focused on advancing gender equality through investing in women owned and women-led enterprises. It's lower this year because a bond matured during this period (which means we no longer hold it).
	2023	\$5,084,180	
	2024	\$6,565,464	
	2025	\$5,462,022	
Listed companies we invest in that align with Paris Agreement	2022	49%	This means they have committed to the Science Based Target Initiative to reduce their emissions in line with the Paris Agreement goal.
	2023	45%	
	2024	53%	
	2025	53%	
Charitable Donations	2022	\$279,391	Previously, Pathfinder donated 20% of our Pathfinder KiwiSaver Plan management fees annually, culminating in \$1.35 million dollars donated over four years. From 1 April 2024, we have been dedicating 1% of revenue from across our whole business (this covers all our retail managed funds as well as our Pathfinder KiwiSaver Plan Funds) to support our vision for a better future happening faster.
	2023	\$459,383	
	2024	\$531,571	
	2025	\$83,878	



# 02

## Section Two

# Our Investible Universe

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# CIO Letter



I joined Pathfinder in early 2025, this year, stepping back into full time work after a break to focus on our children, taking a breath from the investment world, going back to uni to retrain in sustainability, and dedicating time to a non-profit related to climate research.

For years prior I worked in traditional funds management with a long stint as a Portfolio Manager and Deputy CIO at Milford Asset Management. A key driver for my decision to get back behind a desk was to try to support, at least in some way, bringing about positive change necessary for our world and the future (of all our children). Namely a shift towards a more sustainable economic model; one where we can all grow and prosper without it costing our health and happiness or that of the natural resources we rely on.

As investors we play a huge role in where the world is heading. At Pathfinder we say we're 'investing for the world we want, not necessarily the one we have.' This means using our portfolios and our voice to help orient the industry (both as a collective and at an individual stock level) towards improvements. This is a step forward from the traditional investing focus – which is usually on just two key factors: the risk you take and the return you get for that risk. Pathfinder has a three-tier approach instead.

We care deeply about risk and return, but we add a vital third tier: the ethical impact our investing has on the world around us. In practical terms this means our time and energy gets split between the financial and the ethical analysis. Financially we've focused on a long-term approach, which aligns with the timeframe of many of our investors (especially in KiwiSaver), and also helps us weather events such as the current geopolitical uncertainty.

Supporting this approach, over the decades, markets have shown incredible resilience, despite downturns, culminating in a general upwards trend. Ethically, there have been headwinds (resistance)

and lots of negative noise this year; you can read more about this on page 19 in our article on the environmental, social and governance (ESG) backlash. For our part, conviction in the three pillars we apply to ethical investing (aim to avoid the bad, seek out the good, and use your vote and your voice to make things better) remains unshaken.

As we move into 2026 my team and I have several areas of focus regarding ethical research and portfolio construction.

- Following our work on Gaza in 2025, we continue to consider how our portfolio might need to change amid increasing evidence of tech companies adapting their products and services into weapons or in support of weapons, conflict, surveillance and psychological harm.
- We are in the process of reassessing our climate targets. In support of this, I am pleased that we have recently joined the Net Zero Asset Manager's initiative, which will become the framework through which our Net Zero commitment first made in 2021 now sits.
- We are developing new bespoke frameworks for how we assess banks and resource sectors for best ethical practice. Both of these are critical sectors for impacts on relevant communities, and for the energy transition. These frameworks make use of various third-party researchers including many from the NGO sector, whose broader perspectives are rarely relied upon in the investment industry, but which we at Pathfinder value.
- We continue to evolve our position on private assets, and the positive impact they can generate, to reinvigorate our investment results there. We expect to detail positive news here over the next quarter.

We're also working to ensure our funds are as resilient as possible (to market fluctuations) despite having a special ethical character. In terms of fund performance, deviation from benchmark (as we've seen during 2025) is always expected when taking more than just financial performance into account. However, this year we were disappointed that we were not able to achieve stronger financial results. As alluded to above, we are working hard on some changes to our investment process that we believe will support our future outcomes. We continue to have high confidence in our ability to help investors save for their retirement (and feel proud about how they've done it). Positively, we see clear evidence of there being both demand and strong performance potential for ethical investing – for example the 2025 Voices of Aotearoa survey reports 75% of kiwi investors want their funds to be invested ethically.

We take the responsibility of managing your money very seriously and will continue to do the best we can to achieve our dual mission, generating individual wealth (for you), and collective wellbeing (for us, and those that come after us).

Thank you for your ongoing commitment to allocating your capital ethically, with Pathfinder.

David Lewis,  
Chief Investment Officer

# Introducing a new ethical option

## Our new fund for those aiming higher



## This year we launched a new fund for people with at least 10 years to invest – the Pathfinder KiwiSaver High Growth Fund.

Designed for long-term investors comfortable with higher risk, this fund stays true to the principles in our Ethical Investment Policy while including a higher allocation of growth assets.

With five years of solid performance across our Conservative, Balanced, and Growth funds, we've proven that doing good doesn't have to mean earning less. Our new High Growth Fund builds on our track record, giving values-driven investors a new way to aim higher – saving for their future while investing in our collective future.

"It's great to now be able to offer investors more choice when it comes to investing ethically for their long-term goals" says Simon Quirke, Corporate & Community Relationships Manager at Pathfinder.

### What's different about the High Growth Fund?

The High Growth Fund targets a 90% allocation of growth assets – such as shares in companies and listed property and the remaining 10% in typically more stable income assets such as bonds and cash/term investments. If you compare this to our other funds, you'll note they have a lower target allocation of growth assets, 70% for Growth, 51% for Balanced, and 10% for Conservative. Note that in investing a target is what we are aiming for, but it's not always exactly what is in the fund and because Pathfinder are active managers these allocations can change as we respond to market dynamics.

Why would we put so many growth assets into the Fund? It's because growth assets (eg. investments like shares) can have strong potential for appreciation over time, this means that long-term you are likely to see higher returns as these assets grow and evolve.

However, higher returns often mean greater volatility in the shorter term, meaning growth assets can go up and down more than income assets. As a result, investors need to be prepared to ride out those dips and be OK with greater fluctuations in their KiwiSaver balances. Patience is key—a time horizon of at least 10 years is recommended to realise the long-term growth potential.

### Is the High Growth Fund right for you?

Everyone has a different risk tolerance and time horizon, so you need to find the right fund type to suit you. We offer a quiz on our website that can help you understand what you need your KiwiSaver to do and for how long. We also recommend talking to a financial advisor.

*We're excited by this addition to our product range of ethically invested funds for New Zealanders looking to grow their own wealth and collective wellbeing.*



# Conflict and your KiwiSaver

War: learn how your KiwiSaver can (and can't) avoid it.



This year saw the culmination and escalation of a series of high-profile conflicts around the globe. From military action by both Israel and America against Iran, to the protracted conflict in Gaza, escalating tensions between India and Pakistan, the ongoing conflict in Ukraine and America's increasing interest in Venezuela.

As a consequence of these heightened tensions, we've experienced an increase in people asking us about our position on various conflicts and our exposure to companies accused of profiting from them, within our portfolios. We've also noticed an increase in divestment activist groups producing lists of companies they deem bad actors in these conflicts and suggesting people stop investing in them.

We thought it would be helpful for investors to understand the opportunities and limitations to influence conflict with investing.

**A quick note about us**

At Pathfinder we are pro (all) human(s) rights and while we accept the need for national security, we stop short at capitalising on it via direct investments in weapons companies. In practice, we use exclusions when seeking to avoid investments that assist conflict. You can read more about how we apply our weapons exclusions and use revenue thresholds to define them in our Insight article titled: [Pathfinder's position on Gaza](#), and on page 12 of our [Ethical Investment Policy](#).

**Let's Dive In**

At Pathfinder, we're very familiar with looking at money as a tool for multiple things. It can grow your bank balance through compounding interest and returns. It can influence how you feel depending on how you make it and how much of it you have. It can fund harmful activities, and it can fund helpful ones. You can earn it, spend it, invest it and even give it away.

Currency is a medium of exchange, and, in a capitalist model, its tendrils touch almost everything; the good, the bad and the boring. So what happens when we want to remove ourselves from something we think is bad – what can we do to extricate ourselves?

**As an investor you can:**

- Limit investment in activities you don't want to support
- Hunt out solutions to problems you're worried about in the form of investments designed to address or mitigate them.
- Spend your returns on improving society in ways you're passionate about (like donations to causes you're concerned with or buying from companies you admire).

These reflect the ability of an investor to use their purchasing/ investing power to vote for what they think is right. But there are limits to what is achievable when using money as a tool to protest against perceived injustice.

**As an investor you need to know:**

- If you're in a pooled investment, like KiwiSaver, you can't pick and choose your investments individually. But you can choose an active manager that best aligns with what you think is good and bad. Make sure to read their ethical (or responsible) investment policy and ask them any questions you have about how they apply it.

- The label 'positive' isn't easy to apply to many companies. As at 31 July 2025 current top 10 company holdings in the S&P500\* (note: not Pathfinder's holdings) are Apple, NVIDIA, Microsoft, Amazon, Meta, Alphabet (Google), Broadcom, Tesla, Berkshire Hathaway and Alphabet again (this time with class C shares which means you can't vote if you own them). Companies like these can be primarily focused on providing a product or service to generate profits for shareholders. While it is true that many corporate leaders want to help improve the world, this isn't typically their main focus. If you're looking for a company specifically designed to 'do good' you can also look outside listed companies - which means private companies. These can be early stage (venture capital) or later stage (private equity). For Pathfinder the sweet spot is to find these business ventures that are both purpose-driven and offer attractive prospective investment returns. These companies form part of our broader investments in private assets, which comprise small proportions of our Pathfinder KiwiSaver Plan Funds.<sup>1</sup>

- Amongst other things, active managers use data providers to know if a company is doing harmful things. The companies self-report and don't have to disclose all activities, especially if they're not financial. Not all data providers ask, and not all companies provide information on what you might think is harmful.

- With ethical issues, intent is important because it shapes our perception of events. It's tricky to capture intent. A company doesn't always know how their products will be used or their long-term impacts, and it's hard to be sure what they intend.

- Things are made of many parts, and while it's easier to avoid investing in a company selling a straightforward end-product (like a gun), it's harder to decide whether a company which sells small components should also be avoided if those components end up in guns or complex weapons system

- A company might make money from a variety of sources and sometimes the activity we're aiming to exclude can be hard to identify within them, especially if it's a very small part of a huge global business.

Finally, there is complexity around how 'proximate' (or close) a company is to an activity we want to avoid. For example, we might want to avoid investing in a company that manufactures fighter aircraft, but what about the bank that funds the company or the accounting software the company uses to pay their staff? Where and how to draw the line is harder than you might think in a hyper-connected world.

A simple yet powerful thing you can do right now

According to Mindful Money's analysis of fund investments at the end of March 2024, \$240 million of KiwiSaver money and \$248 million of retail investments was invested in companies involved in the manufacture of weapons. Yet 80% of New Zealanders wanted to avoid weapons and firearms and 91% wanted to avoid human rights violations (which often headline wars) according to the [Voices of Aotearoa: Demand for Ethical Investment in New Zealand report 2025](#).

So if you're not sure where your KiwiSaver provider is investing your savings, you can use the [Mindful Money Fund Checker \(www.mindfulmoney.nz\)](#). This will tell you if you're exposed to ethical concerns such as weapons. All Pathfinder KiwiSaver Plan funds are certified weapons free by Mindful Money at the time of writing.\*\*

<sup>1</sup> Investments in private companies are classified under KiwiSaver regulation as 'other assets'. You can read our [Quarterly Fund Updates](#) for the current percentage of each Pathfinder KiwiSaver Plan Fund invested in other assets. You can see our long-term targets for investing in other assets [here](#).

<sup>\*</sup>(a stock market index that tracks the performance of the 500 largest publicly traded - or listed - companies in the United States)

<sup>\*\*</sup> December 2025



# Divestment Story:



# Tesla

Earlier this year we had members and potential members all asking us the same thing: are you invested in Tesla? Short answer: not anymore.

The reason, as an ethical investor we were invested in Tesla - is their leadership around decarbonisation. Tesla hasn't just created momentum behind cars ditching combustion engines, their work has impacted all forms of transport and electrification. These carbon emission reduction benefits however are contrasted by social and environmental costs and challenges.

Our investment process involves ongoing reviews of a range of ethical, environmental, social, governance and financial matters when considering whether to stay invested or to divest a company. We always keep in mind our dual objectives of positive change and financial rewards. On an ongoing basis we consider a wide range of inputs including from our experienced internal teams, from our specialist global research partners and from our investors.

Tesla is an example of a company that had, clearly supported

our dual objectives. Its visionary leadership has proven the technology, consumer demand and commercial feasibility of switching to electric. This appealed to Pathfinder as the investment supported the transition to a low-carbon world while at the same time providing financial rewards for shareholders as the value of the company rose to an all-time high of USD \$1.5 trillion in December 2024.

The world of investment is constantly changing and as new information comes to hand it is our job to evaluate and make decisions about whether this impacts our core investment thesis.

Tesla is a holding we have always kept a close eye on; it was first added to the Companies of Concern register in April 2022 due to concerns over labour rights. We continued to update the register to include additional perceived governance risks and in 2025 we included additional concerns over Musk's management and controversial behaviours. Despite these concerns, none breached an exclusion in our policy.

However, we began to exit the stock in mid-January 2025 due to these concerns coupled with additional valuation concerns. Ultimately, Tesla's unique and controversial CEO critically impacted Tesla's brand and stock price and we completely divested this stock from all our funds as at 18th March 2025.

We recognise that corporate behaviour can change over time. The team and the EIC reviews developments on an ongoing basis to ensure our investment approach and the companies we hold or monitor reflect current realities and remain true to our ethical and sustainability commitments and values.

# ESG under attack: The good, the bad and the ugly



## The world of ESG investments has become shrouded with doubt and at its most extreme, antipathy.

In the last ten years, an estimated \$130 billion (USD) has flowed into US ESG-focussed funds.<sup>1</sup> But recently, that progress has been impeded. One of its largest and most influential critics being the current American president, Donald Trump.<sup>2</sup>

Labelled by critics as 'woke capitalism', ESG-minded investment managers, and companies who adopted policies designed to increase their ESG ratings, are feeling the heat.

So, is ESG a false positive or has its reputation been tarnished for other reasons?

### ESG & the great greenwash

Environmental, Social and Governance (ESG) factors can help make better companies and better investments. After all, if you want to run a profitable, resilient company that survives the test of

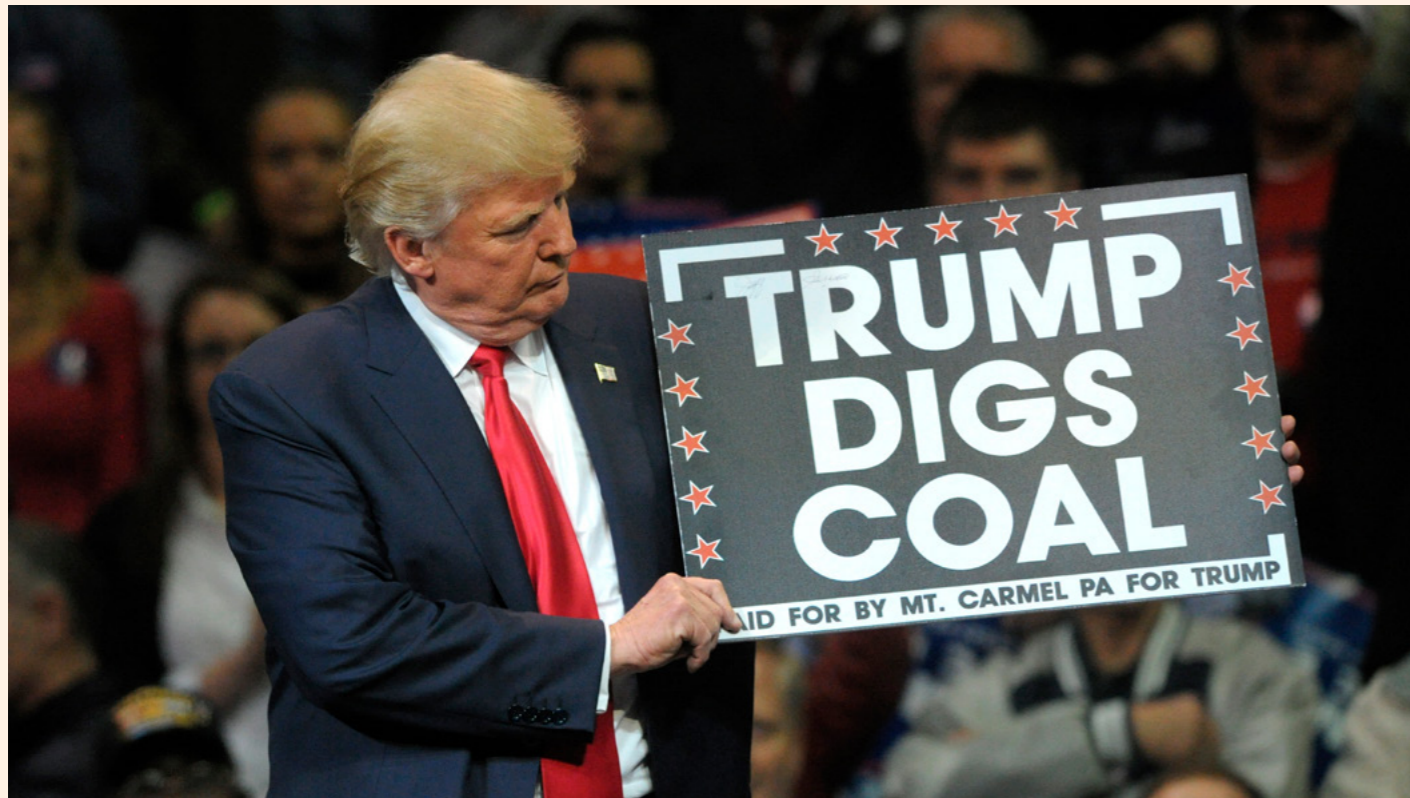
time, why would you be opposed to having strong governance? Why wouldn't you want to protect your brand by caring about the integrity of your supply chain? And what's wrong with looking after your staff and using your resources efficiently? But that's not all there is to it.

In our 2024 Sustainability Report, we talk about what ESG is and what it isn't. In that article we highlight one of its biggest weaknesses, namely, that much of the information forming the basis of a company's ESG rating is gathered by specialist data providers from that company's public disclosures. This means a company could get a high ESG score for publishing a policy on human rights in the workforce; but have no practices in place to ensure the rights of their workers are protected. Similarly, a company may only disclose a commitment to emission reduction, or decarbonisation, they don't have to supply a credible pathway to achieve it.

In our 2023 Sustainability Report, we talked about another weakness with ESG data: it typically doesn't tell us about the product a company produces. This in part reflects that most ESG ratings are defined in terms of "single (or financial) materiality" - meaning that ESG issues are assessed based on how they financially impact the company, not how the company impacts society or the environment.

<sup>1</sup> <https://www.investmentmonitor.ai/news/us-the-epicentre-of-growing-anti-esg-movement/?cf-view>

<sup>2</sup> <https://www.cnbc.com/2025/03/31/trumps-backlash-isnt-game-over-for-esg-investing.html#:~:text=Investors%20have%20funneled%20a%20total%20of%24130%20billion%20into.in%202021%2C%20a%20record%20high%2C%20according%20to%20Morningstar.?msockid=27d2d7dce1fa6d9b1cacc19be03c6cf6>



A near perfect example of the ramifications of these shortfalls played out in 2022 when CEO of Tesla, Elon Musk, publicly rebuked ESG metrics as a "scam" and a "corrupted lie." This was because Tesla, despite making a product that contributed directly (and intentionally) to decarbonisation, was removed from the S&P 500 ESG<sup>3</sup> Index due to concerns over labour rights and governance. Guess who's still in that same index? Exxon Mobil. Yes, that Exxon Mobil.

On the back of bad PR such as this, the Trump-led administration has artfully called into question the integrity and utility of ESG metrics.

In June 2025 they announced their intention to overturn a Biden-era rule allowing pension funds to consider ESG factors as part of their investment analysis and when voting in shareholder resolutions.<sup>4</sup> Our own proxy voting service, Glass Lewis, is currently suing the state of Texas and its Attorney General over a bill mandating they disclose when their advice (about how to vote in shareholder proposals) isn't solely focused on protecting or increasing financial interests.

The administration also made two executive orders (EO 14151 and EO 14173) in early 2025 that dismantled federal DEI mandates and reshaped how diversity, equity, and inclusion are treated across government agencies and private businesses that contract to the government.

Add to this a short-term performance dip of ESG funds and the first quarter of 2025 seeing historic net outflows of USD\$8.6billion<sup>5</sup> from said funds, and you get the perfect climate for sowing seeds of doubt.

**Actions speak louder than words**

The impact of the executive orders saw companies rolling back ESG policies – with a particular focus on the E (environmental policies, such as reporting on carbon emissions) and S (social policies, such as pay transparency or gender equity). Mark Zuckerberg (CEO of Meta, the parent company of Facebook) rapidly scaled back his company's diversity, equity and inclusion (DEI) programmes due to the legal and political landscape. Amazon reacted similarly by removing references to DEI from its annual reports.

DEI is particularly contentious, the substance of criticisms against it have been politicised and based on our observations, tainted the topic of ESG generally. Push back includes a wide range of claims that the policies are superficial (only appearing to manage inequity not systemically redressing it), prioritising identity over merit and encouraging divisiveness by focusing on group differences rather than similarities.

A counter argument? That it's better to do something imperfect than do nothing at all. A policy is a start, a report is transparency – without either of these pointing out shortcomings or setting targets for improvement, it's unlikely any improvements will occur. As they say, the first step to dealing with a problem, is admitting you have one.

Following suit, Larry Fink, the CEO of BlackRock – the US investment giant that manages \$12.5 trillion worth of assets - performed a spectacular U-turn.<sup>6</sup> His annual Chairman's Letter to investors is one of the most hotly anticipated pieces of investment communication. Once a cheerleader for ESG, the term was markedly omitted from his latest letter. The topic of climate change

was another glaring omission. Instead, he pushed for more energy production and the expansion of nuclear power.<sup>7</sup> In contrast, other leaders such as Jamie Dimon (CEO of JP Morgan) and Ron Vachris (CEO of Costco) see ESG as a part of good business which aligns with long-term company interests.

Yet it seems those who've stood by ESG are being rewarded, with Morningstar reporting a big rebound in ESG fund inflows in Q2 2025 totalling \$4.9 billion.<sup>8</sup> Not quite what they lost in the first quarter, but certainly a strong recovery amidst a concerted effort to produce a backlash.

**After the dust settles: where are we?**

In New Zealand, the Mindful Money & RIAA 2025 'Voices of Aotearoa Survey' acknowledged these international headwinds but also pointed out that "Evidence has shown [ESG] is effective in managing risks and has provided financial returns that are at least as high as conventional investing." And despite the international roll back by some companies and fund managers, the survey showed strong public expectations that KiwiSaver and managed fund providers would invest their funds ethically and responsibly (75%). In addition, the survey respondents were shown to be overwhelmingly in favour of their funds acting on climate change, with 74% thinking it's important for them to commit to achieving net zero emissions by 2050.<sup>9</sup>

American politics isn't the only waymark of the fate of ESG. The transport sector is experiencing unstoppable momentum towards electrification - with half of all new passenger vehicle sales in China now being electric (and Norway leading with 98%).

Likewise, we are seeing the historic, large-scale, and transformational decarbonisation of global energy sources. While coal power plants in China might still generate alarming headlines, the reality is that in parallel, coal is falling as a percentage of electricity generation in China. In 2020 coal was 77%,<sup>10</sup> more recently it is closer to 60%. Having said that, in absolute terms their coal consumption is high - one of every four tonnes of coal used globally, is burned to produce electricity in China.<sup>11</sup>

Meanwhile Australia is similarly decarbonising, with almost half of its power now generated by renewables. We predict this will continue, alongside significant improvements year-on-year in the cost and performance of green tech, often driven out of China.

In terms of a global framework, the International Court of Justice recently adopted an advisory opinion which concludes that member states have binding legal obligations under international law to protect the climate system from human-induced greenhouse gas emissions and breaching these obligations is an internationally wrongful act.<sup>12</sup> Remarkably, this was the culmination of a six-year campaign initiated by the Pacific Island Students Fighting Climate Change (PISFCC), who, when faced with the existential threat of sea level rise, sought legal clarity on climate obligations through the world's highest court. This landmark decision will have legal consequences the world over, including New Zealand.

