



Regnan Global Equity Impact Solutions Fund

Factsheet | As at 28 February 2021

ARSN: 645 981 853

About the Fund

Aims to generate long-term outperformance by investing in mission-driven companies that create value for investors by providing solutions for the growing unmet sustainability needs of society and the environment, using the United Nations Sustainable Development Goals (SDGs) as an investment lens.

Underpinned by the Regnan SDG taxonomy, the team has built a comprehensive proprietary framework to identify companies that provide solutions to the environmental and societal challenges facing the world.

A high conviction, diversified, global multi-cap portfolio with low portfolio turnover and a strong emphasis on driving impact through engagement.

Investment Objective

The Fund aims to provide a return (after fees but before costs and taxes) that exceeds the MSCI ACWI IMI Index in AUD over rolling 5 year periods.

Management Costs¹

Issuer fee ²	0.90%
-------------------------	-------

¹ You should refer to the latest Product Disclosure Statement for full details of fees and other costs you may be charged.

² This is the fee we charge for overseeing the operations of the Fund and managing the assets of the Fund. The Issuer fee is paid from the assets of the Fund and is reflected in the unit price of your investment.

Other Information

Fund size (as at 28 Feb 2021)	\$86 million
Date of inception	30 November 2020
Minimum investment	\$25,000
Buy-sell spread ³	
For the Fund's current buy-sell spread information, visit www.pendalgroup.com	
Distribution frequency	Annually
APIR code	PDL4608AU

³ The buy-sell spread represents transaction costs incurred whenever you invest or withdraw funds, and may vary from time to time without notice.

Performance

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
1 month	-3.53	-3.46	1.74
3 months	0.50	0.74	2.38
6 months	-	-	-
1 year	-	-	-
Since Inception	0.50	0.74	2.38

Source: Pental

About Regnan

Regnan is a responsible investment leader with a long and proud heritage providing advice and insights on important environmental, social and governance issues.

For many years our pioneering analysis has changed the way investors and businesses think about value creation and their wider responsibilities to society.

Building on that expertise, Regnan has now expanded its capabilities into responsible investment funds management, backed by the considerable resources of Pental Group.

"Regnan" is a registered trademark of Pental Group Limited (PGL) and is a standalone responsible investment business division of PGL. The Fund is issued by Pental Fund Services Limited ABN 13 161 249 332 AFS Licence 431426 (PFSL). PFSL has appointed J O Hambro Capital Management Limited to manage the assets of the Fund.

Portfolio analysis

Top 10 Holdings (as at 28 February 2021)

Stock	Impact Solution	Absolute
Bank Rakyat Indonesia	Over 200 million Indonesians live on less than \$4.50 per day, without salaries or collateral. These individuals are considered too risky for loans or live in locations too remote for the reach of traditional financial services providers. Despite this, over 56 million Micro Small Medium Enterprises (MSME) contributed greater than 50% GDP. In Indonesia in particular, only about 25% of SME's have access to lending. Bank Rakyat is helping fill this gap in the Indonesian market.	4.6%
Evoqua Water Technologies Corp	Water pollution was estimated to represent 1.8m deaths in 2015, according to the Lancet. The solution is to implement high purity water treatment solutions and increase water re-used within industrial processes so as to reduce water withdrawals and discharges. Evoqua is the leader in sophisticated water treatment solutions and is providing service-based solutions for companies to implement better water treatment in their operations.	4.6%
Befesa SA	Secondary steel and aluminium production have a significantly lower CO2 footprint than primary production and use fewer natural resources. However, both secondary steel and aluminium production produce hazardous wastes, which are often landfilled, risking groundwater and sewage system contamination. Befesa's best-in-class recycling technology offers an alternative to landfills and its technology is able to extract and re-use the valuable metals contained within these hazardous wastes.	4.4%
HELLA GmbH & Co. KGaA	Hella is one of the leaders in electric and autonomous vehicles parts and software, with a particular focus on making those technologies affordable. It is therefore a key enabler of the transition to cleaner, safer cars.	4.3%
Agilent Technologies, Inc.	Agilent provides integrated, interconnected solutions via Agilent Cross Labs (ACG). ACG enables laboratories to focus on what they do best: delivering value-additive outcomes, while it provides an optimal laboratory set up. ACG enables laboratories in various different industry verticals, from pathology laboratories to food testing laboratories, to operate at peak efficiency and thus maximise clinical value per dollar spent.	4.3%
Xylem Inc.	Xylem is a leading provider of water equipment and solutions that enable water reuse and conservation to mitigate water scarcity, reduce water losses and optimize water system assets to improve water affordability. Freshwater and wastewater systems in developed countries have suffered decades of underinvestment, with as much as half of water leaking in many cities. In developing countries, improved sanitation means new infrastructure. As well as being a leader in water equipment, Xylem is notably providing innovative digital solutions to enable smart management of water systems.	4.3%
Hannon Armstrong Sustainable Infrastructure Capital, Inc.	Hannon Armstrong Sustainable Infrastructure (HASI) is the first listed US company whose business model is solely dedicated to financing climate solutions, ranging from behind-the-meter assets, such as energy efficiency improvements of buildings, to renewable energy, such as solar land. Given Hannon's stellar impact performance, our engagement with HASI will be limited and will predominantly focus on incentivising further governance changes.	4.2%
Durr AG	Durr provides solutions to automotive and other industrial customers to improve resource efficiency in production, thereby contributing towards a circular system. It has innovated to significantly reduce the environmental impact of paint shops over the past decade. Durr also supports EV production and helps reduce the amount of materials wasted by its customers. Its technology is also helping reduce waste in the wood industry	4.1%
Sartorius Stedim Biotech SA	As a leader in providing single-use (SU) equipment, Stedim is significantly driving down the cost of and improving the speed of bioprocessing, helping manufacturers make biologic drugs more affordable and help to bring new, innovative therapies to market. Its products provide an enhanced safety profile, lowering the risk of cross-contamination, as well as a significantly lower environmental footprint than their stainless steel alternatives.	4.1%
QIAGEN NV	Molecular diagnostics is the fastest-growing segment of the in-vitro diagnostics industry. It enables earlier diagnosis, allows monitoring of disease progression and better guidance for therapeutic decision-making. Qiagen's 'Sample to Insight' product philosophy is designed to facilitate uptake of molecular diagnostics. By empowering users without sophisticated molecular biology expertise to use molecular diagnostic technologies, taking them straight from the biological sample to actionable insight, Qiagen expands the adoption of molecular diagnostics, improving patient outcomes.	3.8%