ESG is one way to assess climate risks related to a company, but we think there are improvements to make. We'd like to see more rigour around data, ways for smaller companies to be included, inclusion of the impact of product (not just process) and reporting on efficacy of policies (such as how effective human rights policies are in preventing abuse or the impact of carbon emission reductions).

**'Is ESG a scam or the only way to invest ethically?'**

The answer is somewhere in the middle.

ESG has become the "scorecard" that companies and investors use to communicate how responsibly a business is managed. It measures how a company appears to handle environmental, social, and governance topics, but strong scores can sometimes reflect good reporting rather than real-world progress and impact. At Pathfinder we use ESG metrics, despite their shortcomings, because of their value.

But an ESG score alone does not, for us, determine whether a company fits into the Pathfinder portfolio. That's something our team needs to work out, that's partially where your fees go and a key point of difference in our process, the inclusion of ethical (principle based) considerations.

So, while we have seen pushbacks and legitimate setbacks, ESG data remains useful for investors like Pathfinder, who want to know as much about how a company is run (its character, if you will) as possible. Moreover, the world is decarbonising and for societies and companies to flourish in ways that endure, a focus on more than short-term economic gains (supported by ESG metrics) is required.

<sup>3</sup> <https://nz.finance.yahoo.com/quote/ESG.TO/holdings/>  
<sup>4</sup> <https://greencentralbanking.com/2025/06/06/trump-administration-to-drop-esg-rule-for-pension-funds/>  
<sup>5</sup> <https://www.edie.net/the-trump-effect-investors-pulled-8-6bn-from-sustainable-funds-in-q1/>  
<sup>6</sup> <https://www.morningstar.com/stocks/blackrock-earnings-solid-aum-revenue-growth-offset-by-modest-margin-compression>  
<sup>7</sup> <https://www.forbes.com/sites/jonmcgowan/2025/03/31/in-annual-letter-blackrocks-larry-fink-omits-climate-change-dei-and-esg/>  
<sup>8</sup> <https://www.morningstar.com/sustainable-investing/global-esg-fund-flows-rebound-q2-2025-despite-esg-backlash-geopolitical-uncertainty>  
<sup>9</sup> <https://www.mindfulmoney.nz/media/news/file/2025/04/03/voices-of-aotearoa-survey-report-2025-for-publicat.pdf>  
<sup>10</sup> [https://www.eia.gov/todayinenergy/detail.php?id=53959#:~:text=China%20has%20been%20increasing%20the,electricity%20generation%20\(92%20TWh\).](https://www.eia.gov/todayinenergy/detail.php?id=53959#:~:text=China%20has%20been%20increasing%20the,electricity%20generation%20(92%20TWh).)  
<sup>11</sup> <https://www.iea.org/countries/china>  
<sup>12</sup> <https://www.russellmceagh.com/insights-news/ijc-advisory-opinion-on-climate-change-implications-for-new-zealand/>



# Our investigation into the report of the Special Rapporteur to the UN

## Gaza, the UN & Pathfinder's holdings

In July 2025 some Pathfinder members asked us why some of the companies we invest in were mentioned in the Special Rapporteur's report to the United Nations (UN) called 'From Economy of Occupation to Economy of Genocide'.

Our Ethics and Investment Committee approved a review into this report with a special focus on Pathfinder's holdings mentioned in the report and whether the claims made against them constituted a breach of our 'Inconsistent Activities and Controversial Behaviours' exclusion in our Ethical Investment Policy (EIP).

### Why we take this seriously:

As signatories of the UNPRI and the UN Global Compact - the world's largest voluntary corporate sustainability initiative - we are required to align our operations and strategies with Ten Principles in the areas of human rights, labour, environment, and anti-corruption. The Human Rights Principles (Principles 1 and 2) of the UN Global Compact are derived from the [Universal Declaration of Human Rights](#). They call on companies to respect and support internationally-proclaimed human rights and to ensure they are not complicit in human rights abuses.

Pathfinder is owned by New Zealand (NZ) shareholders and operates in NZ; NZ is a founding member of the UN and actively participates in the UN's work to maintain peace and security, promote human rights, and foster global cooperation on economic and environmental issues. Because of this, Pathfinder holds trust in the investigations conducted on behalf of the UN as a source of information on global human rights issues, and in the determinations made by the International Court of Justice (ICJ).



Picture: Jonathan Ansel Moy de Vitry

## About the author and the role of Special Rapporteur:



Picture: Chedly Ben Ibrahim/NurPhoto

Francesca Paola Albanese is an Italian legal scholar and expert on human rights who has served as the United Nations Special Rapporteur on the occupied Palestinian territories since 1 May 2022.

The Special Rapporteur is an independent expert appointed by the United Nations Human Rights Council to follow and report on the human rights situation in the Occupied Palestinian Territory. The task of the Special Rapporteur is to assess the human rights situation in the Occupied Palestinian Territory, report publicly about it, and work with governments, civil society and others to foster international cooperation.

To preserve independence of Special Rapporteurs, they serve in their personal capacity. They are not UN officials and they receive no remuneration or any other financial reward for their mandate by the UN.

Special Rapporteur reports are advisory and investigative, they are not legally binding on the UN or any member country. However, these reports can carry significant moral, political, and diplomatic weight.

## Why focus on Gaza?



Picture: Mohammed Ibrahim

The ICJ declared Israel's occupation of Palestinian Territory unlawful in July 2024. The ICJ also ordered Russia to immediately suspend the military operations it started in Ukraine in 2022.

Additionally the UN commissioned report by Albanese, contained credible claims against companies we hold profiting from the war in Gaza. This provided us with data our usual tools and data providers (Refinitiv and Morningstar's Sustainalytics) didn't disclose.

We intend to review and consider any companies criticized of supporting or profiting from illegal activities and human rights abuses where similar, credible third-party intelligence is available (such as UN report and/or determinations from the ICJ).

Both the scale of human rights abuses specific to this conflict, and the fact we invest in companies accused of contributing or enabling them, influenced our decision to prioritise our review in the hope our actions here might, in some way, reduce harm.



# The companies and the claims

Our review focused on five<sup>1</sup> companies mentioned in the report that we invest in. Note that we have recently sold out of Volvo but are still researching them to decide if they're re-investible (should we want to buy more stock in the future).

Here are the companies and what the report says they're involved in ([you can read the full report online](#)):

Company	What the report says	Some examples of what this means
Alphabet (Google's parent company)	<b>Displacement:</b> Surveillance & Carcerality*	<b>Surveillance</b> via provision of software to Israel's military, used to surveil Palestinians. <b>Carcerality</b> via Project Nimbus, a contract awarded to them by the Israeli government and worth \$1.2 billion. Nimbus provides core tech infrastructure enhancing data processing, decision-making and surveillance/analysis capacities including within defense and security sectors.
Amazon	<b>Displacement:</b> Surveillance & Carcerality <b>Replacement:</b> Global Retail; Trading the fruits of illegality	<b>Surveillance</b> via provision of software to Israel's military, used to surveil Palestinians. <b>Carcerality</b> via Project Nimbus, a contract awarded to them by the Israeli government and worth \$1.2 billion. Nimbus provides core tech infrastructure enhancing data processing, decision-making and surveillance/analysis capacities including within defense and security sectors. <b>Global retail</b> via Amazon.com operating directly in Israeli colonies, sustaining their economy, enabling expansion and participating in apartheid through discriminatory service delivery**.
IBM	<b>Displacement:</b> Surveillance & Carcerality	<b>Surveillance</b> via IBM's bespoke Eitan system which enforces the permit regime (this requires Palestinians to obtain a number of separate permits from the Israeli military authorities governing Palestinians in the Israeli-occupied West Bank for a wide range of activities) <b>Carcerality</b> through Eitan's biometric scanning used to monitor, control and restrict movement of Palestinians.
Microsoft	<b>Displacement:</b> Surveillance & Carcerality	<b>Surveillance</b> like intercepting and storing millions of phone calls. <b>Carcerality</b> by granting Israel virtually government-wide access to their cloud and AI technologies, enhancing data processing, decision-making and surveillance/analysis capacities.
Volvo	<b>Displacement:</b> Civilian guise: Heavy machinery in service of settler-colonial destruction <b>Replacement:</b> Home on stolen land	Volvo machinery is sold, by Volvo, to business partners in Israel. Volvo machinery has been documented demolishing Palestinian homes.

\* **Carcerality** refers to the qualities, systems, or conditions associated with imprisonment or incarceration. The term is often used to describe not just physical prisons, but also the broader structures and ideologies that support surveillance, control, and punishment in society.

\*\* **"Discriminatory service delivery"** includes a history of shipping pricing discrimination - we note that this ended in 2020. Our research excluded this discriminatory practice specifically, but we have included their continual trading in the occupied colonies.

# Work conducted so far:

At the time of writing this Sustainability Report, we are only two thirds through this research process. A full report and final determination will be provided on our website, but we wanted to include the work done to date as it's been a central focus of our engagement and it's also incredibly close to a lot of people's hearts.\*

### Data drama:

None of these companies were flagged by our data provider in relation to claims made against them in the report. We rely on our data providers to alert us to issues we're aiming to exclude. But there's more going on here than meets the eye.

One data provider, Sustainalytics owned by Morningstar, has stopped reporting on human rights issues in what they term 'contiguous territorial disputes'. This includes the war in Gaza as well as Donetsk, Kashmir and Western Sahara.

They claim this decision is because issues related to 'contiguous territorial disputes' are less likely to be "objective, reliable or consistent" and are subject to "complex geopolitical factors, divergent views and conflicting partisan media reports."

We agree with Kiran Aziz's assessment of this, she's the head of responsible investments at KLP (Norway's largest pension fund). She feels that investors need to be able to assess whether their portfolio companies live up to their commitments to respect human rights, and that this is even more important in areas of conflict, where human rights violations can be extremely high.

Data providers should supply factual coverage and reflection even if incomplete or inconclusive, as she explains it: "Thoughtful ESG research is about diving into complex issues and understanding the implications for investments. Investors are able to come to their own conclusions when presented with the data."

So the data we have from our providers on the specific claims made against the companies is limited. Our analysts conducted additional research which included information from the companies directly, media coverage from credible sources and proxy voting information (read more about this process on page 32).

### We then began to ask questions:

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*"How would we describe the activity in this claim if it was an exclusion in our policy?"*

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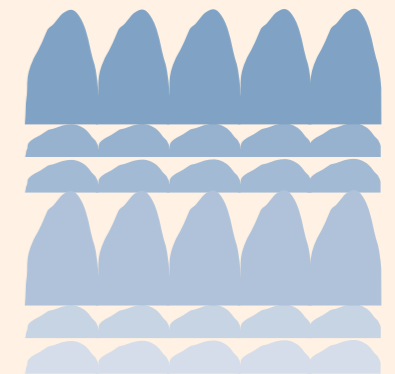
*"How would we define the nature of the harm caused by this activity?"*

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*"Is the company directly or indirectly responsible for this harm?"*

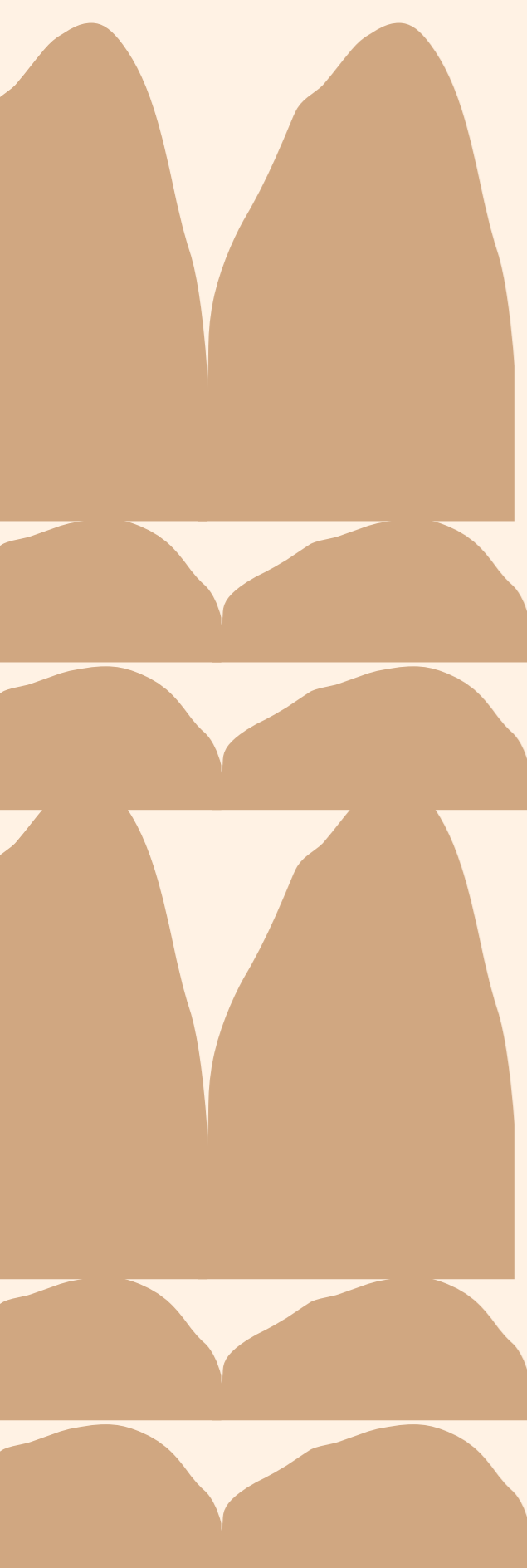
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Anything we couldn't answer became a question we needed to ask of the company, and we added this into our engagement process.



<sup>1</sup> Note that Pathfinder has exposure to BNP & AXA in the Finance Sector that are mentioned in this report. These are being reviewed separately.

\* [https://en.wikipedia.org/wiki/Gaza\\_war\\_protests](https://en.wikipedia.org/wiki/Gaza_war_protests)



## Work conducted so far: *continued...*

**Engagement:**

We have engaged with all five companies, asking for clarification on key areas we didn't have data on.

**Examples of questions we've asked are:**

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*How do you ensure your Terms of Service and Code of Conduct explicitly embed human rights protections, especially in government contracts?*

---

*What contractual remedies or enforcement actions exist if your terms are breached?*

---

*How do your board or committees oversee contracts of this scale and risk?*

---

**Our members' opinions:**

We have sent out a member survey to Pathfinder KiwiSaver Plan investors asking for their take on some central aspects of the issue.

**For instance:**

---

*Do they think the UN's Special Rapporteur is a credible source and do the claims against the companies impact their level of comfort in remaining invested with them?*

---

## Pathfinder's position

Our aim is to generate individual wealth and collective wellbeing. We have both a financial and ethical duty to serve our members. Issues like these are a perfect example of how Pathfinder does things differently. But this doesn't make it easy. Some of these companies are among the biggest in the world, and not investing in them may present significant financial risk.

We want to promote peaceful and inclusive societies, which is why we aim to avoid investing in weapons, no matter the conflict, (read more about our position on this, including how we use revenue thresholds [here](#)).

Our goal with this research was to better understand the nature of the claims and the level of responsibility the company has for addressing them.

Once we've heard back from all our members and once the companies have had time to respond to our queries, the team will present our findings to the Ethics and Investment Committee along with a recommendation (per company and based on whether we've determined they breach our policy) to either:

- Divest (that is, we sell the shares we own) from the company.
- Stay invested but engage further with the company asking them to provide additional evidence they're addressing the issue.
- Stay invested by granting an exception<sup>2</sup> if divesting would seriously risk financial performance.

Once complete, we will provide a final determination on our website and fully expect that, when we do, it won't satisfy everyone. Investing is subject to rules and some of these rules make it challenging to deliver our ethical ambition within the constraints of our fiduciary duty – but making the tough choices, doing what we can without getting disheartened by limitations – this is part of why people pick Pathfinder. Our final decision is likely to be a balance of brave and sensible – where we can, we will stand up for human rights while ensuring we're still protecting the retirement savings of our investors.

(Postscript: as at January 2026 we have now completed our review and published our decision. You can read that [here](#)).



Picture: Casey Ineichen

# 03

## Section Three

### Investing for Good

Carbon emissions from the Pathfinder funds	30
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Pathfinder & investing in women	38



# Carbon Emissions from the Pathfinder Funds

We know the carbon emissions of (most of) the companies that we hold shares in, so we have some understanding of the impact on the climate from our investment portfolio.

To get insights regarding whether these emissions are excessive or low we use an intensity measure attributed to the listed companies held in each of our funds. This measure is called 'Weighted Average Carbon Intensity' or WACI for short.

We apply the PCAF (Partnership for Carbon Accounting Financials) methodology<sup>1</sup> to calculate each fund's Weighted Average Carbon Intensity (WACI):

$$WACI = \sum_{i=1}^n \left( \text{Portfolio Weight}_i \times \frac{\text{Emissions}_i}{\text{Revenue}_i} \right)$$

**Where for each company:**

- Emissions are Scope 1 + Scope 2 (and where we can, Scope 3, which we include in Appendix A)
- Revenue is measured in USD millions
- Portfolio Weight is the rescaled equity-only exposure

We apply a "like-for-like" methodology consistently across all funds and across each reporting period. You can read the full calculation methodology on our [website](#), and further details in Appendix A.

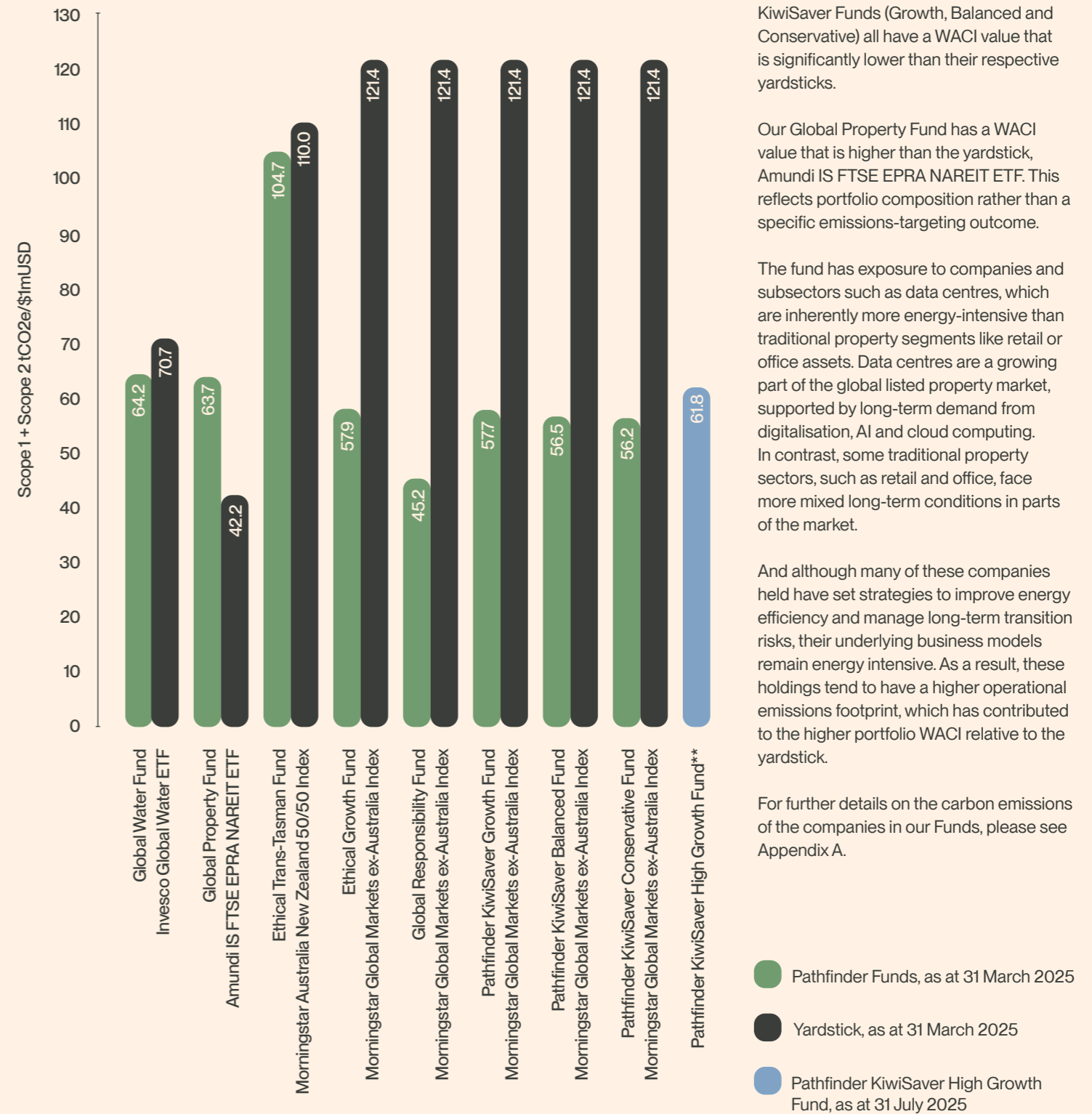
**What does WACI tell us?**

Simply put, this says, that if we held two companies equally, that if one of these companies has high revenue and high carbon emissions, they are not being as carbon efficient as a company with the same revenue and lower carbon emissions. The first company would have a higher WACI value, the second company would have a lower WACI value. If a company meets all of our other ethical and investment criteria, and has a lower WACI value, it could be a more compelling investment, especially if both companies operate in the same industry (ie, a closer 'apples for apples' comparison). We add all of the company-level WACI values together to have a full view of the weighted average carbon intensity of each of our funds – which gives insights regarding how 'carbon efficient' we are in comparison to a yardstick. We use two references for our funds, one for 'financial performance' and one for 'ethical performance'. We use a financial benchmark to compare the returns of our funds. For our ethical data, we use a different reference – the yardstick.

Each Fund has a respective yardstick, chosen because it represents an investible universe for the equities in our Funds without an ethical overlay (meaning the yardsticks are representative of the equities we hold in each of our Funds if they weren't chosen using ethical or sustainable criteria). In order to accurately compare the yardstick and each of our Funds, we analyse specific information for each of the portfolio holdings. The yardsticks we use have portfolio data and weightings that allow us to make these comparisons.



**WACI per Fund, compared to the yardstick**



The Global Responsibility Fund, Ethical Growth Fund and our three original KiwiSaver Funds (Growth, Balanced and Conservative) all have a WACI value that is significantly lower than their respective yardsticks.

Our Global Property Fund has a WACI value that is higher than the yardstick, Amundi IS FTSE EPRA NAREIT ETF. This reflects portfolio composition rather than a specific emissions-targeting outcome.

The fund has exposure to companies and subsectors such as data centres, which are inherently more energy-intensive than traditional property segments like retail or office assets. Data centres are a growing part of the global listed property market, supported by long-term demand from digitalisation, AI and cloud computing. In contrast, some traditional property sectors, such as retail and office, face more mixed long-term conditions in parts of the market.

And although many of these companies held have set strategies to improve energy efficiency and manage long-term transition risks, their underlying business models remain energy intensive. As a result, these holdings tend to have a higher operational emissions footprint, which has contributed to the higher portfolio WACI relative to the yardstick.

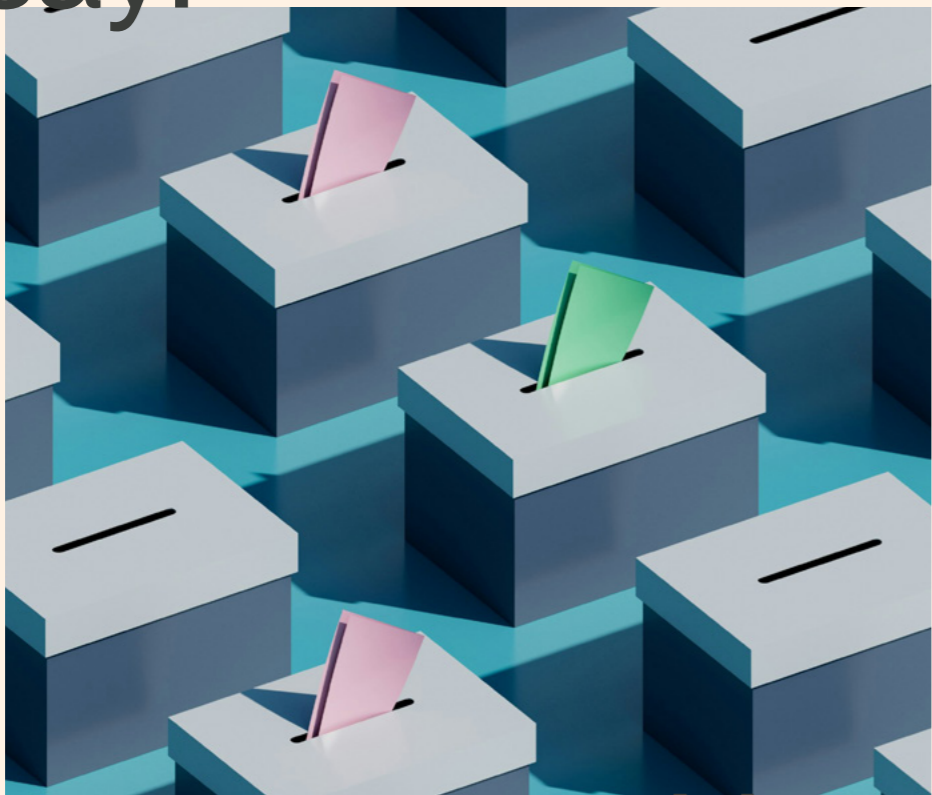
For further details on the carbon emissions of the companies in our Funds, please see Appendix A.

\* Unless otherwise stated, all holdings, emissions and revenue data are taken as at 31 March 2025, based on the latest available company disclosures (typically financial year-end 2024 or early 2025, with some variation depending on reporting calendars).

\*\* The KiwiSaver High Growth Fund was officially launched in April 2025. We recognise that some investors may wish to understand its footprint despite its shorter history. For completeness, we include it here and use data as at 31 July 2025.



# Having a say:



## Voting

**Our Funds (including the Pathfinder KiwiSaver Plan) own shares in companies. This gives Pathfinder the ability to vote at the Annual General Meetings (AGM) of these companies.**

Most companies (including private and publicly listed), report their activities to shareholders at their annual meetings. Shareholder voting rights often allow us to vote on things such as who should

join the board, executive pay and ESG-related proposals. As a shareholder in multiple companies, Pathfinder can participate in over 190 meetings and has the option to vote for over 2,500 resolutions each year.

The number of votes means there is a significant amount of research and background that is required to assess each voting outcome. To help with this, we use a proxy voter called Glass Lewis. Glass Lewis conducts research into the proposals and the outcomes and then votes on behalf of Pathfinder at AGMs, but we retain the ability to override their voting recommendations.

The shareholder proposals put forward each year can say a lot about what's going on in the world and the nature of a company's governance (in terms of which proposals get voted in, which don't, and why). In this section we provide an overview of some key trends we've seen this year, examples of some interesting votes and data on Pathfinder's voting record.

## This financial year we've noticed...



### AI

The use of AI and associated policies that govern potential issues such as misinformation, disinformation and AI washing have been raised a lot at annual general meetings (AGM) of technology companies. Shareholders and shareholder groups have put forward multiple proposals encouraging tech companies to consider a) how they use AI and b) how they are policing misinformation and disinformation from the AI they have developed.

There is a predicted rise in the number of these proposals for the next voting season (FY26,<sup>1</sup>) indicating increased awareness of the risks of irresponsible use of AI. We may see more policies brought to AGM's that ask companies to assess their AI use, produce policies that govern AI use (as part of responsible governance) and be wary of AI washing (where companies are overestimating or overstating how capable AI is and how it's being used).

### Human rights

The continued high-profile conflicts in both Ukraine and Gaza have raised shareholder awareness around the significant human rights concerns for companies operating in these areas. This is prompting shareholder proposals presented to large companies around reports on where companies are conducting their business, and how these human rights concerns and risks are being considered in these decisions.

### Distrust in ESG: lobbying, political contributions and the future of DEI

Shareholder proposals that are "anti-ESG" have been increasing since Trump's inauguration – in the US in 2024, around 90 anti-ESG proposals were put forward by shareholders, which was a 60% increase on 2023.<sup>2</sup>

These proposals often raise ideas such as removing or reducing diversity, equity, and inclusion (DEI) programs or discontinuing racial justice audits. The desired outcome of these shareholder proposals is to limit corporate involvement in societal issues and instead force companies to only consider financial metrics when making decisions. This is, however, contradictory to evidence that shows, in general, high-scoring ESG companies have higher profitability<sup>3</sup> which means having strong ESG policies and processes can also be financially beneficial.

### Lobbying & political contributions

Proposals raised at AGMs include demanding increased transparency on a company's political contributions and lobbying activities. For example, shareholders are concerned that companies may publicly commit to climate policies and targets, then privately lobby for weaker government environmental restrictions/monitoring, creating the self-imposed risk of greenwashing (which is bad for brands – and just bad in general).

Additionally, there is a significant political divide in the US between the right and the left, and this is obvious in the shareholder proposals for companies headquartered there. For example, proposals have been raised by more conservative shareholder groups wanting to know if company directors are donating to Democrats. Conversely, proposals raised by progressive shareholder groups are asking for increased disclosure for political donations to gauge if companies are supporting the Republican party (which during this time period was the Trump administration). Generally speaking, we're seeing more proposals seeking to expose political bias – in both directions<sup>4</sup> which implies wariness from shareholders around company policies that aren't solely financially focused.

### The future of DEI

DEI policies are policies that companies enact with the aim of supporting diversity, equity and inclusion within the workforce. The current political climate in America, influenced by Trump's executive order regarding DEI, has cast these policies in a negative light. This has resulted in a lack of confidence in DEI policies, and we've seen this impact shareholder proposals.

For example, companies who report on pay or hiring transparency can be targeted by groups agitating for them to drop this policy due to claims they impede meritocracy.

We've also seen the opposite, with shareholder proposals requesting to see pay/hiring stats for companies who have dropped their DEI policies to quantify the impact of losing diversity in the workforce, as this can pose a financial risk.

While we've seen an increase in the number of anti-ESG proposals, in general, they haven't been very successful. If we look at all of the anti-ESG proposals that were raised by shareholders to US listed companies in the FY25 voting season, they received an average of 1.9% support (meaning an average of 98.2% of the votes were against them)<sup>2</sup>.



# How Pathfinder Voted

(1 April 2024 - 31 March 2025)

## Key Terms:

**Vote for:** This is a vote 'for' the proposed ballot. It is a vote of approval for the proposal.

**Vote against:** This is a vote 'against' the proposed ballot. It is a vote in opposition to the proposal.

**Abstain:** This is one way Glass Lewis chooses not to vote. Glass Lewis will abstain from voting for a few reasons, mainly because they haven't been provided all of the information necessary to make a decision about a ballot within 21 days of the meeting.

**Withhold:** Sometimes Glass Lewis can't 'vote against' (for example if a nominee runs unopposed you can either vote 'for' or 'withhold' but not against. So they use this vote as a version of voting against.)

**No Vote/unvoted:** No vote can be cast for a few reasons. In most instances where Glass Lewis chooses not to vote, there will be no decision required for a ballot. For example, when electing directors, there may be two seats available, but three candidates proposed. In this instance, Glass Lewis will vote or two candidates and cast a 'no vote' for the third.

**Shareholder proposal:** A shareholder proposal is a suggestion made by someone (or a group of people) who own(s) shares in a company (a shareholder or shareholder group) about how the company should be run or what it should focus on. These proposals are usually submitted to be voted on at the company's Annual General Meeting.

**Annual General Meeting (AGM):** This is a yearly gathering of a company's shareholders. It's a chance for the company to update everyone on how things are going and for shareholders to have a say in important decisions.

**Management Proposal:** This is a formal suggestion made by the company's leadership—usually the board of directors or executives—about something they want to bring to shareholders for them to approve.



<sup>1</sup> <https://corpgov.law.harvard.edu/2024/09/29/unveiling-key-trends-in-ai-shareholder-proposals/>

<sup>2</sup> <https://www.proxymity.io/views/anti-esg-shareholder-proposals-what-does-it-mean-for-issuers/>

<sup>3</sup> <https://www.sciencedirect.com/science/article/pii/S221484502200103X>

<sup>4</sup> <https://www.responsible-investor.com/political-spending-only-esg-topic-to-win-majority-support-at-2025-agms/>

\*The voting record here shows all of the votes from our proxy voting service, Glass Lewis. Currently, this doesn't include a full record of Pathfinder's votes, due to a change in custodian during the 2023 Financial Year. From a total of 269 meetings, the results from 71 meetings are not included in the above data. From FY26 onwards, the results from these meetings will be included in our annual reporting.

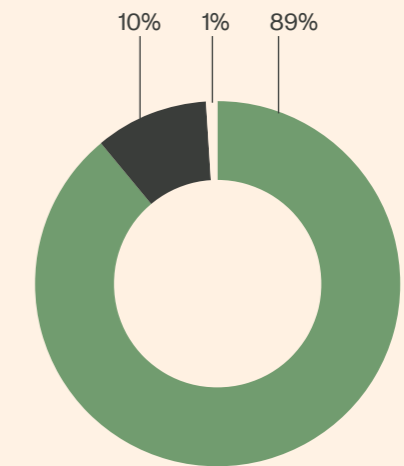
Voting Data		Proportion of all voting opportunities
	Number	
No votes cast	26	1%
Voted	2923	99%
Total ballots	2949	100%

Management Proposals	
For	91%
Against	7%
Abstain	1%
Unvoted	1%
Totals	100%

Shareholder Proposals	
For	28%
Against	57%
Abstain	10%
Unvoted	5%
Totals	100%



- Times we voted with management: 2628 (89%)
- Times we voted against management: 283 (10%)
- Other: 38

After this year's US AGM season, we took the chance to review our voting including those votes lodged by Glass Lewis on our behalf. Overall, we felt that we could do better, and that there are other processes and international partners we could potentially work with to deliver better proxy voting outcomes that are more aligned with our mission. Given this, we've spent some time in recent months exploring proxy voting research from third parties including investment firms, and several independent NGOs. Examples of these are As you Sow, Ceres and ACCR. We expect to finalise this review in the first half of 2026 and are confident it will improve how we discharge proxy voting on behalf of clients.

Pathfinder is a signatory of the New Zealand Stewardship Code – please [click here](#) to view a report on our outcomes for the previous year.



# Global Warming



# Company Engagement

Written by Alex Safran, Pathfinder's Investment ESG Analyst

Pathfinder is proud to be leading one of New Zealand's first collaborative climate engagements, facilitated by the Investor Group on Climate Change (IGCC).

We are leading the engagement with a major New Zealand logistics company alongside four other institutional investors (Mint, Devon, Booster and BT Funds).

**The focus of our engagement is on three key areas:**

- (1) enhancing the company's climate targets, including encouraging alignment with or adoption of the Science Based Targets initiative (SBTi);
- (2) improving transparency and robustness in climate risk management and scenario analysis;
- (3) addressing Scope 3 emissions by exploring how the company can support and incentivise contractors to reduce their emissions.

While initial discussions were planned for March 2025, the company requested a delay until the release of its updated

climate statement later in the year. In the interim, the investor working group developed a discussion paper outlining our engagement priorities and providing practical recommendations and implementation examples. This paper was well received by the company and will serve as the foundation for future discussions.

While, for privacy reasons, we can't name the company we're engaging with, we applaud the efforts they've already made and want to help further strengthen their climate strategy.

As a 'market maker' this company can play an important leadership role in encouraging the industry to decarbonise. We're proud to support them in setting an example of prioritising strategic foresight that we think also increases the quality (and investibility) of the company.





# Pathfinder & Investing in Women



We support the United Nations Sustainable Development Goals (SDGs), which act as a blueprint to help achieve a better and more sustainable future for all. We report on these in our Ethical Scorecards, by considering the most relevant to the sectors we invest the most in (per fund), as well as the number of listed companies in that fund that self-report as aligning with each of these SDGs. The consequences of this commitment are specific to each company and not available through our data provider. To learn how our funds support other SDGs, please read our Ethical Scorecards (available online and in the back of this report).

For this Sustainability Report we are shining a spotlight on 'SDG 5: Gender Equality' by publishing the average percentage of women in different roles within our portfolio companies, and the gender pay gap reporting data for each of our Funds. Although we do not specifically consider this data in our investment decision-making, this is an issue we would like to address more fully as our processes evolve.

## Sustainable Development Goal #5: ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS.

"Gender bias is undermining our social fabric and devalues all of us. It is not just a human rights issue; it is a tremendous waste of the world's human potential. By denying women equal rights, we deny half the population a chance to live life at its fullest. Political, economic and social equality for women will benefit all the world's citizens. Together we can eradicate prejudice and work for equal rights and respect for all."<sup>1</sup>

To make this relevant to the world of investing, we report on data related to pay gap and the number of women in various positions within the company as reflective of diversity of opinion and perspective.

The tables here show how women are represented in the listed companies Pathfinder invests in compared to the relative yardstick. For example, board members of the listed companies within the Global Water Fund are, on average, 37% women.

<sup>1</sup> <https://globalgoals.org/goals/5-gender-equality/>

Average Percentage of Women	on the board	executives	managers	employees
Invesco Global Water ETF	34%	31%	26%	28%
Global Water Fund	37%	26%	26%	28%
Amundi IS FTSE EPRA NAREIT ETF	34%	32%	40%	48%
Global Property Fund	35%	22%	40%	48%
Morningstar Australia New Zealand 50/50 Index	37%	34%	35%	40%
Ethical Trans-Tasman Fund	42%	32%	41%	47%
Morningstar Global Markets ex-Australia	25%	17%	29%	34%
Global Responsibility Fund	35%	23%	32%	38%
Ethical Growth Fund	36%	24%	33%	39%
Pathfinder KiwiSaver Conservative Fund	36%	24%	33%	39%
Pathfinder KiwiSaver Balance Fund	36%	24%	33%	39%
Pathfinder KiwiSaver Growth Fund	36%	24%	33%	39%

● Yardstick for the Fund(s) below.

# Pay Gap Reporting



The gender pay gap is generally defined as the difference between male and female earnings. According to the U.S. Census Bureau, the average gender pay gap in the U.S. was approximately 20% in 2024, meaning that a woman earns, on average, 80% as much as her male counterparts.<sup>1</sup> 2024 marked the second consecutive year where the gender pay gap increased.<sup>2</sup> Across developed markets, one study of larger companies estimated that in 2025, 44% of listed companies disclosed their gender pay gap data (up from 33% in 2024).<sup>3</sup> However, the percentage of companies that have actually fully closed the gender pay gap has declined, from 1.1% in 2024 to 1% in 2025. Companies that are not actively managing and monitoring pay disparities among their employees can face significant reputational and legal risks, especially in countries where gender pay gap reporting is mandatory.

<sup>1</sup> <https://www.census.gov/newsroom/press-releases/2024/income-poverty-health-insurance-coverage.html>

<sup>2</sup> [usatoday.com/story/money/2025/09/09/gender-wage-gap-increased-again-census/86041467007/#:~:text=In%20other%20words%3A%20For%20every%20significant%20annual%20decrease%20since%202003.](https://usatoday.com/story/money/2025/09/09/gender-wage-gap-increased-again-census/86041467007/#:~:text=In%20other%20words%3A%20For%20every%20significant%20annual%20decrease%20since%202003.)

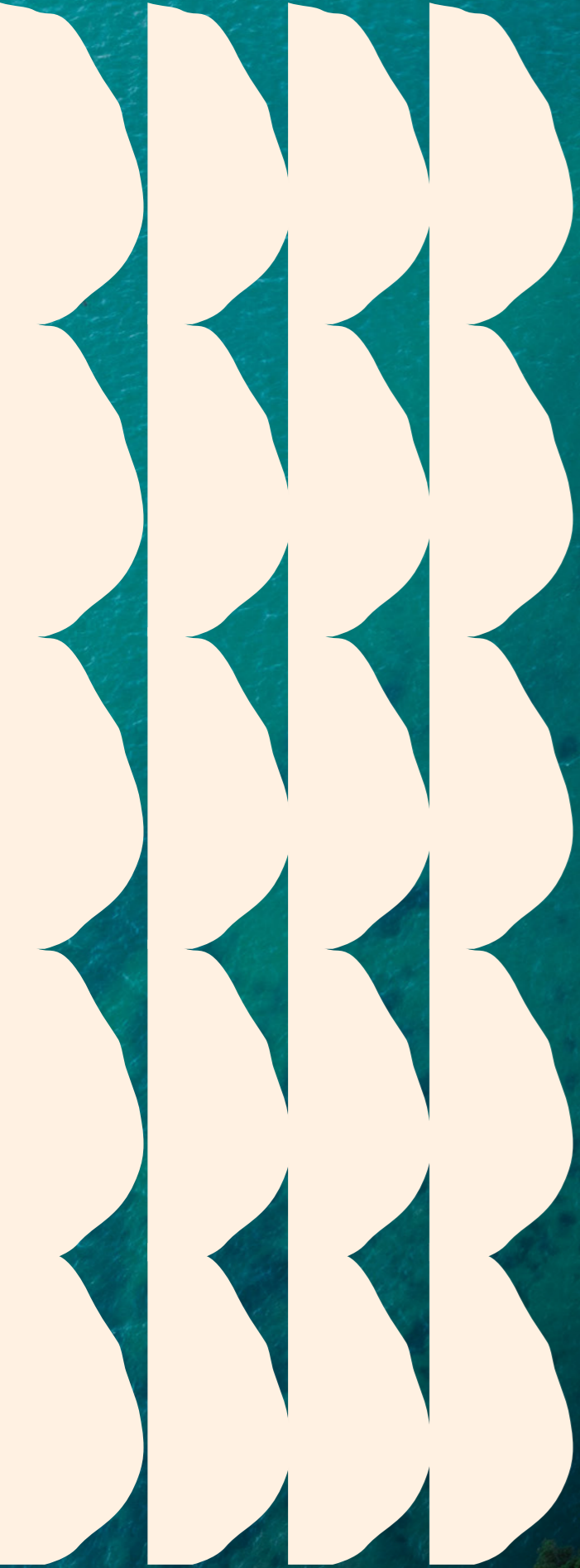
<sup>3</sup> <https://equileap.com/equileap-reports/>

Note: This data relates to the listed companies in each Fund (equities and listed property). The percentage of companies that report their gender pay gap is a measure of the number of companies that report their gender pay gap divided by the total number of companies in the portfolio.

All gender metrics and pay gap data and analysis tools are provided by London Stock Exchange Group (LSEG) Data & Analytics, formerly known as Refinitiv, as at 31 March 2025. We cannot verify the underlying source of gender metrics and pay gap data and make no representation or warranty as to its accuracy or completeness. The analysis and comparison to our 'yardstick' is based on listed companies for which we have relevant data available from LSEG. The Pathfinder KiwiSaver High Growth Fund launched in April 2025, which is why it is not included here.

	Percentage of companies that report on gender pay gap data within each Fund	Average gender pay gap percentage of the companies that report
Invesco Global Water ETF	28%	13%
Global Water Fund	25%	15%
Amundi IS FTSE EPRA NAREIT ETF	23%	13%
Global Property Fund	33%	11%
Morningstar Australia New Zealand 50/50 Index	34%	11%
Ethical Trans-Tasman Fund	46%	12%
Morningstar Global Markets ex-Australia	20%	12%
Global Responsibility Fund	37%	8%
Ethical Growth Fund	38%	9%
Pathfinder KiwiSaver Conservative Fund	38%	9%
Pathfinder KiwiSaver Balance Fund	38%	9%
Pathfinder KiwiSaver Growth Fund	38%	9%

● Yardstick for the Fund(s) below.



# 04

Section Four

## Pathfinder, People & Purpose



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# This year's



## Champions of People, our Planet, & Animals program

Donations April 2024 – March 2025

This is our first opportunity to share with you the incredible community initiatives we've been able to support since launching our new charitable donation program in 2024.

The goal of this program is to double-down on bringing our vision for the future around faster. We do this by dedicating 1% of revenue<sup>1</sup> to efforts aimed at actively improving our planet and the lives of people and animals.

We've split our funding into three categories and selected an annual theme to help focus our efforts within each. The following breakdown captures the category, theme, recipient of the donation and what the money funded.

You can learn more about this program generally on our website [here](#).

<sup>1</sup> From our retail Pathfinder Investment Funds and the Pathfinder KiwiSaver Plan

Category:

## People

Theme:

## Equality

**SavY** - Pathfinder's donation funded 60 free financial literacy workshops for rangatahi across Auckland and Wellington.

**Garden to Table** - Pathfinder's donation helped with the creation of a low-cost, sustainable recipe guide that was provided to tamariki and their families.

**Raukauri Music Therapy** - Pathfinder's donation went towards operational costs for 2 of the satellite locations (Titirangi and Mangere) to allow more individuals to access their music therapy services.

**Digital Futures Aotearoa** - Pathfinder's donation went towards the 'Recycle a Device' program, helping rangatahi learn how to fix laptops and then donating those laptops to someone who may not have had access to them.

**The Lentil Intervention** - Pathfinder's donation went towards a mentoring program, and the Sports Gear Revived initiative to help redistribute sports gear to areas who need it most.

**Dignity** - Pathfinder's donation provided reusable period products (think period underwear and menstrual cups) to Dignity partners, such as Women's refuge.

**Hi Money** - Pathfinder's donation provided 20 scholarships for women to participate in the Hi Money course. The Hi Money course helps women change how they think and feel about money, with a therapist-designed, 12 module online course built on feminist financial principles.

Category:

## Our Planet

Theme:

## Ecosystem Nurturing

**Blake** - Pathfinder's donation went towards the purchasing of new headsets for the VR experience they offer in classrooms promoting healthy marine ecosystems.

**Auckland Museum** - Pathfinder's donation went towards the completion of the Natural Environment & Human Impact Gallery, ideally opening late 2025.

**Forest & Bird** - Pathfinder's donation went towards protecting the unique ecosystem of the Denniston Plateau by providing legal counsel and expertise in consultation with government officials on the best decision for the environment when considering mining in the region.

**BIOFIN** - Pathfinder donated towards the completion of the Otago Uni NZ BIOFIN Assessment. The purpose is to assess what we spend on biodiversity, how well we spend it, and how to improve spending and funding across the public and private sector. In 2024, the funds went towards the Policy & Institutional Report and review and towards beginning a Biodiversity Expenditure Review.

**EcoFest** - Pathfinder's donation went towards the 2025 EcoFest event in Auckland, supporting running 355 events across Tamaki Makaurau that aims to make sustainability more fun and accessible

Category:

## Animals

Theme:

## Reducing Animal Suffering

**BirdCare Aotearoa** - Pathfinder's donation was added to the Seabirds Recovery Programme funds. In the month of June alone (the month Pathfinder donated), BirdCare had a number of seabirds through the facility for rehabilitation; they admitted 10 endangered Taiko black petrels, a Blue Petrel, Pangurunguru Northern Giant Petrel, Pycroft's Petrels, Antarctic Fulmar, and Rako Buller's Shearwaters.

**Beyond Animal Research** - Pathfinder's donation is supporting BAR's initial project assessing the economic opportunities of developing and using non-animal models for testing of products in Aotearoa New Zealand. Specifically, they are using the funds to complete a crucial piece of foundational research: a systematic analysis of the barriers preventing the replacement of harmful animal use for science in NZ.



# Climate



# Fresk

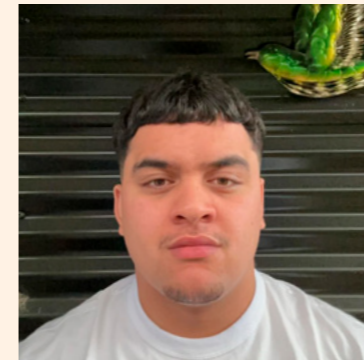
Over an afternoon in early July, the Pathfinder team got together with our host/facilitator Ben Eitelberg (founder of Athletes for Nature) and took part in a fun, engaging and interactive workshop called Climate Fresk.

As Pathfinder employees and investors, we're all passionate about the environment, solutions to climate change and natural ecosystem degeneration. But to take action and build solutions we first need to understand the problem, holistically.

The Climate Fresk workshop takes a science-based approach to breaking down cause-consequence relationships, encouraging participants to understand the "how" behind climate change. Our team got deeply involved in the exercises Ben led and thoroughly enjoyed the workshop - with loads of learnings and insights to take away, even for the experts! The team gleaned insight into causes of climate change, mechanisms that disrupt natural systems and consequences for those natural systems. A key takeaway was understanding the feedback loops that encourage climate change such as melting ice reducing reflection, increasing warming in the oceans. And that, by encouraging human understanding, through practical, tangible and conversation-based exercises like Climate Fresk, we'll see a genuine engagement with the solutions. We recommend Ben's workshop to any organisation or group:

"Climate Fresk is an effective tool for climate education. Athletes for Nature facilitates these engaging and collaborative workshops for their affiliated community groups, sports clubs, and event committees. The facts in Climate Fresk come from reputable scientific sources: the Intergovernmental Panel on Climate Change (IPCC) reports. Climate Fresk remains impartial and presents only well-established scientific facts." – Ben E.