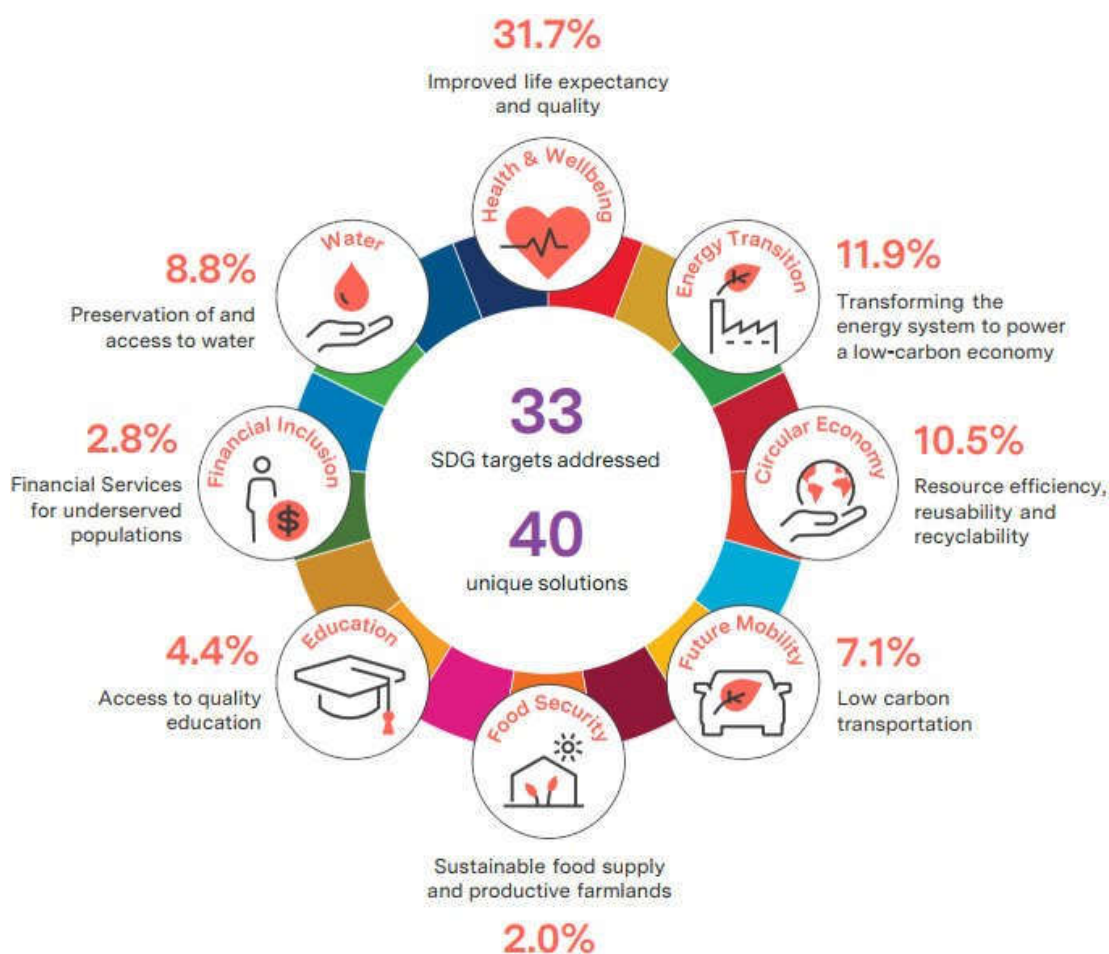
Portfolio analysis

Significant portfolio changes during the month of February

Stock	Buy/Sell	Impact Solution
Hoffman Green Cement	Buy	Cement is the source of 8% of GHG emissions globally. Currently there are few decarbonisation options meaning that the sector is coming under increased pressure to innovate. Hoffmann Green Cement has developed one of the few scalable low-carbon solutions, with a clinker-free process that reduces emissions by 5x while providing superior technical performance. This approach is in contrast to industry incumbents which are focused on improving existing processes, but these changes are slower, are expensive, and result in lower carbon abatement.

Portfolio exposure by impact theme

(as at 31 January 2021)



Source: Regnan/J O Hambro Capital Management as at January 31, 2021. Note: Thematic exposure attribution to eight impact themes based on estimates