# What it means to be a Pathfinder Member



**Rydah Philips**  
(Pathfinder KiwiSaver Plan member)

"I honestly didn't realise I had a choice with my KiwiSaver until I sat down and learned about Pathfinder. Knowing that my money can be invested with a company that's a certified B Corp, certified cruelty-free by Mindful Money, and focused on making the world better for future generations made the decision easy. For me, it's about starting young and investing in a way that lines up with my values, so my kids and their kids inherit something better."



**Dr Vicky Mabin**  
(Pathfinder KiwiSaver Plan member)

"With Pathfinder, I can invest in activities that will benefit our planet and support the kind of world I want to live in, as well as growing my long-term wealth."



**Andrea Mudaliar**  
(Pathfinder KiwiSaver Plan member)

"Pathfinder really ticks all the boxes for me, they align with my values, deliver great returns, and I love that they're a B Corp with a strong focus on social responsibility."



# Awards &



# Certifications

It is incredibly encouraging to be considered leaders in our space by both Money Hub (at their inaugural awards ceremony this year) and Mindful Money (for the 5th year running).



# What's



# Next?

Looking to the years ahead, we see a number of trends with important ethical implications for investors. Many of these impact us as a business and you as an investor, so we're thoughtful about how we meet these challenges. Here are some areas on our radar for the coming year:

**1) ESG pushback:** The last year has seen broad pressure, mostly from the US, on ESG. There has been pressure on fund managers to ignore non-financial considerations with investments, while corporates have been pressured to refocus on profit-only capitalism. Some joke that the new ESG 'Environmental, Social and Governance' is in fact 'Energy, Security and Guns'. Ethical investing requires a long-term approach undeterred by temporary trends.

Positively, companies continue to adopt policies and practices that promote employee welfare and diversity; they are just less public about it. Fund managers still see the value in non-financial metrics; they are often just quieter about implementing them. We're cautiously optimistic that we'll see a slow bounce back in areas most affected, like the US, in the medium term.

**2) Climate to nature:** Environmental sustainability in recent years has zoned in on climate. This has seen many companies adopt net zero targets and, here in NZ, new mandatory reporting standards were introduced for many listed companies, banks and insurance businesses. Climate was a sensible place to start, given carbon emissions are measurable and common to all companies. The future will see nature reporting specific to companies (we are already starting to see this out of Europe and Mindful Money are set to release their inaugural report on Oceans and Investing later this year). For example, does a company rely on access to water, have significant landfill waste, run-off impacting waterways or a supply chain input reliant on nature? Although currently voluntary, in future these will be measured and reported to show a business reliance on nature (its impact on nature) and how it sustainably manages this.

**3) Weapons:** As a fund manager it used to be relatively easy to identify a weapon if you wanted to avoid these in your portfolio. It meant focusing on the makers of jets, missiles, guns and tanks. But with increasingly complex supply chains and better data at the disposal of fund managers, things have become much more complicated. Namely, the introduction of software and data becoming critical in the functioning and enhancement of modern weaponry. The data processing companies, data storage companies and AI developers now find themselves a key component in the production of weapons. The human consciousness of 'what is a weapon' is shifting to mean not just the weapon hardware and software, but the data as well.

Those are some issues on our mind for the year ahead. We also see many multi-year trends, where the real impact won't be seen for some years yet. For example, consider space. We have over-fished our oceans and over-polluted our rivers. Effort and attention is now turning to low earth orbit in space. Over 15,000 satellites have already been launched and there are plans for tens of thousands more from the likes of SpaceX's Starlink, Rocket Lab and Blue Origin. Military interest is rising. Low earth orbit is a 'common' space – like oceans and our atmosphere. We need better stewardship and agreement between countries on how to manage this to avoid space junk clogging up low earth orbit and making it unusable. Expect to see greater awareness and interest in protecting low earth orbit in the years ahead.

At Pathfinder, we're up for the challenge as we head into a more complex, yet more rewarding, future. We're as passionate as ever about helping investors save for their future while feeling proud of how they've earned their savings.



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# Appendix A

For a full description of the methodology we use to calculate the Weighted Average Carbon Intensity for our Funds and the yardsticks, (including data gaps and limitations) please see the [blog here](#).

**We follow the widely used greenhouse gas protocol definitions:**  
**Scope 1** Direct emissions from a company's own operations (e.g., company facilities, company vehicles).  
**Scope 2** Indirect emissions from purchased electricity, heating, or cooling.  
**Scope 3** All other value-chain emissions, including suppliers and customers (e.g., use of sold products, business travel, logistics).

At present, Scope 3 emissions are much less reliable than Scopes 1 and 2. Thus, we focus on Scope 1 and 2 in our reporting. Some companies do not report Scope 3 at all, while others choose to report on only selected categories. Because companies have discretion over which categories to include, and because methodologies vary widely, Scope 3 figures do not currently allow for a comprehensive, fair, apples-to-apples comparison across companies or sectors. However, we want to support the use of broader and more comprehensive emission data across the economy over time – even it is far from perfect. For this reason, we also publish scope 3 estimates across our portfolio. Readers seeking more background on emissions categories may refer to explainers from the GHG Protocol<sup>1</sup>, or other climate-focused NGOs.

We have calculated the Weighted Average Carbon Intensity (WACI) for each of our Funds, and the yardsticks, using the available Scope 1 + Scope 2 emissions data. Where available, we have also calculated the WACI value for each of our Funds and the yardsticks using Scope 1 + Scope 2 + Scope 3 emissions data.

For clarity, we have included the percentage coverage (i.e. the proportion of a fund's equity exposure for which emissions and revenue data are available) in the tables here.

**Coverage helps readers understand:**  
 - The confidence level of the results (greater % coverage = the data are more representative of the whole portfolio)  
 - The extent to which possible disclosure gaps in the corporate sector may limit precision

Higher coverage leads to more reliable outcomes whereas lower coverage indicates that results require more caution in interpretation.

Please note that while percentage coverage is an indication of reliability of outcomes, all data is subject to limitations, some of which we describe in more detail in [our blog](#).



WACI per Fund (Scope 1 + Scope 2), compared to the yardstick	March 2025*	Percentage coverage of emissions (by equity value)
Invesco Global Water ETF	70.7	88.1%
Global Water Fund	64.2	91.0%
Amundi IS FTSE EPRA NAREIT ETF	42.2	92.9%
Global Property Fund	63.7	97.8%
Morningstar Australia New Zealand 50/50 Index	110.0	96.5%
Ethical Trans-Tasman Fund	104.7	88.6%
Morningstar Global Markets ex-Australia Index	121.4	93.3%
Ethical Growth Fund	57.9	94.8%
Global Responsibility Fund	45.2	97.2%
Pathfinder KiwiSaver Growth Fund	57.7	94.7%
Pathfinder KiwiSaver Balanced Fund	56.5	95.3%
Pathfinder KiwiSaver Conservative Fund	56.2	95.4%
	June 2025	
Pathfinder KiwiSaver High Growth Fund**	61.8	94.1%

● Yardstick for the Fund(s) below.

\* Unless otherwise stated, all holdings, emissions and revenue data are taken as at 31 March 2025, based on the latest available company disclosures (typically financial year-end 2024 or early 2025, with some variation depending on reporting calendars).

\*\* The Pathfinder KiwiSaver High Growth Fund was officially launched in April 2025. We recognise that some investors may wish to understand its footprint despite its shorter history. For completeness, we include it here and use data as at 31 July 2025.

<sup>1</sup> <https://ghgprotocol.org/corporate-standard>

WACI per Fund (Scope 1 + Scope 2 + Scope 3), compared to the yardstick	March 2025*	Percentage coverage of emissions (by equity value)
Invesco Global Water ETF	5,010	83.6%
Global Water Fund	4,220	80.8%
Amundi IS FTSE EPRA NAREIT ETF	280	72.5%
Global Property Fund	255	89.8%
Morningstar Australia New Zealand 50/50 Index	1,591	81.4%
Ethical Trans-Tasman Fund	691	67.7%
Morningstar Global Markets ex-Australia Index	906	79.9%
Ethical Growth Fund	840	83.6%
Global Responsibility Fund	847	86.9%
Pathfinder KiwiSaver Growth Fund	832	81.6%
Pathfinder KiwiSaver Balanced Fund	862	82.1%
Pathfinder KiwiSaver Conservative Fund	804	84.3%
	June 2025	
Pathfinder KiwiSaver High Growth Fund**	778	80.3%

● Yardstick for the Fund(s) below.

# Global Water Fund

Due to data availability, this report only provides metrics on the listed equities and listed property assets (which we refer to as 'listed companies' in this scorecard) in the Global Water Fund. While not all the data in this scorecard informs our investment decisions, we have included it because we think it is important that you know about the ethical characteristics of the companies you're invested in when you invest with us.

On our website, you can view the financial performance of our funds, but what about the ethical performance? This report shows you key ethical metrics for the Global Water Fund that are aligned with our mission, and which we have the data to measure.

For information on the source for this data, check out the 'Further details' on the last page of this scorecard.

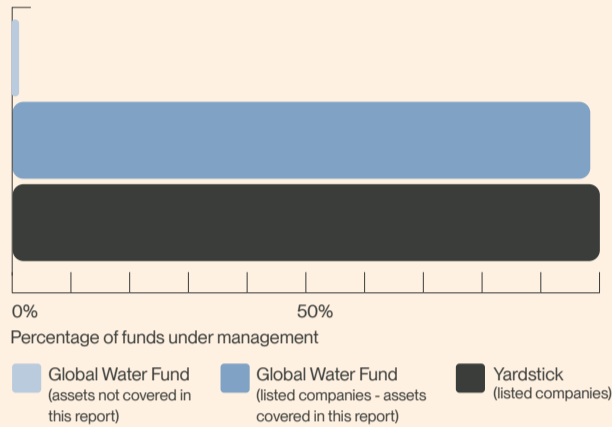
In line with our Ethical Investment Policy, this fund seeks to avoid our listed excluded activities and tilt towards our positive investment themes with the overall goal of respecting people, our planet and animals.

[Read our Ethical Investment Policy to learn more.](#)

## What we are comparing ourselves to: the yardstick

We measure the ethical performance of the listed companies in the Global Water Fund against the INVESCO Global Water ETF – we call this our 'yardstick'. We use this as a yardstick for two reasons: 1. because it provides a representation of the performance of companies listed on the global exchange that create products designed to conserve and purify water for homes, businesses and industries, and 2. because those stocks weren't selected based on ethical or sustainable criteria. This means we can show you the difference, in ethical metrics, between our investments and a more conventional alternative.

This yardstick is different to the fund's benchmark which we use to measure the fund's financial performance, you can learn more about this [here](#).



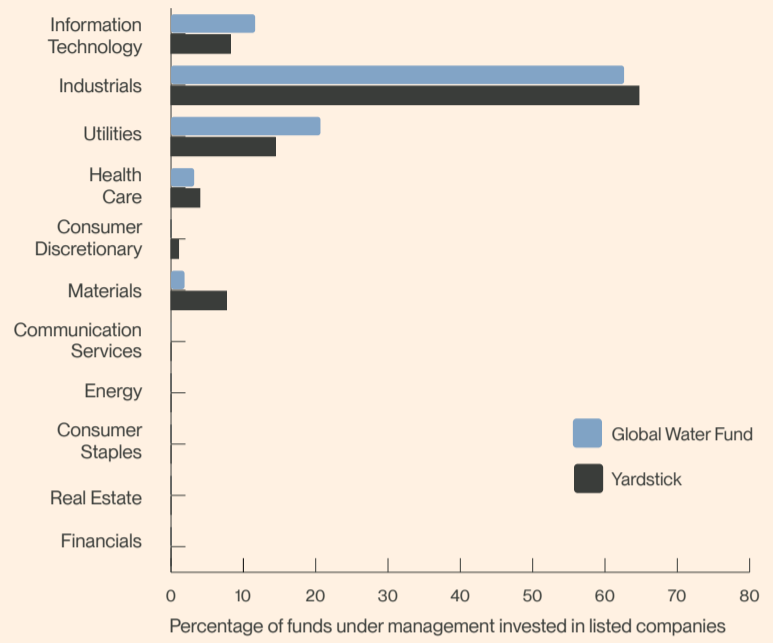
**Yardstick:** INVESCO Global Water ETF (100% listed companies).  
**Pathfinder:** Global Water Fund (98.82% International and Australasian equities, 1.18% Cash & cash equivalents).

For more details on the fund's asset allocation, read our SIPO [here](#).

## Where we're invested: yardstick vs our fund

Here are our listed company investments for the fund by sector. Implementation of our investment process means the degree to which we invest in each sector is different from the yardstick.

Below shows where we invest compared to the yardstick.



Both our fund and the yardstick invest in listed companies connected to water:

**Global Water Fund:** companies connected to water quality, accessibility or sustainability.

**Yardstick:** companies that create products designed to conserve and purify water for homes, businesses and industries.

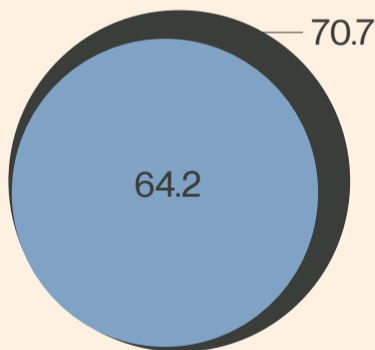
These listed companies are found in specific sectors, so both funds are similar in terms of sector distribution. As active managers, we can adjust the amount of each stock, exclude any that don't fit our criteria and add companies that align with our Ethical Investment Policy.

# Global Water Fund

## What is the Weighted Average Carbon Intensity (WACI) of this fund?

Compared to the yardstick, the listed company investments in the fund have a 9% lower Weighted Average Carbon Intensity (WACI, Scope 1 + Scope 2). If you're looking for low carbon emission investments, a lower WACI value is generally seen as better – you can read more about WACI [here](#).

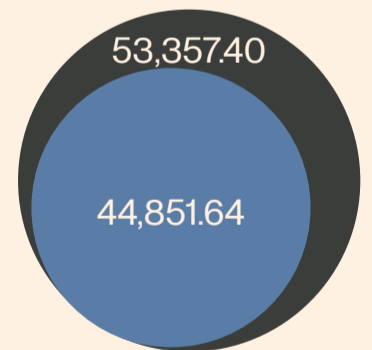
Global Water Fund  
Yardstick



## What is the Weighted Average Water Intensity (WAWI) of this fund?

Compared to the yardstick, the listed company investments in the fund have a 16% lower Weighted Average Water Intensity (WAWI)\*. If you're looking for lower water intensive investments, a lower WAWI value is generally seen as better - you can read more about WAWI [here](#).

Global Water Fund  
Yardstick



## Where is this carbon coming from, by sector:

Scope 1 + Scope 2 tCO2e/\$1mUSD



The Utilities sector and Industrials sector make up the largest portion of the overall WACI value of the Global Water Fund.

## Where is the water being used, by sector:

Water use: m3/\$1mUSD



We have less exposure to water intensive companies than the yardstick. In a water fund, we think that's important.

\*Weighted average water intensity is a measure of water use (in m3) per million dollars of revenue in USD weighted to the equity exposure in our portfolio. The WAWI measure for the Fund indicates how water-intensive the portfolio is relative to the economic activity of the companies held, helping assess exposure to water scarcity and water-related operational risk.

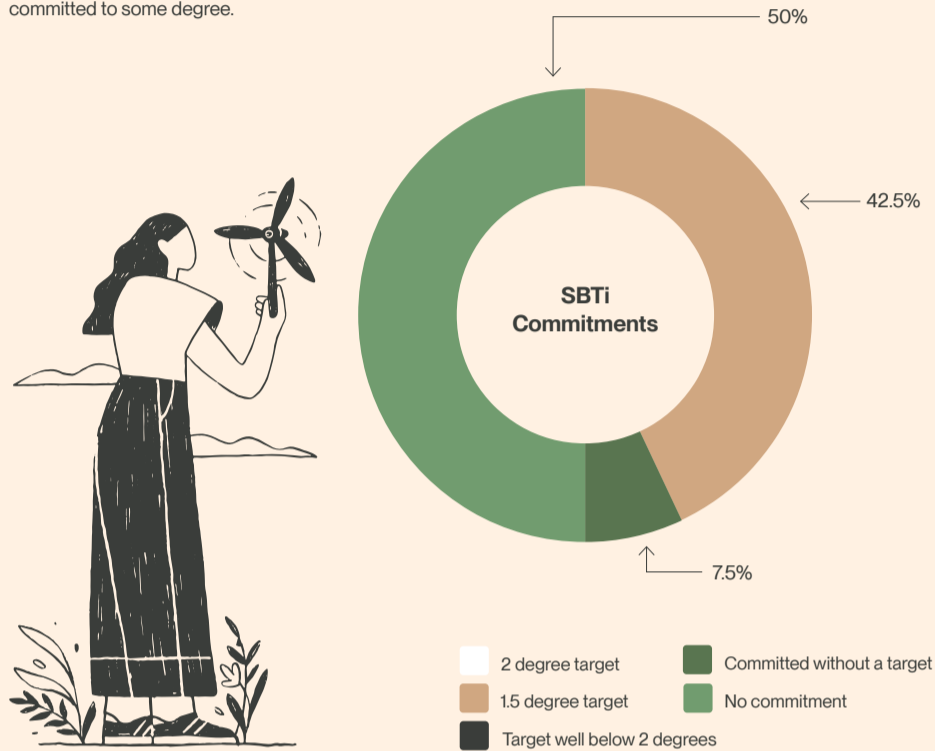
# Global Water Fund

## How committed are the individual listed companies in this fund to helping reach the Paris Agreement?

While each company might answer this differently, we can only report what a company discloses.

We need a common, reliable, effective measure, so we look at whether a company has committed to a **Science Based Target initiative (SBTi)**. 50% of the listed companies held in the Global Water Fund are committed to some degree.

These targets are scientifically confirmed requirements that set out pathways for transitioning to a low carbon economy, helping to achieve the goals set out in the **Paris Agreement**.



## Which United Nations Sustainable Development Goals are relevant to this fund?

We support the United Nations Sustainable Development Goals (SDGs) which act as a blueprint to help achieve a better and more sustainable future for all.

Below you'll see the SDGs we consider most relevant to the sectors we invest the most in, as well as the number of listed companies in this fund that self-report as aligning with each of these SDGs. The consequences of this commitment are specific to each company and not available through our data provider.



# Global Water Fund

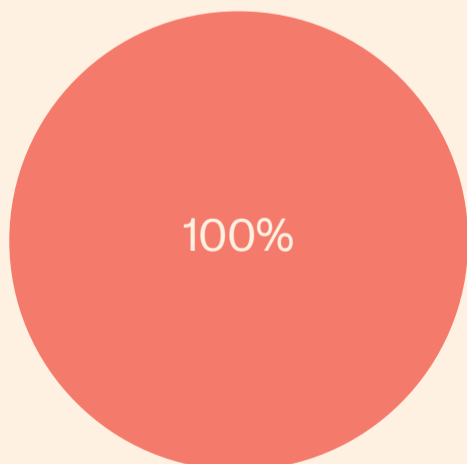
## Are there any listed companies in this fund that have been granted exceptions to our exclusions?

This looks at how well we're doing 'avoiding harm' via our robust exclusions.

0 of 40 listed companies in this fund have been granted an exception to our exclusions (which comprises 0% of the total funds invested in listed companies).

You can read more about the rigorous process used to grant these exceptions [here](#).

■ Total funds invested in listed companies  
■ Exceptions granted

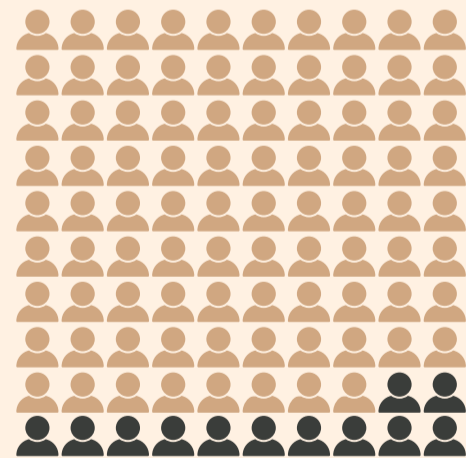


## Human rights

88% of the listed companies within the Global Water Fund have a human rights policy.

This can be an indicator that a company is serious about protecting human rights, but it's not a guarantee. As an active manager we have the flexibility to not invest in companies who have controversies related to human rights.

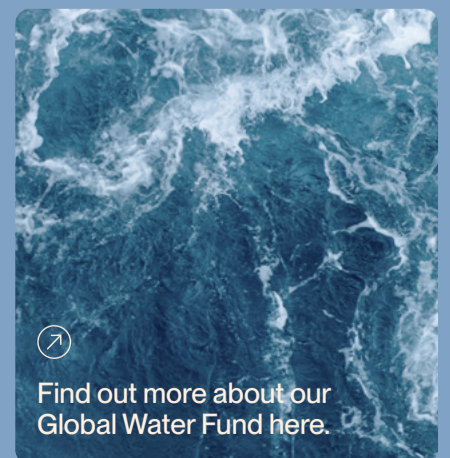
■ Percentage has a policy  
■ Percentage does not have a policy



## Further details

For the information on these pages we have used the Global Water Fund's holdings in listed companies as at **31 March 2025** and the INVECO Global Water ETF as at **31 March 2025**. All ESG and revenue data and analysis tools are provided by **London Stock Exchange Group (LSEG) Data & Analytics**, formerly known as Refinitiv. We cannot verify the underlying source of LSEG's ESG and revenue data and make no representation or warranty as to its accuracy or completeness. The analysis and comparison to our 'yardstick' is based on listed companies for which we have relevant data available from LSEG, being at least 91% of our listed companies (by value) and over 88% of listed companies in the yardstick (by value).

Pathfinder Asset Management Limited is the issuer of the Pathfinder Global Water Fund. A Product Disclosure Statement for the offer is available at [pathfinder.kiwi](https://pathfinder.kiwi)



# Global Property Fund

Due to data availability, this report only provides metrics on the listed equities and listed property assets (which we refer to as 'listed companies' in this scorecard) in the Global Property Fund. While not all the data in this scorecard informs our investment decisions, we have included it because we think it is important that you know about the ethical characteristics of the companies you're invested in when you invest with us.

On our website, you can view the financial performance of our funds, but what about the ethical performance? This report shows you key ethical metrics for the Global Property Fund that are aligned with our mission, and which we have the data to measure.

For information on the source for this data, check out the 'Further details' on the last page of this scorecard.

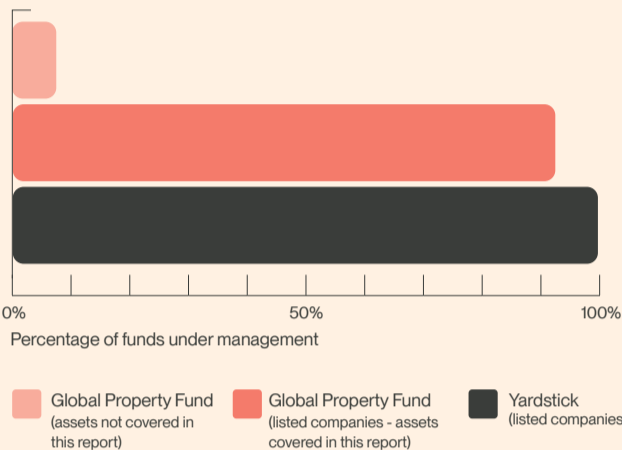
In line with our Ethical Investment Policy, this fund seeks to avoid our listed excluded activities and tilt towards our positive investment themes with the overall goal of respecting people, our planet and animals.

[Read our Ethical Investment Policy to learn more.](#)

## What we are comparing ourselves to: the yardstick

We measure the ethical performance of the listed companies in the Global Property Fund against the Amundi IS FTSE EPRA NAREIT ETF – we call this our 'yardstick'. We use this as a yardstick for two reasons: 1. because it provides a comprehensive representation of the performance of more than 300 global listed property companies, and 2. because those stocks weren't selected based on ethical or sustainable criteria. This means we can show you the difference, in ethical metrics, between our investments and a more conventional alternative.

This yardstick is different to the fund's benchmark which we use to measure the fund's financial performance, you can learn more about this [here](#).