of company revenues or other relevant metrics. Cash position: 2.20%. Neutral impact (15.6%) is estimated where revenues not directly tied to any theme. Negative impact (3.0%) estimated where revenues may be detrimental to UN Sustainable Development Goals (SDG).

Portfolio analysis

Country breakdown (as at 28 February 2021)

	Absolute
Belgium	3.7%
Denmark	5.7%
France	8.0%
Germany	16.8%
Netherlands	3.6%
Norway	2.5%
Spain	3.6%
Switzerland	1.6%
United Kingdom	5.7%
Japan	3.2%
Other Asia	4.6%
USA	32.1%
Latin America	3.7%
Cash	5.0%

Source: Pandal

Sector breakdown (as at 28 February 2021)

	Absolute
Energy	0.0%
Materials	6.4%
Industrials	27.1%
Consumer Discretionary	11.8%
Consumer Staples	0.0%
Health Care	29.3%
Information Technology	6.2%
Telecommunication Services	0.0%
Utilities	2.2%
Financials ex Property Trusts	11.9%
Cash	5.0%

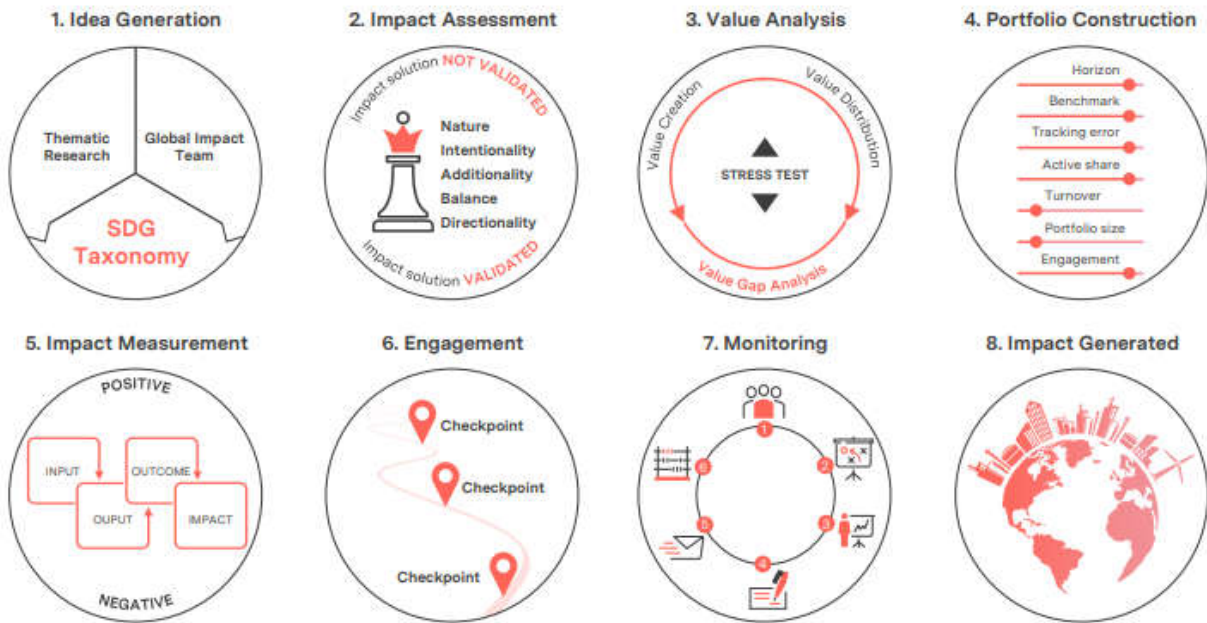
Source: Pandal

Active bets (as at 28 February 2021)

Top 5	Relative
PT Bank Rakyat Indonesia	4.61%
Evoqua Water Technologies Corp	4.59%
Befesa SA	4.43%
HELLA GmbH & Co. KGaA	4.35%
Xylem Inc.	4.24%

Source: Pandal

Investment process with a purpose



Meet the Regnan Global Equity Impact Solutions team



Tim Crockford
Senior Fund Manager
 14 years' industry experience



Mohsin Ahmad, CFA
Fund Manager
 13 years' industry experience



Maxime Le Floch, CFA
Analyst
 10 years' industry experience



Maxine Wille, CFA
Analyst
 6 years' industry experience

For more information



Jeremy Dean

Head of Regnan and Responsible
Investment Distribution

Tel: 0419 460 551

Jeremy.dean@regnan.com

Regnan

Brought to you by **PENDAL**

Risks

An investment in the Fund involves risk, including:

- **Market risk:** The risk associated with factors that can influence the direction and volatility of an overall market, as opposed to security-specific risks. These factors can affect one country or a number of countries.
- **Security specific risk:** The risk associated with an individual security.
- **International investment risk:** The risk arising from political and economic uncertainties, interest rate movements and differences in regulatory supervision associated with international investments.
- **Emerging markets risk:** The Fund may make investments that provide exposure to emerging markets. Emerging markets are generally considered riskier than developed markets due to factors such as lower liquidity, the potential for political unrest, the increased likelihood of sovereign intervention (including default and currency intervention), currency volatility and increased legal risk. Emerging market investments therefore may experience increased asset price volatility and face higher currency, default and liquidity risk.
- **Concentrated portfolio risk:** The Fund's investment strategy of seeking to generate high returns by investing in a concentrated portfolio of global shares may make the Fund more volatile than a diversified global share fund with a larger number of shares. This means there is a greater risk of negative returns, particularly over the short to medium term.
- **Currency risk:** Currency exchange rate fluctuation risk arising from investing across multiple countries.

Please read the Fund's Product Disclosure Statement (**PDS**) for a detailed explanation of each of these risks available on the Pental's website.

This factsheet has been prepared by Pental Fund Services Limited (**PFSL**) ABN 13 161 249 332, AFSL No 431426 and the information contained within is current as at the date of this factsheet. It is not to be published, or otherwise made available to any person other than the party to whom it is provided.

PFSL is the responsible entity of, and issuer of units in, the Fund offered in this factsheet. A product disclosure statement (**PDS**) is available for the Fund and can be obtained by calling 1300 346 821 or visiting www.pentalgroup.com. You should obtain and consider the PDS before deciding whether to acquire, continue to hold or dispose of units in the Fund. An investment in the Fund is subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested.

This factsheet is for general information purposes only, should not be considered as a comprehensive statement on any matter and should not be relied upon as such. It has been prepared without taking into account any recipient's personal objectives, financial situation or needs. Because of this, recipients should, before acting on this information, consider its appropriateness having regard to their individual objectives, financial situation and needs. This information is not to be regarded as a securities recommendation.

The information in this factsheet may contain material provided by third parties, is given in good faith and has been derived from sources believed to be accurate as at its issue date. While such material is published with necessary permission, and while all reasonable care has been taken to ensure that the information in this factsheet is complete and correct, to the maximum extent permitted by law neither PFSL nor any company in the Pental group accepts any responsibility or liability for the accuracy or completeness of this information.

Performance figures are calculated in accordance with the Financial Services Council (**FSC**) standards. Where performance returns are quoted "Post fees" then this assumes reinvestment of distributions and is calculated using exit prices which take into account management costs but not tax you may pay as an investor. Where performance returns are quoted "Pre fees and tax", they exclude the effects of management costs and any taxes. Past performance is not a reliable indicator of future performance.

If market movements, cash flows or changes in the nature of an investment (e.g. a change in credit rating) cause the Fund to exceed any of the investment ranges or limits specified, this will be rectified by PFSL as soon as reasonably practicable after becoming aware of it. If PFSL does so, it will have no other obligations in relation to these circumstances. The procedures, investment ranges, benchmarks and limits specified are accurate as at the date of this factsheet and PFSL reserves the right to vary these from time to time.