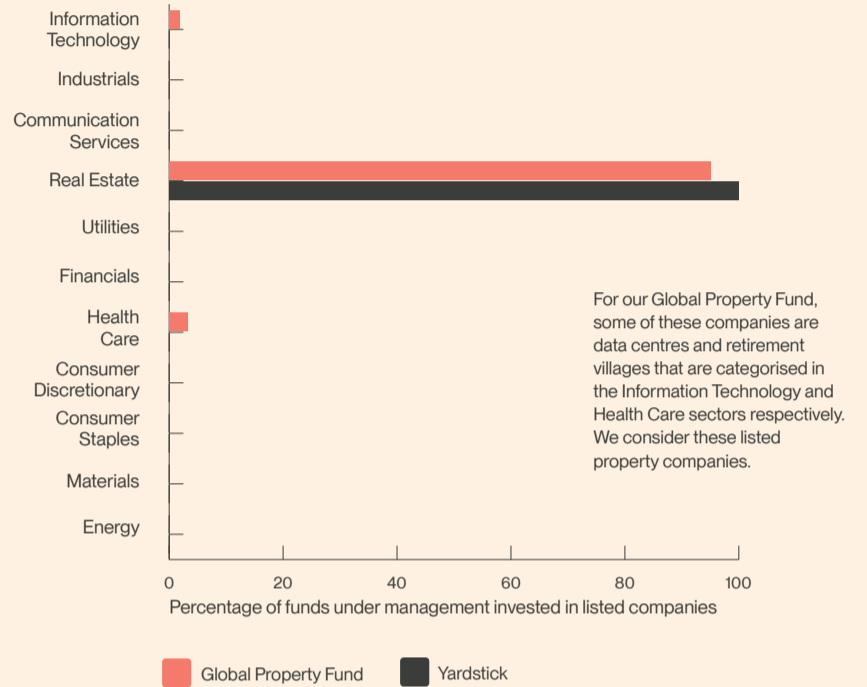
**Yardstick:** Amundi IS FTSE EPRA NAREIT ETF (100% listed property companies).  
**Pathfinder:** Global Property Fund (92.53% Listed property, 6.47% Cash & cash equivalents, 1.0% New Zealand and international fixed interest).

For more details on the fund's asset allocation, read our SIPO [here](#).

## Where we're invested: yardstick vs our fund

Here are our listed company investments for the fund by sector. The Global Property Fund holds a diverse selection of global real estate which is mostly categorised in the Real Estate sector.

Below shows where we invest compared to the yardstick.



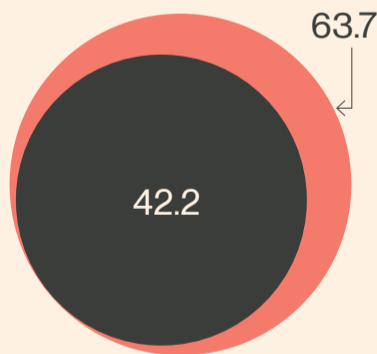
For our Global Property Fund, some of these companies are data centres and retirement villages that are categorised in the Information Technology and Health Care sectors respectively. We consider these listed property companies.

# Global Property Fund

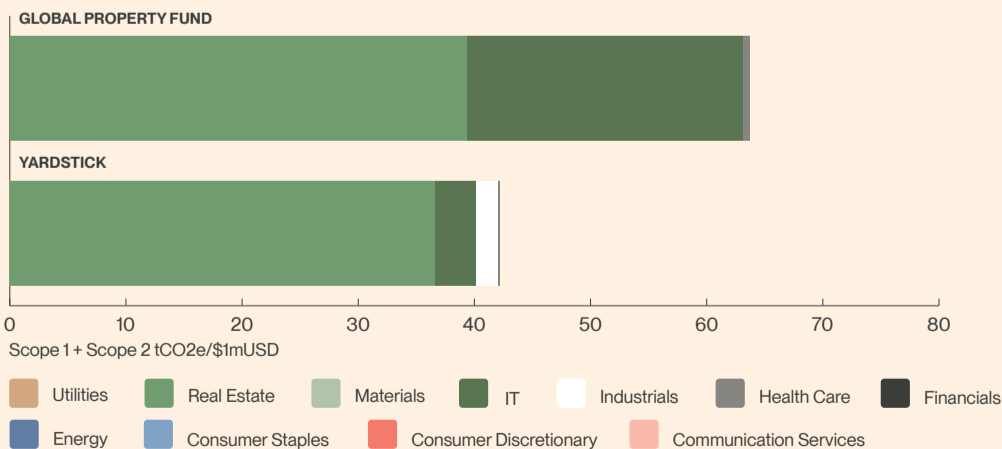
## What is the Weighted Average Carbon Intensity (WACI) of this fund?

Compared to the yardstick, the listed company investments in the fund have a 51% higher Weighted Average Carbon Intensity (WACI, Scope 1 + Scope 2). If you're looking for low carbon emission investments, a lower WACI value is generally seen as better – you can read more about WACI [here](#) and our methodology [here](#).

Global Property Fund (63.7) vs Yardstick (42.2)



## Where is this carbon coming from, by sector:



The Global Property Fund is a single-sector fund (Real Estate) invested in property and infrastructure opportunities.

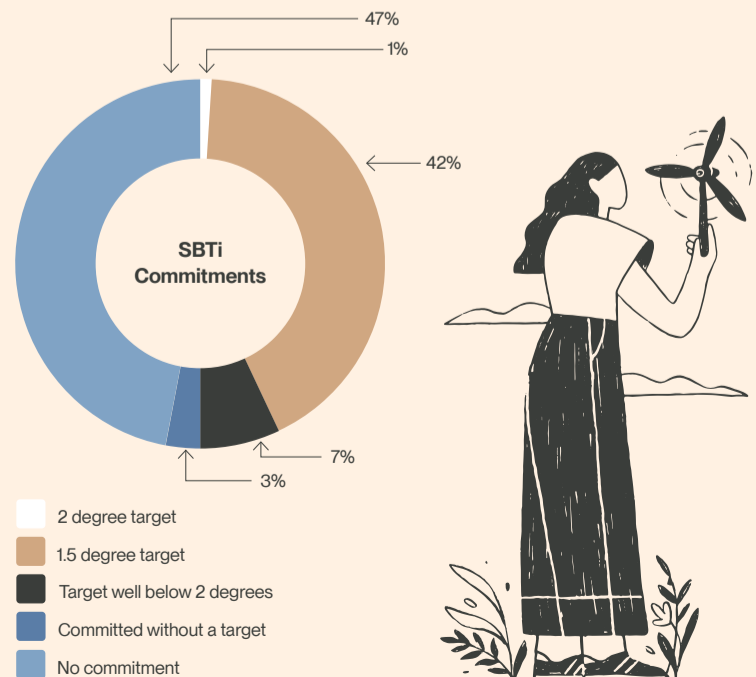
We have invested more in listed companies involved in digital infrastructure due to the high growth potential.

Our portfolio favours companies actively engaged in development and business expansion, which has implications for the fund's WACI value, as these listed companies tend to have higher emissions due to the energy-intensive nature of their operations and ongoing construction activities.

## How committed are the individual listed companies in this fund to helping reach the Paris Agreement?

While each company might answer this differently, we can only report what a company discloses. We need a common, reliable, effective measure, so we look at whether a company has committed to a **Science Based Target initiative** (SBTi). 53% of the listed companies held in the Global Property Fund are committed to some degree.

These targets are scientifically confirmed requirements that set out pathways for transitioning to a low carbon economy, helping to achieve the goals set out in the **Paris Agreement**.



# Global Property Fund

## Which United Nations Sustainable Development Goals are relevant to this fund?

We support the United Nations Sustainable Development Goals (SDGs) which act as a blueprint to help achieve a better and more sustainable future for all. Below you'll see the SDGs we consider most relevant to the sectors we invest the most in, as well as the number of listed companies in this fund that self-report as aligning with each of these SDGs. The consequences of this commitment are specific to each company and not available through our data provider.

<p><b>SDG9: Industry, innovation and infrastructure</b></p> <p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</p> <p style="font-size: 2em; font-weight: bold; text-align: center;">38</p> <p style="text-align: center;">COMPANIES ALIGN OUT OF 72</p>	<p><b>SDG11: Sustainable cities and communities</b></p> <p>Make cities and human settlements inclusive, safe, resilient and sustainable.</p> <p style="font-size: 2em; font-weight: bold; text-align: center;">55</p> <p style="text-align: center;">COMPANIES ALIGN OUT OF 72</p>
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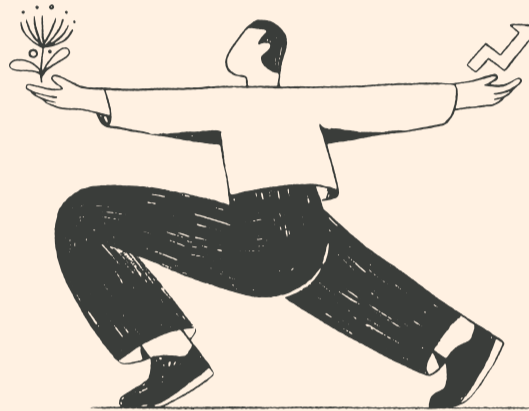
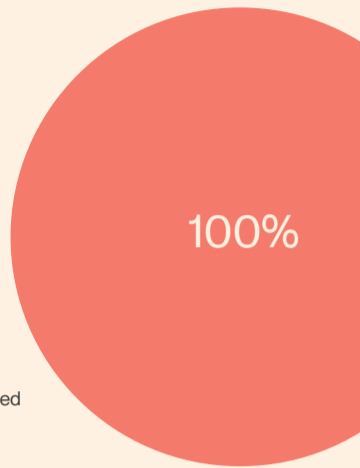
## Are there any listed companies in this fund that have been granted exceptions to our exclusions?

**This looks at how well we're doing 'avoiding harm' via our robust exclusions.**

0 of 72 listed companies in this fund have been granted an exception to our exclusions (which comprises 0% of the total funds invested in listed companies).

You can read more about the rigorous process used to grant these exceptions [here](#).

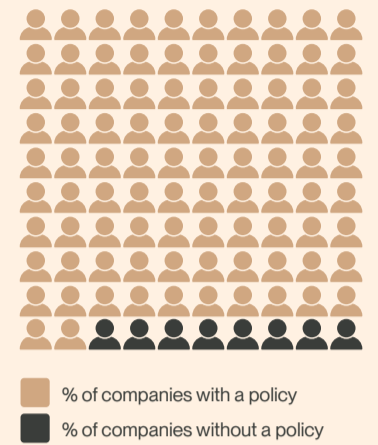
- Total funds invested in listed companies
- Exceptions granted



## Human rights

92% of the listed companies within the Global Property Fund have a human rights policy.

This can be an indicator that a company is serious about protecting human rights, but it's not a guarantee. As an active manager we have the flexibility to not invest in companies who have controversies related to human rights.



## Further details

For the information on these pages we have used the Global Property Fund's holdings in listed companies as at **31 March 2025**. We have used the Amundi IS FTSE EPRA NAREIT ETF as at **31 March 2025**. All ESG and revenue data and analysis tools are provided by **London Stock Exchange Group (LSEG) Data & Analytics**, formerly known as Refinitiv. We cannot verify the underlying source of LSEG's ESG and revenue data and make no representation or warranty as to its accuracy or completeness. The analysis and comparison to our 'yardstick' is based on listed companies for which we have relevant data available from LSEG, being at least 95% of our listed companies (by value) and over 95% of listed companies in the yardstick (by value).

Pathfinder Asset Management Limited is the issuer of the Pathfinder Global Property Fund. A Product Disclosure Statement for the offer is available at [pathfinder.kiwi](http://pathfinder.kiwi)

# Global Responsibility Fund

Due to data availability, this report only provides metrics on the listed equities and listed property assets (which we refer to as 'listed companies' in this scorecard) in the Global Responsibility Fund. While not all the data in this scorecard informs our investment decisions, we have included it because we think it is important that you know about the ethical characteristics of the companies you're invested in when you invest with us.

On our website, you can view the financial performance of our funds, but what about the ethical performance? This report shows you key ethical metrics for the Global Responsibility Fund that are aligned with our mission, and which we have the data to measure.

For information on the source for this data, check out the 'Further details' on the last page of this scorecard.

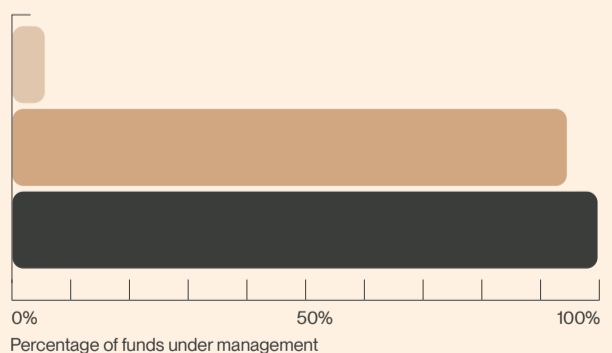
In line with our Ethical Investment Policy, this fund seeks to avoid our listed excluded activities and tilt towards our positive investment themes with the overall goal of respecting people, our planet and animals.

[Read our Ethical Investment Policy to learn more.](#)

## What we are comparing ourselves to: the yardstick

We measure the ethical performance of the listed companies in the Global Responsibility Fund against the Morningstar Global Markets ex-Australia Index – we call this our 'yardstick'. We use this as a yardstick for two reasons: 1. because it provides a comprehensive representation of the performance of more than 7,000 global stocks from both developed and emerging markets and 2. because those stocks weren't selected based on ethical or sustainable criteria. This means we can show you the difference, in ethical metrics, between our investments and a more conventional alternative.

This yardstick is different to the fund's benchmark which we use to measure the fund's financial performance, you can learn more about this [here](#).



**Yardstick:** Morningstar Global Markets ex-Australia Index (100% listed companies).  
**Pathfinder:** Global Responsibility Fund (94.27% International and Australasian listed equities and listed property, 5.74% Cash and cash equivalents).

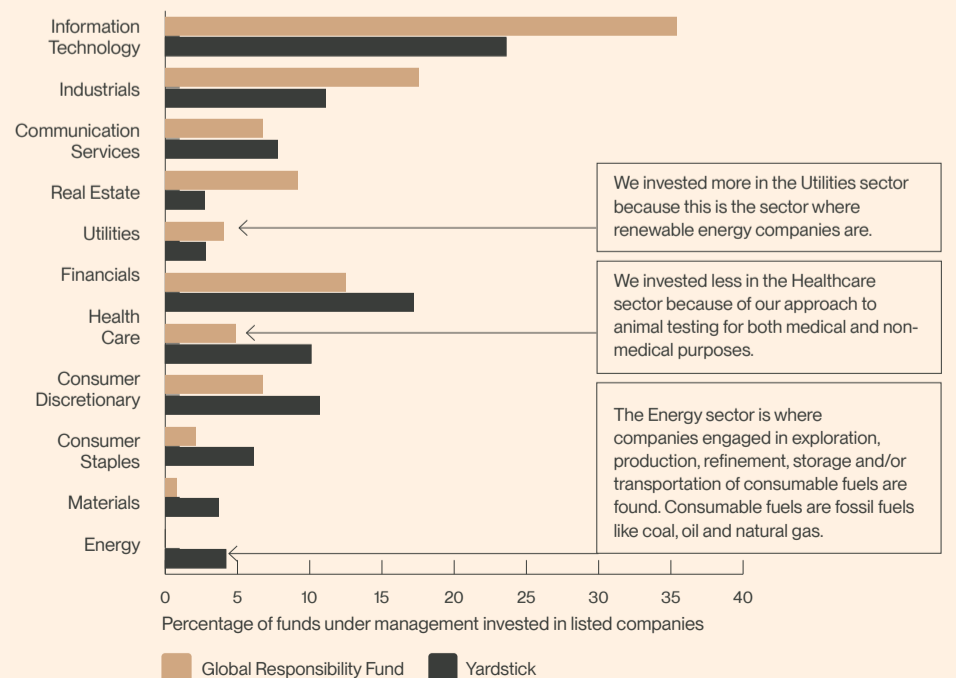
For more details on the fund's asset allocation, read our SIPO [here](#).

## Where we're invested: yardstick vs our fund

Here are our listed company investments for the fund by sector. Because we seek to exclude a wide range of activities, the degree to which we invest in each sector is different from the yardstick.

To learn more about how we apply these exclusions (including permitted revenue thresholds and exceptions) you can read our Ethical Investment Policy [here](#).

Below shows where we invest compared to the yardstick.



We invested more in the Utilities sector because this is the sector where renewable energy companies are.

We invested less in the Healthcare sector because of our approach to animal testing for both medical and non-medical purposes.

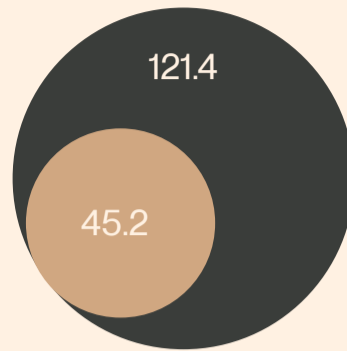
The Energy sector is where companies engaged in exploration, production, refinement, storage and/or transportation of consumable fuels are found. Consumable fuels are fossil fuels like coal, oil and natural gas.

# Global Responsibility Fund

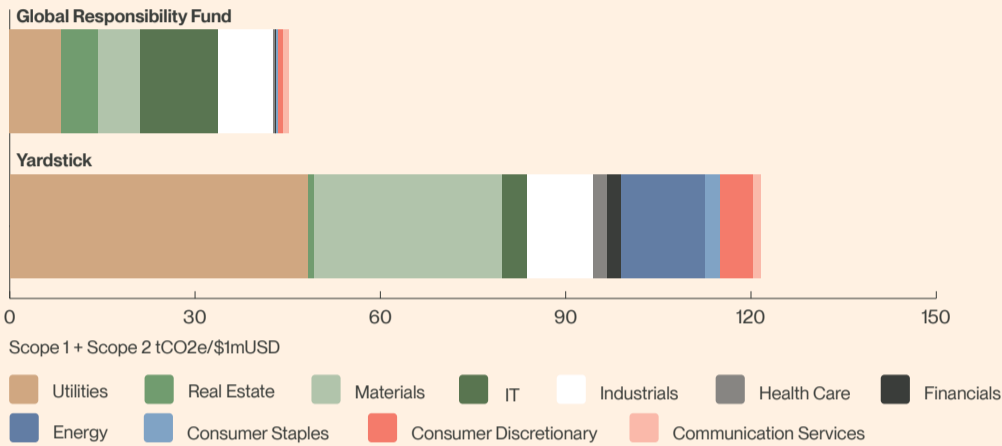
## What is the Weighted Average Carbon Intensity (WACI) of this fund?

Compared to the yardstick, the listed company investments in the fund have 37% of the Weighted Average Carbon Intensity (WACI, Scope 1 + Scope 2). If you're looking for low carbon emission investments, a lower WACI value is generally seen as better – you can read more about WACI [here](#) and our methodology [here](#).

■ Global Responsibility Fund  
■ Yardstick



## Where is this carbon coming from, by sector:



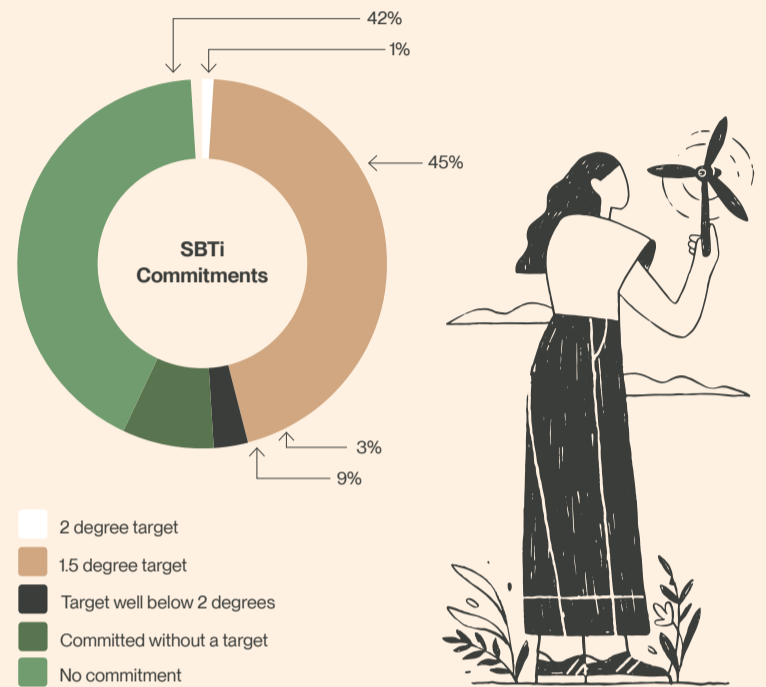
Of our listed company investments in the Global Responsibility Fund (by value), implementation of our investment process means that most sectors have lower exposure to carbon-intensive companies in comparison to the yardstick – the exceptions are the

Real Estate sector and Information Technology sector. When we consider our overall fund the WACI value is significantly lower than the WACI value of the yardstick.

## How committed are the individual companies in this fund to helping reach the Paris Agreement?

While each company might answer this differently, we can only report what a company discloses. We need a common, reliable, effective measure, so we look at whether a company has committed to a **Science Based Target initiative** (SBTi). 58% of the listed companies held in the Global Responsibility Fund are committed to some degree.

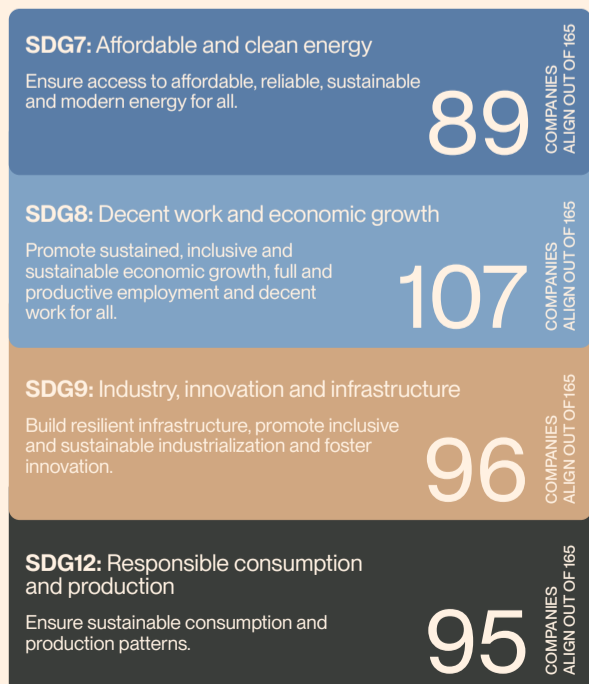
These targets are scientifically confirmed requirements that set out pathways for transitioning to a low carbon economy, helping to achieve the goals set out in the **Paris Agreement**.



# Global Responsibility Fund

## Which United Nations Sustainable Development Goals are relevant to this fund?

We support the United Nations Sustainable Development Goals (SDGs) which act as a blueprint to help achieve a better and more sustainable future for all. Below you'll see the SDGs we consider most relevant to the sectors we invest the most in, as well as the number of listed companies in this fund that self-report as aligning with each of these SDGs. The consequences of this commitment are specific to each company and not available through our data provider.



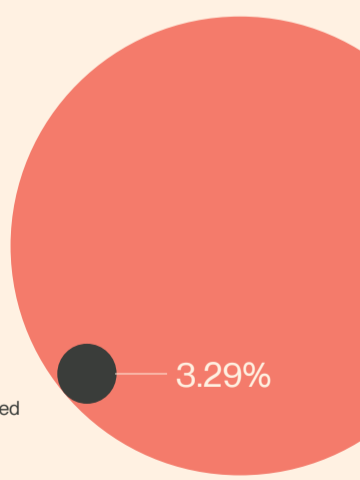
## Are there any listed companies in this fund that have been granted exceptions to our exclusions?

**This looks at how well we're doing 'avoiding harm' via our robust exclusions.**

4 of 165 listed companies in this fund have been granted an exception to our exclusions (which comprises 3.29% of the total funds invested in listed companies).

You can read more about the rigorous process used to grant these exceptions [here](#).

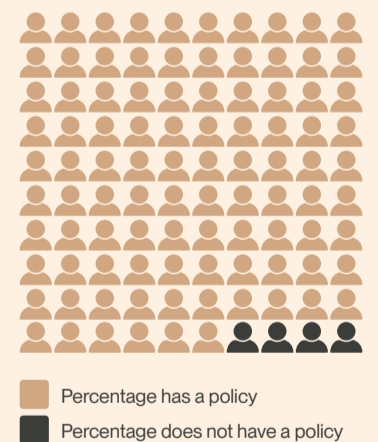
■ Total funds invested in listed companies  
■ Exceptions granted



## Human rights

96% of the listed companies within the Global Responsibility Fund have a human rights policy.

This can be an indicator that a company is serious about protecting human rights, but it's not a guarantee. As an active manager we have the flexibility to not invest in companies who have controversies related to human rights.



## Further details

For the information on these pages we have used the Global Responsibility Fund's holdings in listed companies as at **31 March 2025**. We have used the Morningstar Global Markets ex-Australia Index holdings as at **31 March 2025**. All ESG and revenue data and analysis tools are provided by **London Stock Exchange Group (LSEG) Data & Analytics**, formerly known as Refinitiv. We cannot verify the underlying source of LSEG's ESG and revenue data and make no representation or warranty as to its accuracy or completeness. The analysis and comparison to our 'yardstick' is based on listed companies for which we have relevant data available from LSEG, being at least 97% of our listed companies (by value) and over 93% of listed companies in the yardstick (by value).

Pathfinder Asset Management Limited is the issuer of the Pathfinder Global Responsibility Fund. A Product Disclosure Statement for the offer is available at [pathfinder.kiwi](http://pathfinder.kiwi)

# Ethical Trans-Tasman Fund

Due to data availability, this report only provides metrics on the listed equities and listed property assets (which we refer to as 'listed companies' in this scorecard) in the Ethical Trans-Tasman Fund. While not all the data in this scorecard informs our investment decisions, we have included it because we think it is important that you know about the ethical characteristics of the companies you're invested in when you invest with us.

On our website, you can view the financial performance of our funds, but what about the ethical performance? This report shows you key ethical metrics for the Ethical Trans-Tasman Fund that are aligned with our mission, and which we have the data to measure.

For information on the source for this data, check out the 'Further details' on the last page of this scorecard.

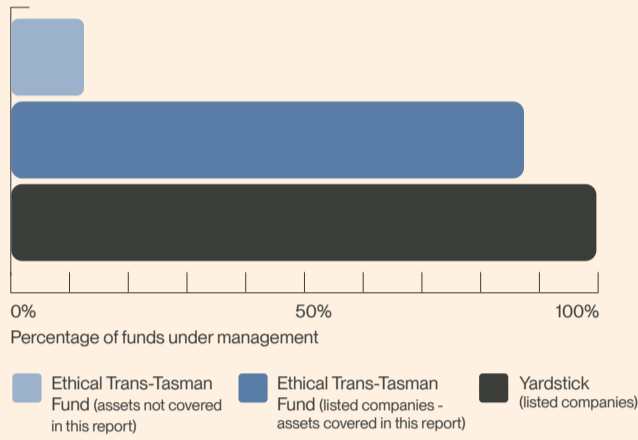
In line with our Ethical Investment Policy, this fund seeks to avoid our listed excluded activities and tilt towards our positive investment themes with the overall goal of respecting people, our planet and animals.

[Read our Ethical Investment Policy to learn more.](#)

## What we are comparing ourselves to: the yardstick

We measure the ethical performance of the listed companies in the Ethical Trans-Tasman Fund against the Morningstar Australia New Zealand 50/50 Index – we call this our 'yardstick'. We use this as a yardstick for two reasons: 1. because it provides a comprehensive representation of the performance of more than 230 Australasian stocks, and 2. because those stocks weren't selected based on ethical or sustainable criteria. This means we can show you the difference, in ethical metrics, between our investments and a more conventional alternative.

This yardstick is different to the fund's benchmark which we use to measure the fund's financial performance, you can learn more about this [here](#).



**Yardstick:** Morningstar Australia New Zealand 50/50 Index (100% listed companies).

**Pathfinder:** Ethical Trans-Tasman Fund (87.52% Australasian listed companies and listed property, 10.78% Cash and cash equivalents, 1.7% New Zealand fixed interest).

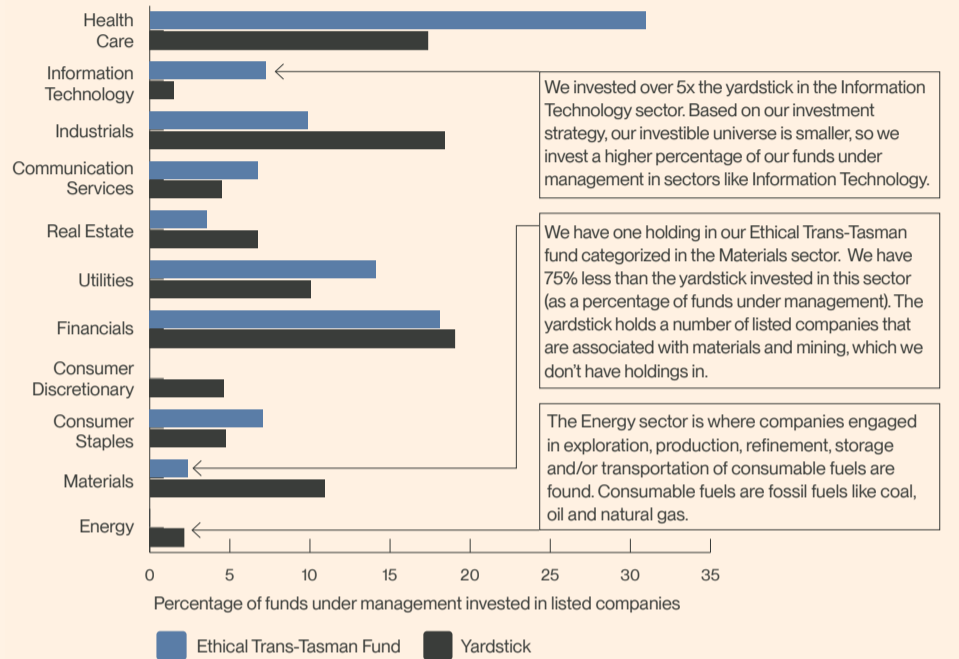
For more details on the fund's asset allocation, read our SIPO [here](#).

## Where we're invested: yardstick vs our fund

Here are our listed company investments for the fund by sector. Because we seek to exclude a wide range of activities, the degree to which we invest in each sector is different from the yardstick.

To learn more about how we apply these exclusions (including permitted revenue thresholds and exceptions) you can read our Ethical Investment Policy [here](#).

Below shows where we invest compared to the yardstick.

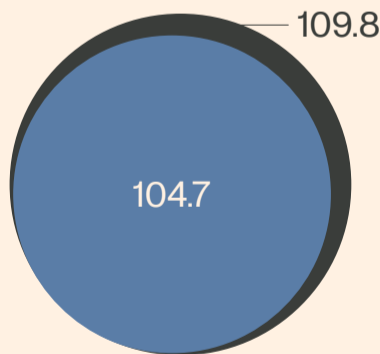


# Ethical Trans-Tasman Fund

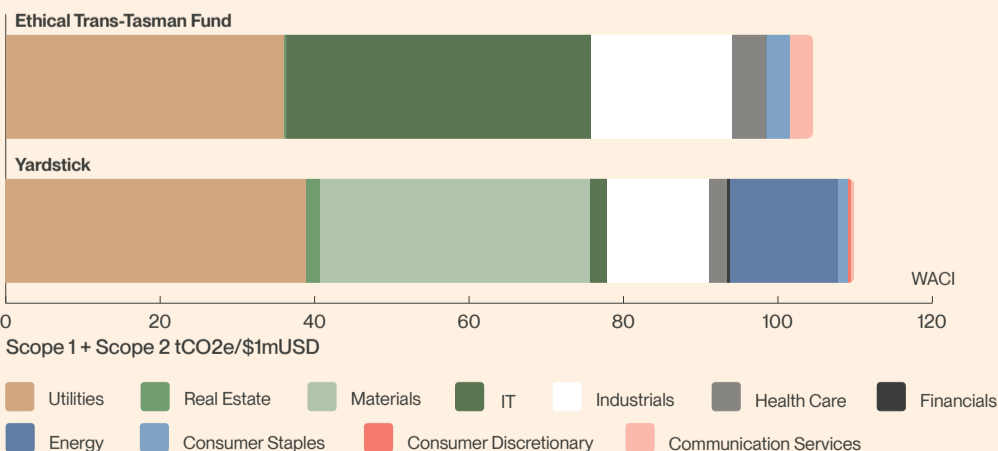
## What is the Weighted Average Carbon Intensity (WACI) of this fund?

Compared to the yardstick, the listed company investments in the fund have 4.8% lower of the Weighted Average Carbon Intensity (WACI, Scope 1 + Scope 2). If you're looking for low carbon emission investments, a lower WACI value is generally seen as better – you can read more about WACI [here](#) and our methodology [here](#).

■ Ethical Trans-Tasman Fund  
■ Yardstick



## Where is this carbon coming from, by sector:



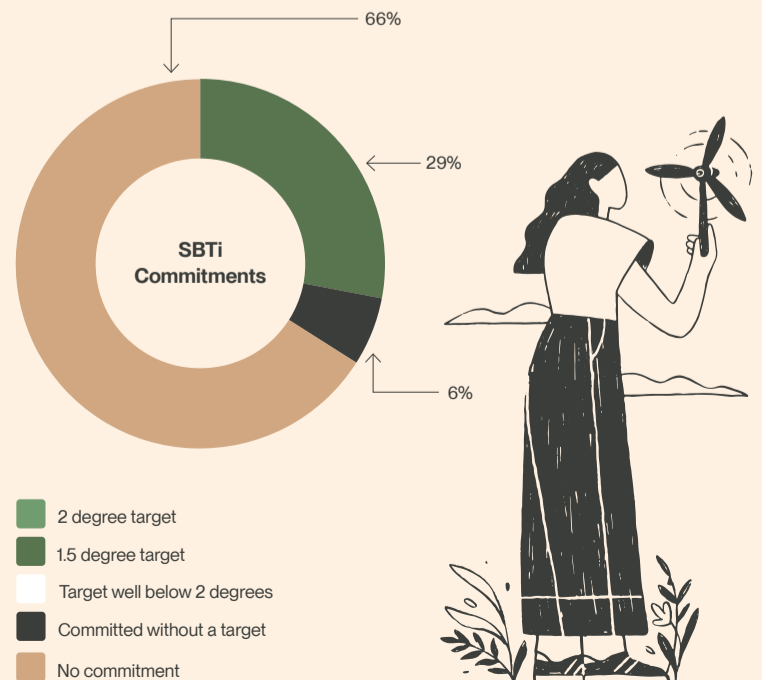
Of our listed company investments in the Ethical Trans-Tasman Fund (by value), implementation of our investment process means that some sectors have lower exposure to carbon-intensive companies in comparison to the yardstick.

When we consider our overall fund the WACI value is slightly lower than the WACI value of the yardstick.

## How committed are the individual listed companies in this fund to helping reach the Paris Agreement?

While each company might answer this differently, we can only report what a company discloses. We need a common, reliable, effective measure, so we look at whether a company has committed to a **Science Based Target initiative** (SBTi). 34% of the listed companies held in the Ethical Trans-Tasman Fund are committed to some degree.

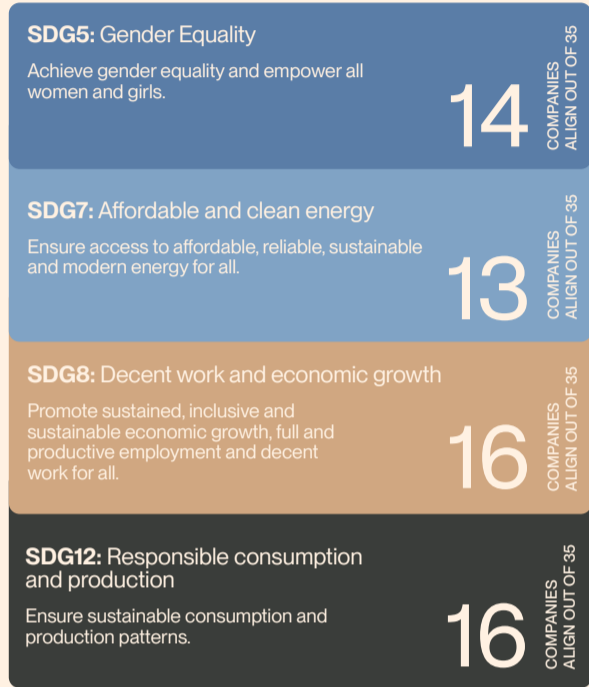
These targets are scientifically confirmed requirements that set out pathways for transitioning to a low carbon economy, helping to achieve the goals set out in the **Paris Agreement**.



# Ethical Trans-Tasman Fund

## Which United Nations Sustainable Development Goals are relevant to this fund?

We support the United Nations Sustainable Development Goals (SDGs) which act as a blueprint to help achieve a better and more sustainable future for all. Below you'll see the SDGs we consider most relevant to the sectors we invest the most in, as well as the number of listed companies in this fund that self-report as aligning with each of these SDGs. The consequences of this commitment are specific to each company and not available through our data provider.



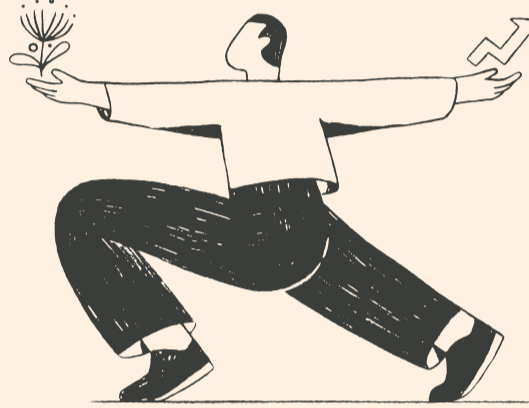
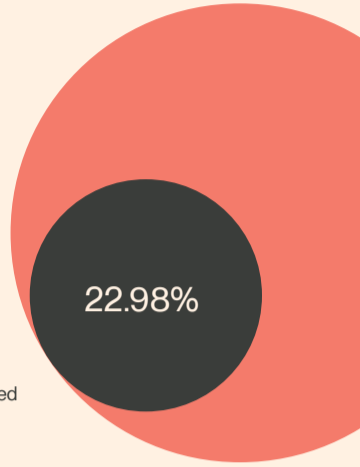
## Are there any listed companies in this fund that have been granted exceptions to our exclusions?

This looks at how well we're doing 'avoiding harm' via our robust exclusions.

5 of 35 listed companies in this fund have been granted an exception to our exclusions (which comprises 22.98% of the total funds invested in listed companies).

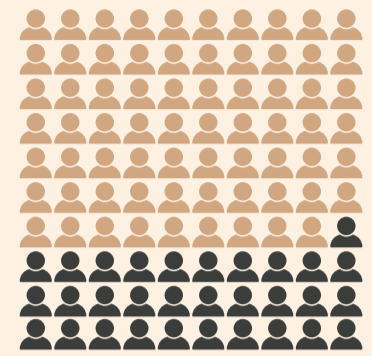
You can read more about the rigorous process used to grant these exceptions [here](#).

■ Total funds invested in listed companies  
■ Exceptions granted



## Human rights

69% of the listed companies within the Ethical Trans-Tasman Fund have a human rights policy.



This can be an indicator that a company is serious about protecting human rights, but it's not a guarantee. As an active manager we have the flexibility to not invest in companies who have controversies related to human rights.

■ Percentage has a policy  
■ Percentage does not have a policy

## Further details

For the information on these pages we have used the Ethical Trans-Tasman Fund's holdings in listed companies as at **31 March 2025**. We have used the Morningstar Australia New Zealand 50/50 Index holdings as at **31 March 2025**. All ESG and revenue data and analysis tools are provided by **London Stock Exchange Group (LSEG) Data & Analytics**, formerly known as Refinitiv. We cannot verify the underlying source of LSEG's ESG and revenue data and make no representation or warranty as to its accuracy or completeness. The analysis and comparison to our 'yardstick' is based on listed shares in those companies for which we have relevant data available from LSEG, being at least 88% of our listed companies (by value) and over 96% of listed companies in the yardstick (by value).

Pathfinder Asset Management Limited is the issuer of the Pathfinder Ethical Trans-Tasman Fund. A Product Disclosure Statement for the offer is available at [pathfinder.kiwi](#)

# Ethical Growth Fund

Due to data availability, this report only provides metrics on the listed equities and listed property assets (which we refer to as 'listed companies' in this scorecard) in the Ethical Growth Fund. While not all the data in this scorecard informs our investment decisions, we have included it because we think it is important that you know about the ethical characteristics of the companies you're invested in when you invest with us.

On our website, you can view the financial performance of our funds, but what about the ethical performance? This report shows you key ethical metrics for the Ethical Growth Fund that are aligned with our mission, and which we have the data to measure.

For information on the source for this data, check out the 'Further details' on the last page of this scorecard.

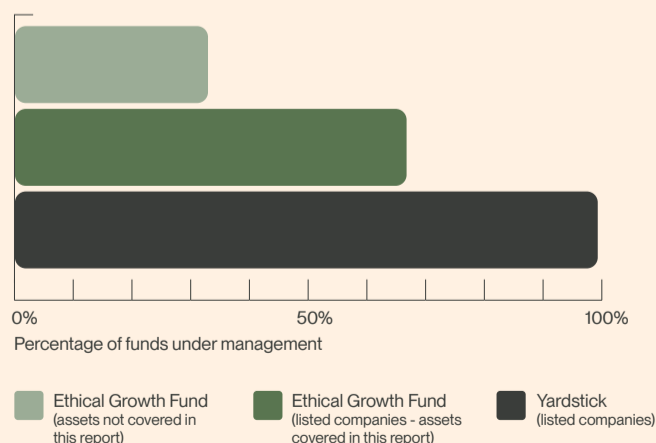
In line with our Ethical Investment Policy, this fund seeks to avoid our listed excluded activities and tilt towards our positive investment themes with the overall goal of respecting people, our planet and animals.

[Read our Ethical Investment Policy to learn more.](#)

## What we are comparing ourselves to: the yardstick

We measure the ethical performance of the listed companies in the Ethical Growth Fund against the Morningstar Global Markets ex-Australia Index – we call this our 'yardstick'. We use this as a yardstick for two reasons: 1. because it provides a comprehensive representation of the performance of more than 7,000 global stocks from both developed and emerging markets, and 2. because those stocks weren't selected based on ethical or sustainable criteria. This means we can show you the difference, in ethical metrics, between our investments and a more conventional alternative.

This yardstick is different to the fund's benchmark which we use to measure the fund's financial performance, you can learn more about this [here](#).



**Yardstick:** Morningstar Global Markets ex-Australia Index (100% listed companies).

**Pathfinder:** Ethical Growth Fund (67.20% International and Australasian equities and listed property, 9.90% Cash & cash equivalents, 19.38% New Zealand and International fixed interest, 3.52% Other).

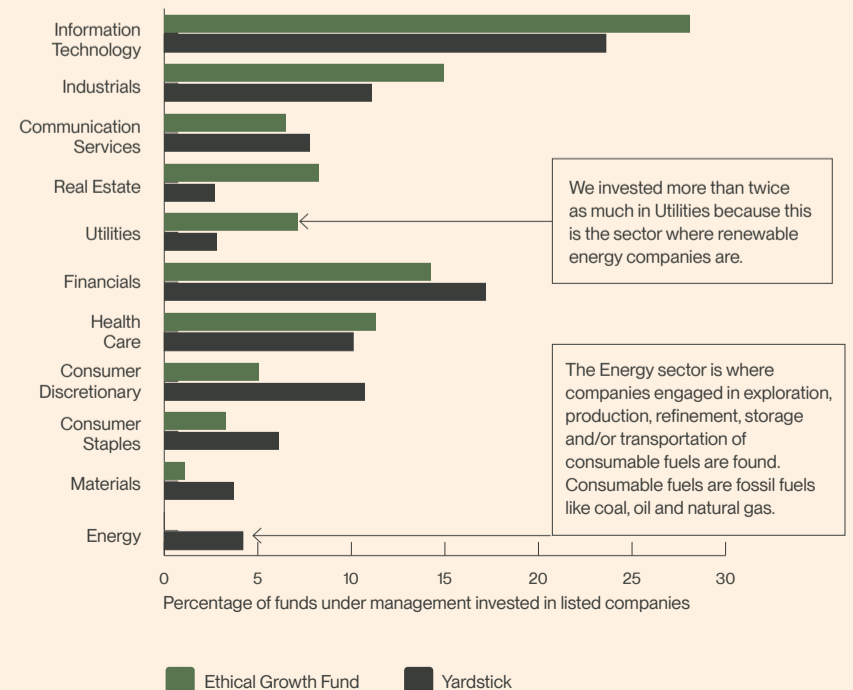
For more details on the fund's asset allocation, read our SIPO [here](#).

## Where we're invested: yardstick vs our fund

Here are our listed company investments for the fund by sector. Because we seek to exclude a wide range of activities, the degree to which we invest in each sector is different from the yardstick.

To learn more about how we apply these exclusions (including permitted revenue thresholds and exceptions) you can read our Ethical Investment Policy [here](#).

Below shows where we invest compared to the yardstick.

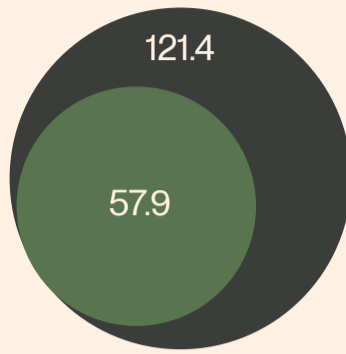


# Ethical Growth Fund

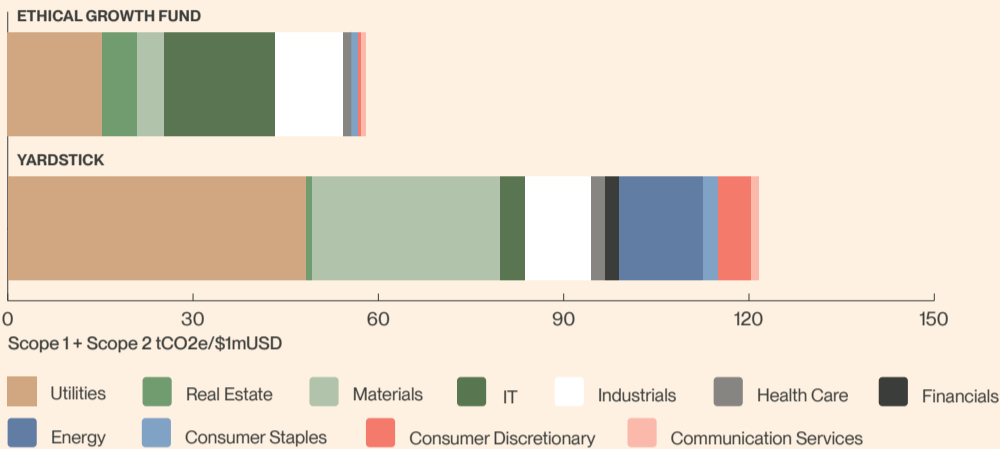
## What is the Weighted Average Carbon Intensity (WACI) of this fund?

Compared to the yardstick, the listed company investments in the fund have 48% of the Weighted Average Carbon Intensity (WACI, Scope 1 + Scope 2). If you're looking for low carbon emission investments, a lower WACI value is generally seen as better – you can read more about WACI [here](#), and our methodology [here](#).

■ Ethical Growth Fund  
■ Yardstick



## Where is this carbon coming from, by sector:



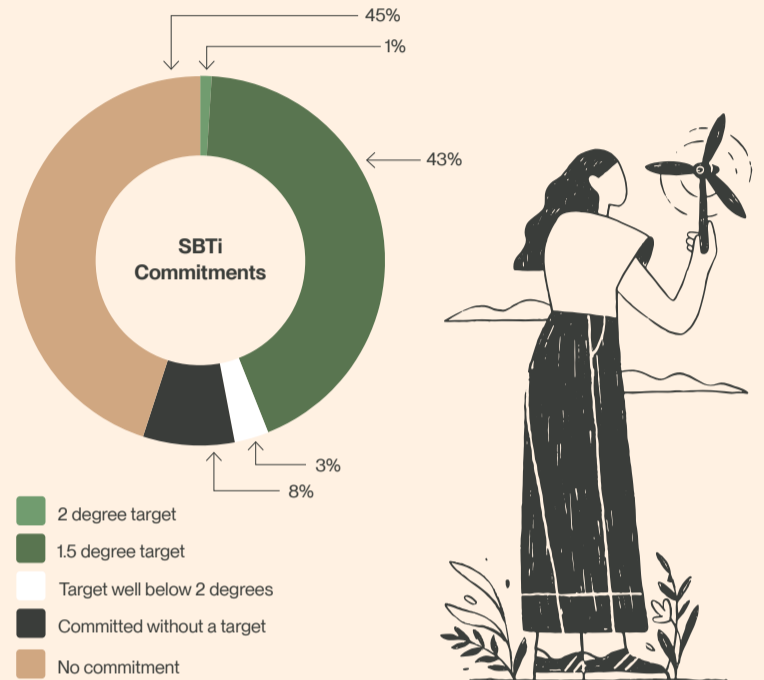
Of our listed company investments in the Ethical Growth Fund (by value), implementation of our investment process means that most sectors have lower exposure to carbon-intensive companies in comparison to the yardstick –

the exceptions are the Real Estate sector, Industrials sector and Information Technology sector. When we consider our overall fund the WACI value is significantly lower than the WACI value of the yardstick.

## How committed are the individual listed companies in this fund to helping reach the Paris Agreement?

While each company might answer this differently, we can only report what a company discloses. We need a common, reliable, effective measure, so we look at whether a company has committed to a **Science Based Target initiative** (SBTi). 55% of the listed companies held in the Ethical Growth Fund are committed to some degree.

These targets are scientifically confirmed requirements that set out pathways for transitioning to a low carbon economy, helping to achieve the goals set out in the **Paris Agreement**.



# Ethical Growth Fund

## Which United Nations Sustainable Development Goals are relevant to this fund?

We support the United Nations Sustainable Development Goals (SDGs) which act as a blueprint to help achieve a better and more sustainable future for all. Below you'll see the SDGs we consider most relevant to the sectors we invest the most in, as well as the number of listed companies in this fund that self-report as aligning with each of these SDGs. The consequences of this commitment are specific to each company and not available through our data provider.



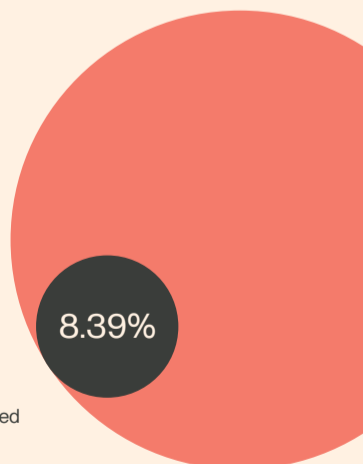
## Are there any listed companies in this fund that have been granted exceptions to our exclusions?

**This looks at how well we're doing 'avoiding harm' via our robust exclusions.**

8 of 196 listed companies in this fund have been granted an exception to our exclusions (which comprises 8.39% of the total funds invested in listed companies).

You can read more about the rigorous process used to grant these exceptions [here](#).

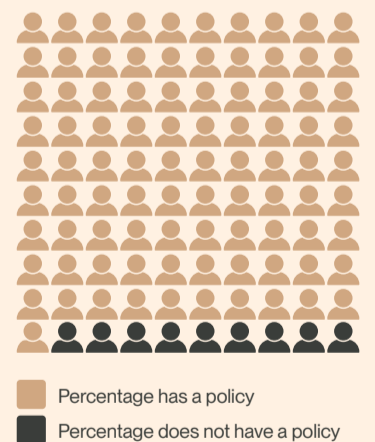
■ Total funds invested in listed companies  
■ Exceptions granted



## Human rights

91% of the listed companies within the Ethical Growth Fund have a human rights policy.

This can be an indicator that a company is serious about protecting human rights, but it's not a guarantee. As an active manager we have the flexibility to not invest in companies who have controversies related to human rights.



## Further details

For the information on these pages we have used the Ethical Growth Fund's holdings in listed companies as at **31 March 2025**. We have used the Morningstar. Global Markets ex-Australia Index holdings as at **31 March 2025**. All ESG and revenue data and analysis tools are provided by **London Stock Exchange Group (LSEG) Data & Analytics**, formerly known as Refinitiv. We cannot verify the underlying source of LSEG's ESG and revenue data and make no representation or warranty as to its accuracy or completeness. The analysis and comparison to our 'yardstick' is based on listed companies for which we have relevant data available from LSEG, being at least 94% of our listed companies (by value) and over 93% of listed companies in the yardstick (by value).

Pathfinder Asset Management Limited is the issuer of the Pathfinder Investment Fund. A Product Disclosure Statement for the offer is available at [pathfinder.kiwi](http://pathfinder.kiwi)

# Pathfinder KiwiSaver Growth Fund

Due to data availability, this report only provides metrics on the listed equities and listed property assets (which we refer to as 'listed companies' in this scorecard) in the Pathfinder KiwiSaver Growth Fund. While not all the data in this scorecard informs our investment decisions, we have included it because we think it is important that you know about the ethical characteristics of the companies you're invested in when you invest with us.

On our website, you can view the financial performance of our funds, but what about the ethical performance? This report shows you key ethical metrics for the Pathfinder KiwiSaver Growth Fund that are aligned with our mission, and which we have the data to measure.

For information on the source for this data, check out the 'Further details' on the last page of this scorecard.

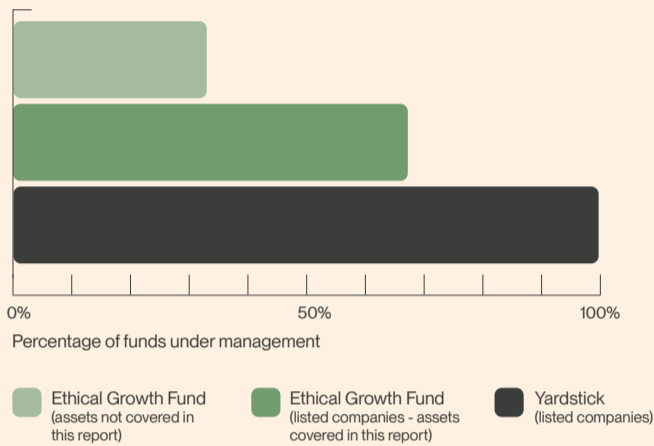
In line with our Ethical Investment Policy, this fund seeks to avoid our listed excluded activities and tilt towards our positive investment themes with the overall goal of respecting people, our planet and animals.

[Read our Ethical Investment Policy to learn more.](#)

## What we are comparing ourselves to: the yardstick

We measure the ethical performance of the listed companies in the Ethical Growth Fund against the Morningstar Global Markets ex-Australia Index – we call this our 'yardstick'. We use this as a yardstick for two reasons: 1. because it provides a comprehensive representation of the performance of more than 7,000 global stocks from both developed and emerging markets and 2. because those stocks weren't selected based on ethical or sustainable criteria. This means we can show you the difference, in ethical metrics, between our investments and a more conventional alternative.

This yardstick is different to the fund's benchmark which we use to measure the fund's financial performance, you can learn more about this [here](#).



**Yardstick:** Morningstar Global Markets ex-Australia (100% listed companies).  
**Pathfinder:** KiwiSaver Growth Fund (67.11% International and Australasian listed equities and listed property, 9.74% Cash and cash equivalents, 19.51% New Zealand and international fixed interest, 3.64% other).

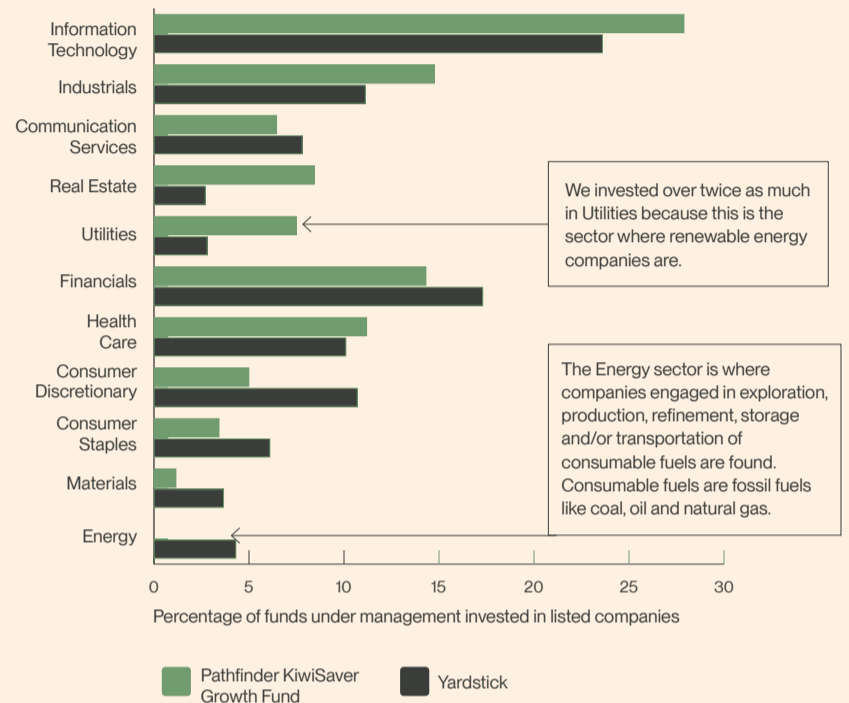
For more details on the fund's asset allocation, read our SIPO [here](#).

## Where we're invested: yardstick vs our fund

Here are our listed company investments for the fund by sector. Because we seek to exclude a wide range of activities, the degree to which we invest in each sector is different from the yardstick.

To learn more about how we apply these exclusions (including permitted revenue thresholds and exceptions) you can read our Ethical Investment Policy [here](#).

Below shows where we invest compared to the yardstick.

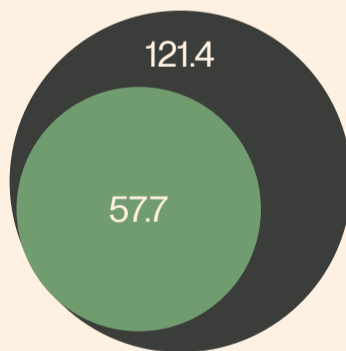


# Pathfinder KiwiSaver Growth Fund

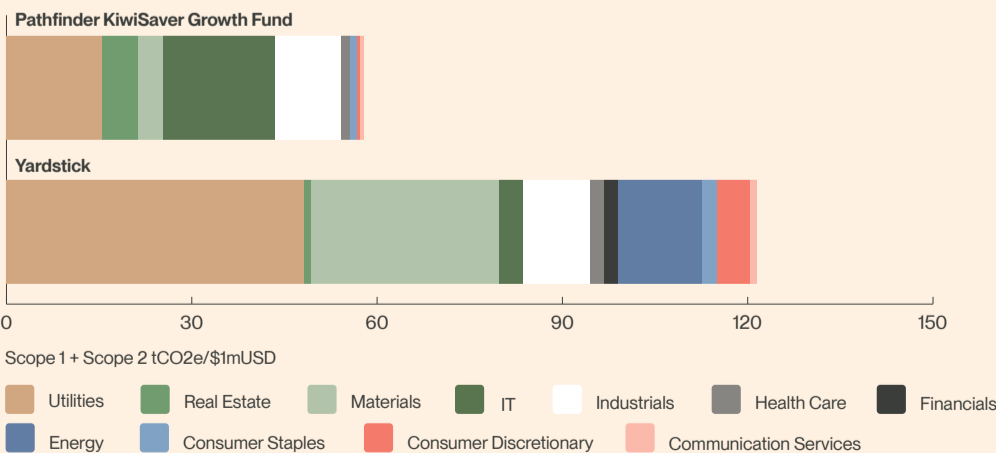
## What is the Weighted Average Carbon Intensity (WACI) of this fund?

Compared to the yardstick, the listed company investments in the fund have less than 47% of the Weighted Average Carbon Intensity (WACI, Scope 1 + Scope 2). If you're looking for low carbon emission investments, a lower WACI value is generally seen as better – you can read more about WACI [here](#) and our methodology [here](#).

Pathfinder KiwiSaver Growth Fund  
Yardstick



## Where is this carbon coming from, by sector:

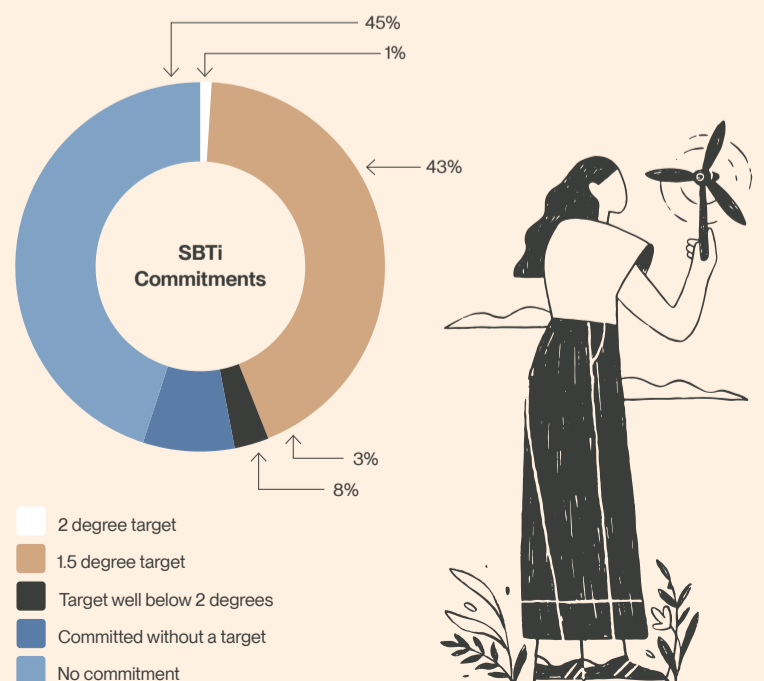


Of our listed company investments in the Pathfinder KiwiSaver Growth Fund (by value), implementation of our investment process means that most sectors have lower exposure to carbon-intensive companies in comparison to the yardstick – the exceptions are the Industrials sector, Information Technology sector and the Real Estate sector. When we consider our overall fund, the WACI value is significantly lower than the WACI value of the yardstick.

## How committed are the individual listed companies in this fund to helping reach the Paris Agreement?

While each company might answer this differently, we can only report what a company discloses. We need a common, reliable, effective measure, so we look at whether a company has committed to a **Science Based Target initiative** (SBTi). 55% of the listed companies held in the Pathfinder KiwiSaver Growth Fund are committed to some degree.

These targets are scientifically confirmed requirements that set out pathways for transitioning to a low carbon economy, helping to achieve the goals set out in the **Paris Agreement**.



# Pathfinder KiwiSaver Growth Fund

## Which United Nations Sustainable Development Goals are relevant to this fund?

We support the United Nations Sustainable Development Goals (SDGs) which act as a blueprint to help achieve a better and more sustainable future for all. Below you'll see the SDGs we consider most relevant to the sectors we invest the most in, as well as the number of listed companies in this fund that self-report as aligning with each of these SDGs. The consequences of this commitment are specific to each company and not available through our data provider.



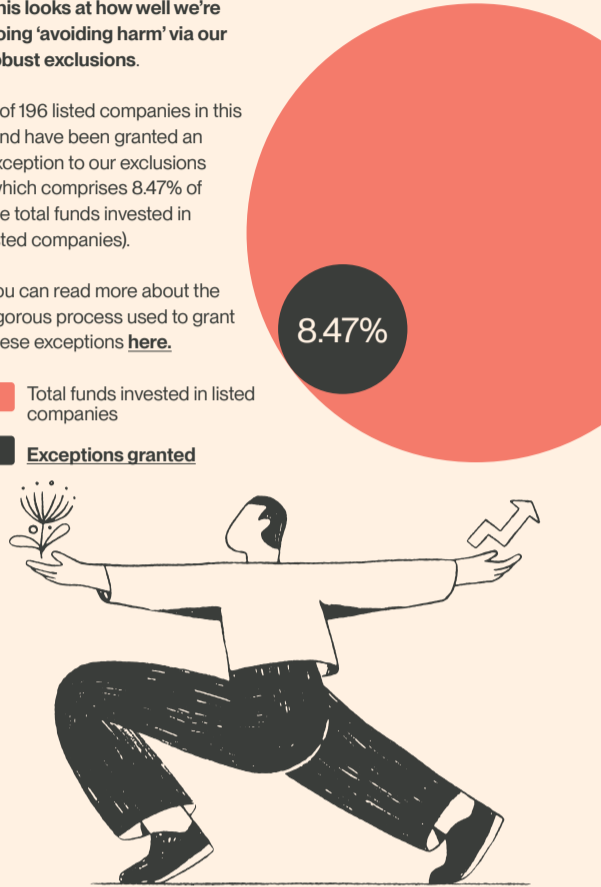
## Are there any listed companies in this fund that have been granted exceptions to our exclusions?

This looks at how well we're doing 'avoiding harm' via our robust exclusions.

8 of 196 listed companies in this fund have been granted an exception to our exclusions (which comprises 8.47% of the total funds invested in listed companies).

You can read more about the rigorous process used to grant these exceptions [here](#).

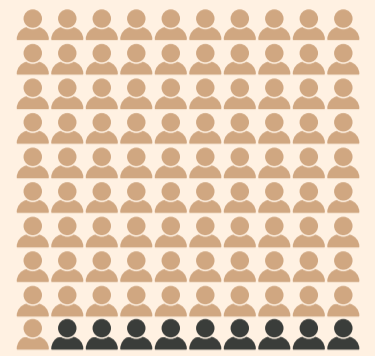
■ Total funds invested in listed companies  
■ Exceptions granted



## Human rights

91% of the listed companies within the Pathfinder KiwiSaver Growth Fund have a human rights policy.

This can be an indicator that a company is serious about protecting human rights, but it's not a guarantee. As an active manager we have flexibility to not invest in companies who have controversies related to human rights.



■ Percentage has a policy  
■ Percentage does not have a policy

## Further details

For the information on these pages we have used the Pathfinder KiwiSaver Growth Fund's holdings in listed companies as at **31 March 2025**. For the information on these pages we have used the Morningstar Global Markets ex-Australia Index holdings as at **31 March 2025**. All ESG and revenue data and analysis tools are provided by **London Stock Exchange Group (LSEG) Data & Analytics**, formerly known as Refinitiv. We cannot verify the underlying source of LSEG's ESG and revenue data and make no representation or warranty as to its accuracy or completeness. The analysis and comparison to our 'yardstick' is based on listed companies for which we have relevant data available from LSEG, being at least 94% of our listed companies (by value) and over 93% of listed companies in the yardstick (by value).

Pathfinder Asset Management Limited is the issuer of the Pathfinder KiwiSaver Plan. A Product Disclosure Statement for the offer is available at [pathfinder.kiwi](#)

# Pathfinder KiwiSaver Balanced Fund

Due to data availability, this report only provides metrics on the listed equities and listed property assets (which we refer to as 'listed companies' in this scorecard) in the Pathfinder KiwiSaver Balanced Fund. While not all the data in this scorecard informs our investment decisions, we have included it because we think it is important that you know about the ethical characteristics of the companies you're invested in when you invest with us.

On our website, you can view the financial performance of our funds, but what about the ethical performance? This report shows you key ethical metrics for the Pathfinder KiwiSaver Balanced Fund that are aligned with our mission, and which we have the data to measure.

For information on the source for this data, check out the 'Further details' on the last page of this scorecard.

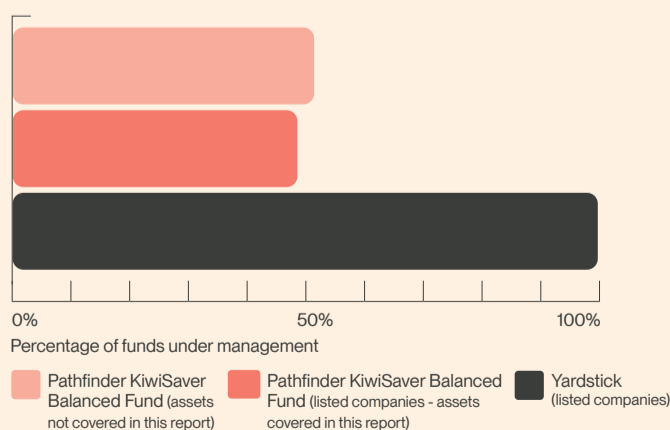
In line with our Ethical Investment Policy, this fund seeks to avoid our listed excluded activities and tilt towards our positive investment themes with the overall goal of respecting people, our planet and animals.

[Read our Ethical Investment Policy to learn more.](#)

## What we are comparing ourselves to: the yardstick

We measure the ethical performance of the listed companies in the Pathfinder KiwiSaver Balanced Fund against the Morningstar Global Markets ex-Australia Index – we call this our 'yardstick'. We use this as a yardstick for two reasons: 1. because it provides a comprehensive representation of the performance of more than 7,000 global stocks from both developed and emerging markets, and 2. because those stocks weren't selected based on ethical or sustainable criteria. This means we can show you the difference, in ethical metrics, between our investments and a more conventional alternative.

This yardstick is different to the fund's benchmark which we use to measure the fund's financial performance, you can learn more about this [here](#).



**Yardstick:** Morningstar Global Markets ex-Australia Index (100% listed companies).  
**Pathfinder:** KiwiSaver Balanced Fund (48.52% International and Australasian listed equities and listed property, 9.37% Cash and cash equivalents, 37.50% New Zealand and international fixed interest, 4.61% Other).

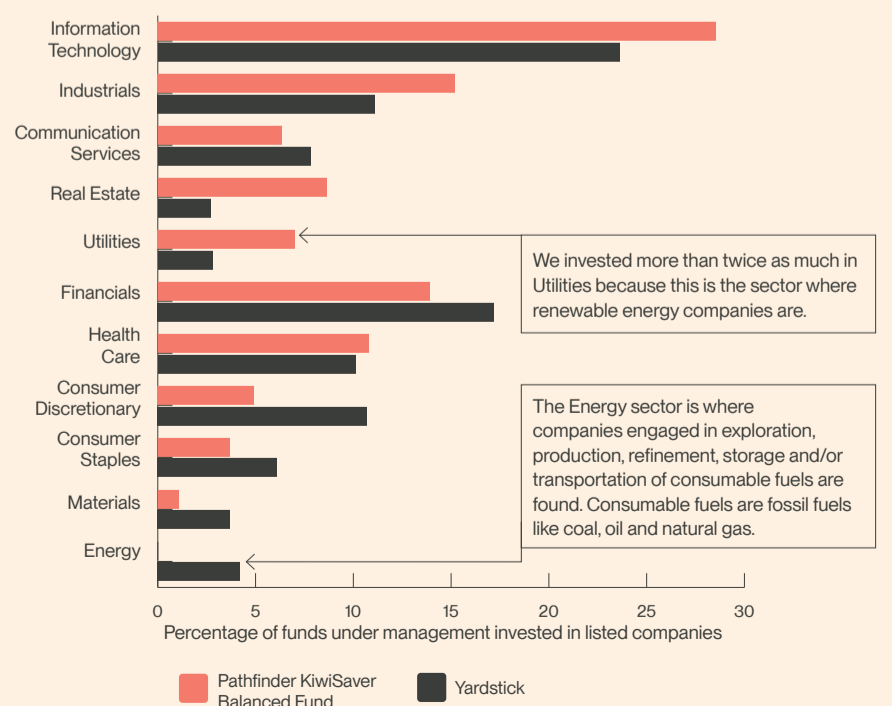
For more details on the fund's asset allocation, read our SIPO [here](#).

## Where we're invested: yardstick vs our fund

Here are our listed company investments for the fund by sector. Because we seek to exclude a wide range of activities, the degree to which we invest in each sector is different from the yardstick.

To learn more about how we apply these exclusions (including permitted revenue thresholds and exceptions) you can read our Ethical Investment Policy [here](#).

Below shows where we invest compared to the yardstick.

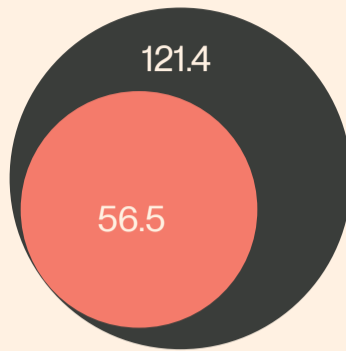


# Pathfinder KiwiSaver Balanced Fund

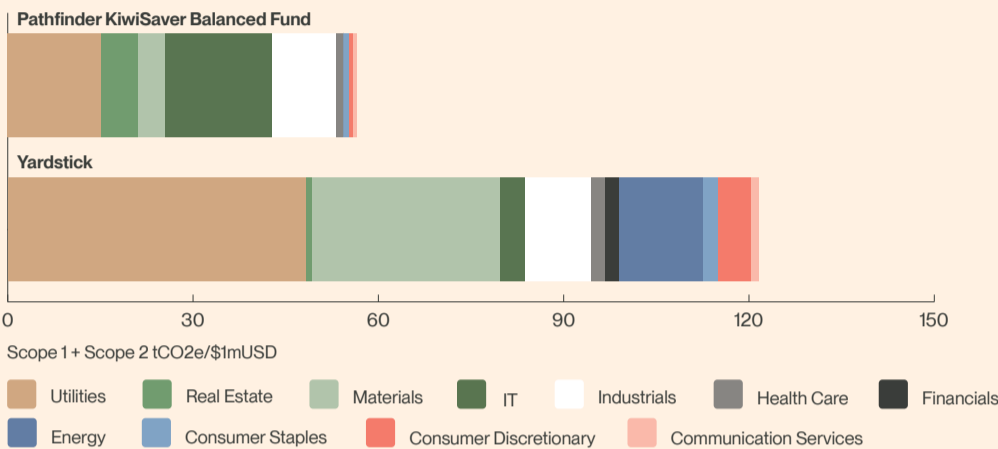
## What is the Weighted Average Carbon Intensity (WACI) of this fund?

Compared to the yardstick, the listed company investments in the fund have 53% less of the Weighted Average Carbon Intensity (WACI, Scope 1 + Scope 2). If you're looking for low carbon emission investments, a lower WACI value is generally seen as better – you can read more about WACI [here](#) and our methodology [here](#).

- Pathfinder KiwiSaver Balanced Fund
- Yardstick



## Where is this carbon coming from, by sector:

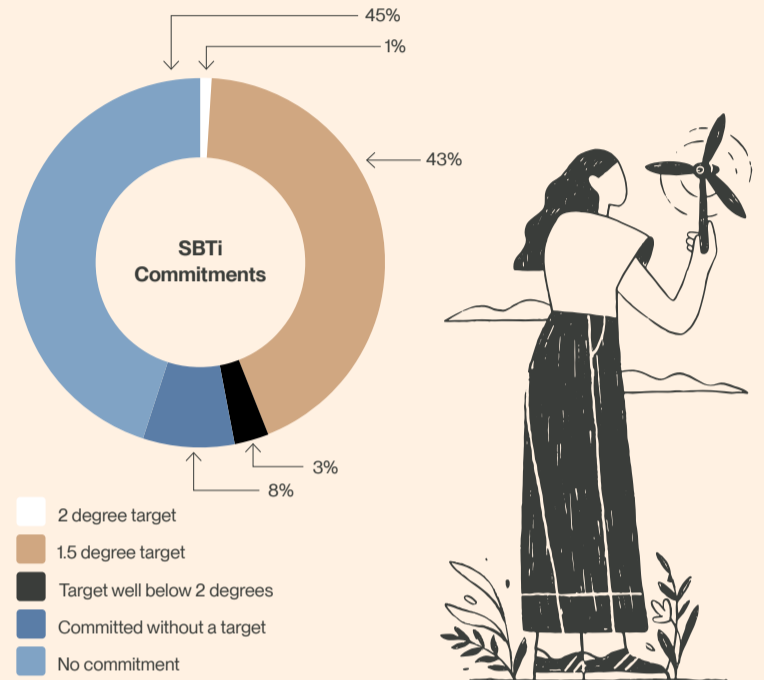


Of our listed company investments in the Pathfinder KiwiSaver Balanced Fund (by value), implementation of our investment process means that most sectors have lower exposure to carbon-intensive companies in comparison to the yardstick – the exceptions are the Industrials sector, Real Estate sector and Information Technology sector. When we consider our overall fund, the WACI value is significantly lower than the WACI value of the yardstick.

## How committed are the individual listed companies in this fund to helping reach the Paris Agreement?

While each company might answer this differently, we can only report what a company discloses. We need a common, reliable, effective measure, so we look at whether a company has committed to a **Science Based Target initiative** (SBTi). 55% of the listed companies held in the Pathfinder KiwiSaver Balanced Fund are committed to some degree.

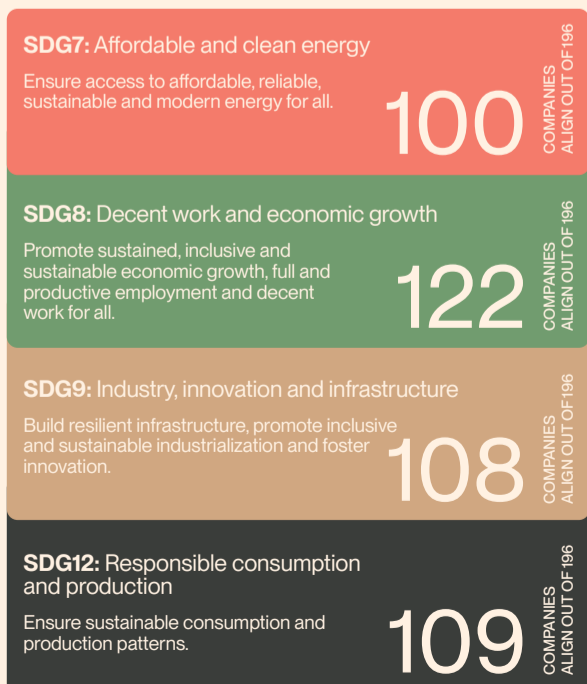
These targets are scientifically confirmed requirements that set out pathways for transitioning to a low carbon economy, helping to achieve the goals set out in the **Paris Agreement**.



# Pathfinder KiwiSaver Balanced Fund

## Which United Nations Sustainable Development Goals are relevant to this fund?

We support the United Nations Sustainable Development Goals (SDGs) which act as a blueprint to help achieve a better and more sustainable future for all. Below you'll see the SDGs we consider most relevant to the sectors we invest the most in, as well as the number of listed companies in this fund that self-report as aligning with each of these SDGs. The consequences of this commitment are specific to each company and not available through our data provider.



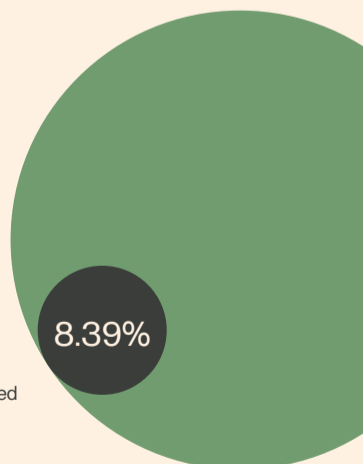
## Are there any listed companies in this fund that have been granted exceptions to our exclusions?

This looks at how well we're doing 'avoiding harm' via our robust exclusions.

8 of 196 listed companies in this fund have been granted an exception to our exclusions (which comprises 8.39% of the total funds invested in listed companies).

You can read more about the rigorous process used to grant these exceptions [here](#).

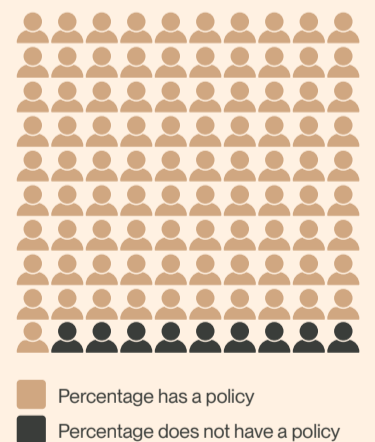
- Total funds invested in listed companies
- Exceptions granted



## Human rights

91% of the listed companies within the Pathfinder KiwiSaver Balanced Fund have a human rights policy.

This can be an indicator that a company is serious about protecting human rights, but it's not a guarantee. As an active manager we have flexibility to not invest in companies who have controversies related to human rights.



## Further details

For the information on these pages we have used the Pathfinder KiwiSaver Balanced Fund's holdings in listed companies as at **31 March 2025**. For the information on these pages we have used the Morningstar Global Markets ex-Australia Index holdings as at **31 March 2025**. All ESG and revenue data and analysis tools are provided by **London Stock Exchange Group (LSEG) Data & Analytics**, formerly known as Refinitiv. We cannot verify the underlying source of LSEG's ESG and revenue data and make no representation or warranty as to its accuracy or completeness. The analysis and comparison to our 'yardstick' is based on listed companies for which we have relevant data available from LSEG, being at least 95% of our listed companies (by value) and over 93% of listed companies in the yardstick (by value).

Pathfinder Asset Management Limited is the issuer of the Pathfinder KiwiSaver Plan. A Product Disclosure Statement for the offer is available at [pathfinder.kiwi](#)

# Pathfinder KiwiSaver Conservative Fund

Due to data availability, this report only provides metrics on the listed equities and listed property assets (which we refer to as 'listed companies' in this scorecard) in the Pathfinder KiwiSaver Conservative Fund. While not all the data in this scorecard informs our investment decisions, we have included it because we think it is important that you know about the ethical characteristics of the companies you're invested in when you invest with us.

On our website, you can view the financial performance of our funds, but what about the ethical performance? This report shows you key ethical metrics for the Pathfinder KiwiSaver Conservative Fund that are aligned with our mission, and which we have the data to measure.

For information on the source for this data, check out the 'Further details' on the last page of this scorecard.

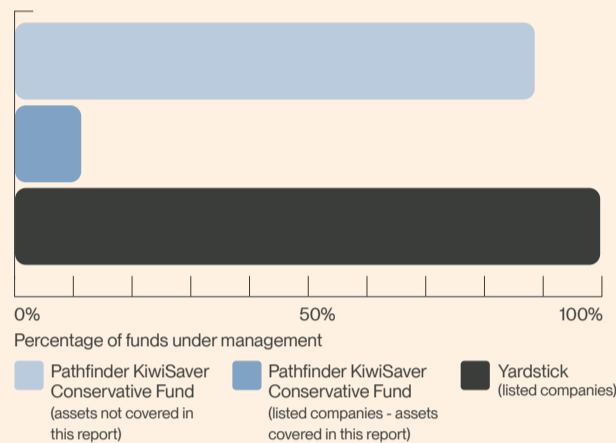
In line with our Ethical Investment Policy, this fund seeks to avoid our listed excluded activities and tilt towards our positive investment themes with the overall goal of respecting people, our planet and animals.

[Read our Ethical Investment Policy to learn more.](#)

## What we are comparing ourselves to: the yardstick

We measure the ethical performance of the listed companies in the Pathfinder KiwiSaver Conservative Fund against the Morningstar Global Markets ex-Australia Index – we call this our 'yardstick'. We use this as a yardstick for two reasons: 1. because it provides a comprehensive representation of the performance of more than 7,000 global stocks from both developed and emerging markets, and 2. because those stocks weren't selected based on ethical or sustainable criteria. This means we can show you the difference, in ethical metrics, between our investments and a more conventional alternative.

This yardstick is different to the fund's benchmark which we use to measure the fund's financial performance, you can learn more about this [here](#).



**Yardstick:** Morningstar Global Markets ex-Australia Index (100% listed companies).  
**Pathfinder:** KiwiSaver Conservative Fund (11.40% International and Australasian listed equities and listed property, 22.48% Cash and cash equivalents, 62.49% New Zealand and international fixed interest, 3.63% other).

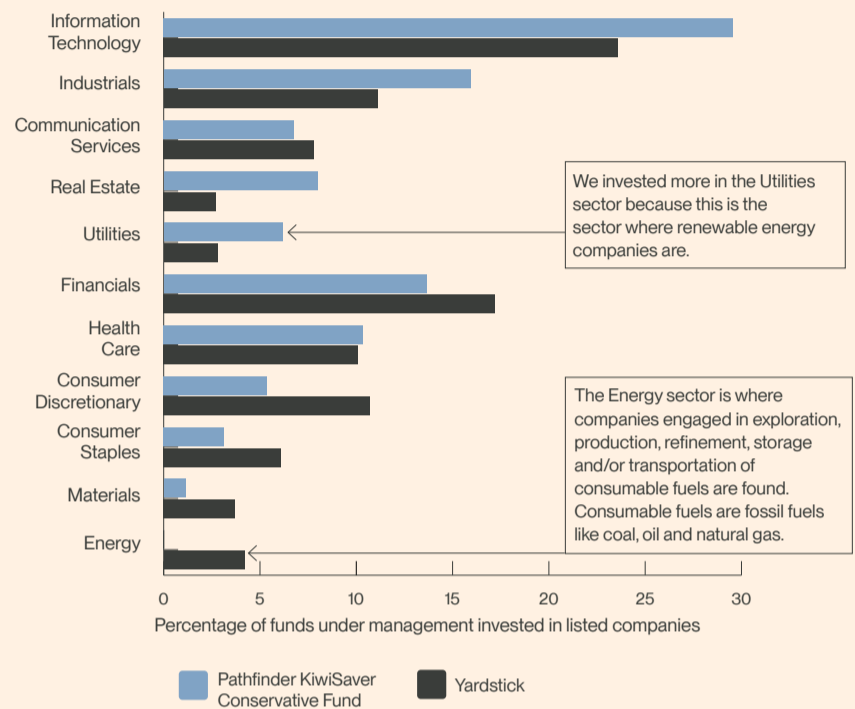
For more details on the fund's asset allocation, read our SIPO [here](#).

## Where we're invested: yardstick vs our fund

Here are our listed company investments for the fund by sector. Because we seek to exclude a wide range of activities, the degree to which we invest in each sector is different from the yardstick.

To learn more about how we apply these exclusions (including permitted revenue thresholds and exceptions) you can read our Ethical Investment Policy [here](#).

Below shows where we invest compared to the yardstick.

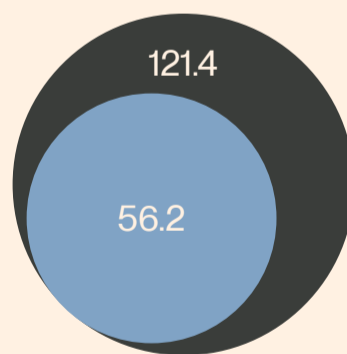


# Pathfinder KiwiSaver Conservative Fund

## What is the Weighted Average Carbon Intensity (WACI) of this fund?

Compared to the yardstick, the listed company investments in the fund have less than 46% of the Weighted Average Carbon Intensity (WACI, Scope 1 + Scope 2). If you're looking for low carbon emission investments, a lower WACI value is generally seen as better – you can read more about WACI [here](#) and our methodology [here](#).

Pathfinder KiwiSaver Conservative Fund (blue circle)  
Yardstick (black circle)

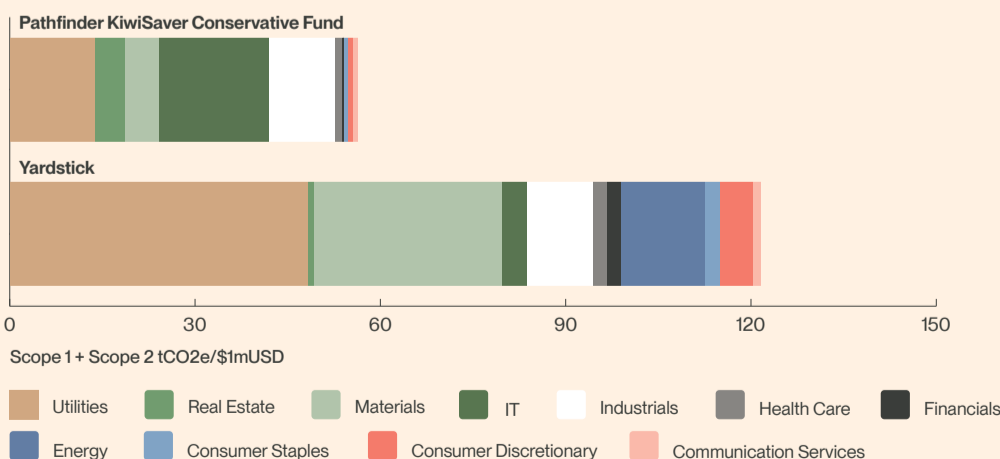


## How committed are the individual listed companies in this fund to helping reach the Paris Agreement?

While each company might answer this differently, we can only report what a company discloses. We need a common, reliable, effective measure, so we look at whether a company has committed to a **Science Based Target initiative** (SBTi). 55% of the listed companies held in the Pathfinder KiwiSaver Conservative Fund are committed to some degree.

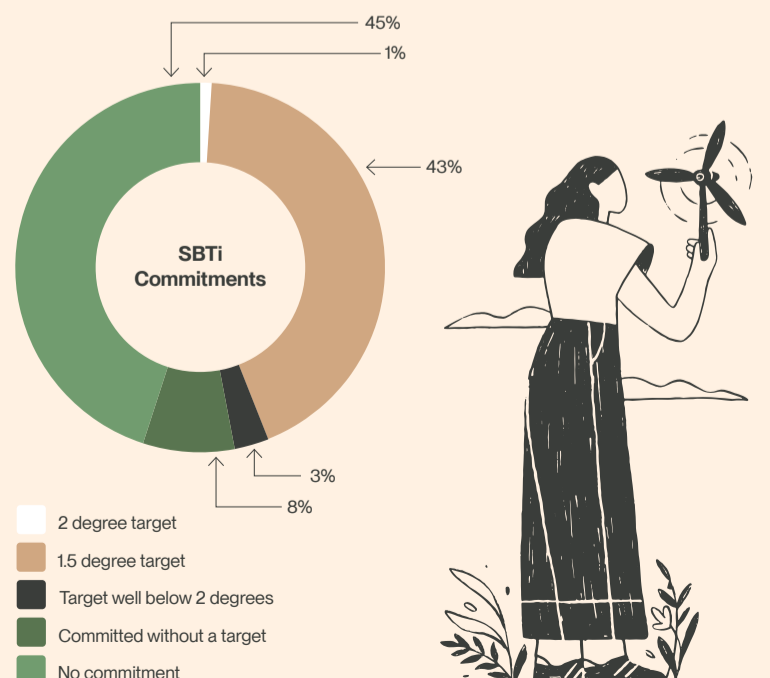
These targets are scientifically confirmed requirements that set out pathways for transitioning to a low carbon economy, helping to achieve the goals set out in the **Paris Agreement**.

## Where is this carbon coming from, by sector:



Of our listed company investments in the Pathfinder KiwiSaver Conservative Fund (by value), implementation of our investment process means that most sectors have lower exposure to carbon-intensive companies in comparison to the yardstick –

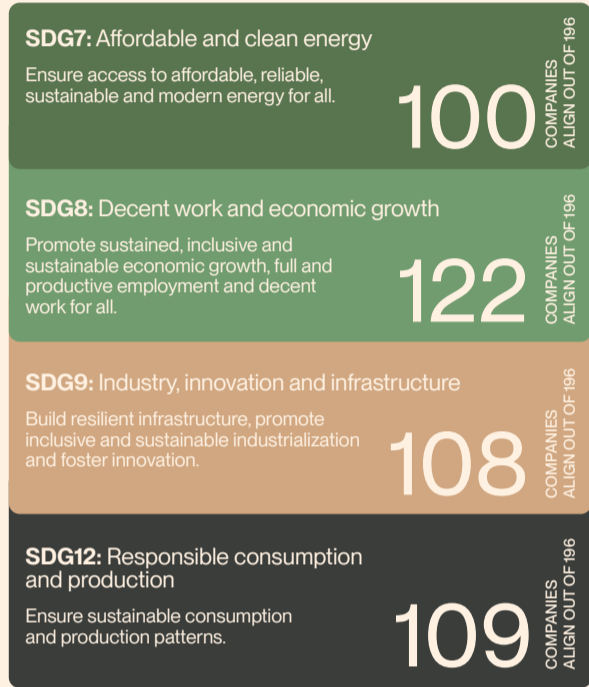
the exceptions are the Information Technology sector and the Real Estate sector. When we consider our overall fund, the WACI value is significantly lower than the WACI value of the yardstick.



# Pathfinder KiwiSaver Conservative Fund

## Which United Nations Sustainable Development Goals are relevant to this fund?

We support the United Nations Sustainable Development Goals (SDGs) which act as a blueprint to help achieve a better and more sustainable future for all. Below you'll see the SDGs we consider most relevant to the sectors we invest the most in, as well as the number of listed companies in this fund that self-report as aligning with each of these SDGs. The consequences of this commitment are specific to each company and not available through our data provider.



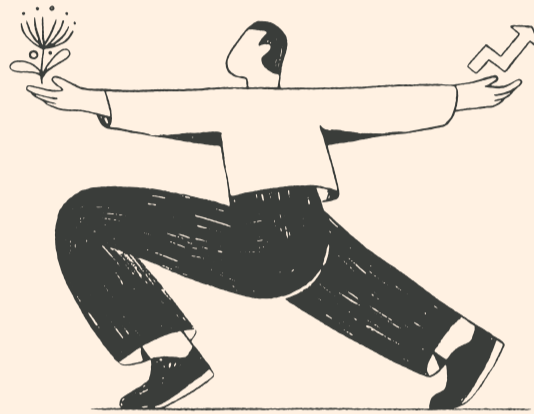
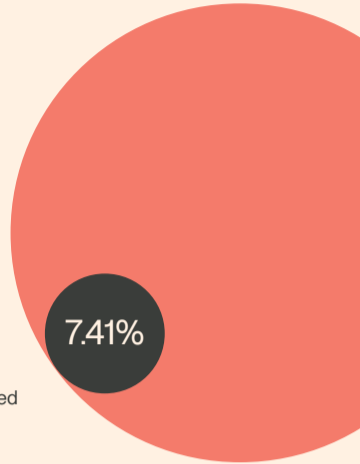
## Are there any listed companies in this fund that have been granted exceptions to our exclusions?

**This looks at how well we're doing 'avoiding harm' via our robust exclusions.**

8 of 196 listed companies in this fund have been granted an exception to our exclusions (which comprises 7.41% of the total funds invested in listed companies).

You can read more about the rigorous process used to grant these exceptions [here](#).

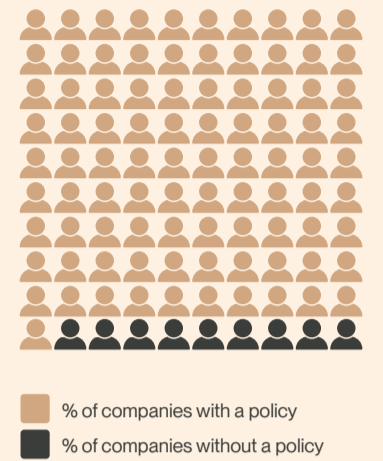
- Total funds invested in listed companies
- Exceptions granted



## Human rights

91% of the listed companies within the Pathfinder KiwiSaver Conservative Fund have a human rights policy.

This can be an indicator that a company is serious about protecting human rights, but it's not a guarantee. As an active manager we have flexibility to not invest in companies who have controversies related to human rights.



## Further details

For the information on these pages we have used the Pathfinder KiwiSaver Conservative Fund's holdings in listed companies as at **31 March 2025**. For the information on these pages we have used the Morningstar Global Markets ex-Australia Index holdings as at **31 March 2025**. All ESG and revenue data and analysis tools are provided by **London Stock Exchange Group (LSEG) Data & Analytics**, formerly known as Refinitiv. We cannot verify the underlying source of LSEG's ESG and revenue data and make no representation or warranty as to its accuracy or completeness. The analysis and comparison to our 'yardstick' is based on listed companies for which we have relevant data available from LSEG, being at least 95% of our listed companies (by value) and over 93% of listed companies in the yardstick (by value).

Pathfinder Asset Management Limited is the issuer of the Pathfinder KiwiSaver Plan. A Product Disclosure Statement for the offer is available at [pathfinder.kiwi](http://pathfinder.kiwi)



# Pathfinder™

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For the information on these pages we have used Pathfinder holdings in listed companies as at **31 March 2025**. We have used the yardstick holdings as at **31 March 2025**. All ESG and revenue data and analysis tools are provided by London Stock Exchange Group (LSEG) Data & Analytics, formerly known as Refinitiv. We cannot verify the underlying source of LSEG's ESG and revenue data and make no representation or warranty as to its accuracy or completeness.

Past performance is not a guarantee of future returns, financial or ethical. This document is for information purposes only and does not constitute financial product, investment, legal, tax or other advice or any recommendation to purchase or subscribe for any financial products.

Pathfinder Asset Management Limited is the issuer of the Pathfinder KiwiSaver Plan and Pathfinder Investment Funds.  
A Product Disclosure Statement for the offer is available at [pathfinder.kiwi](https://pathfinder.kiwi)