

Regnan Credit Impact Trust

Factsheet | As at March 2021

ARSN: 638 304 220

About the Fund

The Regnan Credit Impact Trust (**Fund**) is an actively managed portfolio of floating and fixed interest securities. The Fund focuses on investments anchored to impact goals adapted from Sustainable Development Goals (SDG).

Investment Objective

The Fund aims to generate positive and measurable social or environmental impact, or both; and a return (before fees, costs and taxes) that exceeds the RBA Cash Rate over rolling 3 year periods.

Investment Strategy and Fund Features

This Fund is designed for wholesale investors and offers these investors access to a diversified portfolio of floating and fixed income securities that meet financial and social or environmental goals, or both.

The Fund aims to meet its investment objectives by investing primarily in impact securities. The Fund may also invest in non-impact securities (government and credit) that pass our sustainable and ethical screens. The Fund's investments are predominantly issued in Australian dollars. For non-Australian dollar denominated securities, the Fund will generally hedge back any foreign currency exposures to Australian dollars to the extent considered reasonably practicable.

The Fund uses a combination of active alpha strategies such as active security and sector selection, duration, yield curve and credit management in addition to impact analysis (including ethical and sustainable considerations) to build a portfolio that targets securities classified as contributing to impact goals (including green bonds, social bonds and sustainable bonds as appropriate).

The Fund focuses on investments anchored to impact goals adapted from the United Nations Sustainable Development Goals. Each security is assessed for its impact based on evidence of a contribution to:

- Improving access, affordability or adequacy of food, water, shelter or healthcare; or
- Preserving climate stability, biodiversity or natural resources; or
- Advancing empowerment, resilience or innovation.

Performance

(%)	Total Returns		Benchmark
	(post-fee)	(pre-fee)	Return
1 month	0.13	0.18	0.01
3 months	0.98	1.11	0.02
6 months	2.85	3.10	0.06
1 year (pa)	5.48	6.01	0.19
Since Inception (pa)	4.03	4.56	0.25

Source: Pental

Additionally, the Fund applies a sustainable and ethical process to all issuers.

The Fund will not invest in issuers directly involved in either of the following activities:

- tobacco production; or
- controversial weapons manufacture (such as cluster munitions, landmines, biological or chemical weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons, and/or non-detectable fragments).

The Fund will also not invest in issuers directly involved in any of the following activities, where such activities account for 10% or more of an issuer's total revenue:

- the production of alcohol;
- manufacture or provision of gaming facilities;
- manufacture of non-controversial weapons or armaments;
- manufacture or distribution of pornography;
- direct mining of uranium for the purpose of weapons manufacturing; or
- extraction of thermal coal and oil sands production.

Derivatives are used to gain exposure to assets and markets. They are also used to reduce risk and can act as a hedge against adverse movements in a particular market or in the underlying assets.

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 Pandal Group.

"Regnan" is a registered trademark of Pandal Group Limited (PGL) and is a standalone responsible investment business division of PGL. The Fund is issued by Pandal 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.

Investment Team

Pandal's Bond, Income & Defensive team includes fifteen dedicated investment professionals. The team also draws on a wide range of knowledge resources including Pandal's other specialist investment teams: Equity and Multi-Asset. The portfolio manager of the Fund is George Bishay, who has more than 26 years industry experience.

Management Costs¹

Issuer fee ²	0.50% pa
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¹ You should refer to the latest Information Memorandum 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.

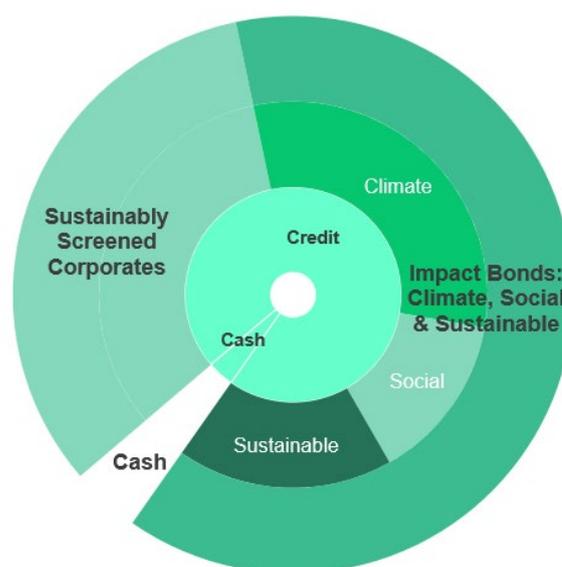
Other Information

Fund size (as at 31 Mar 2021)	\$47 million
Date of inception	January 2020
Minimum investment	\$500,000
Buy-sell spread ³	For the Fund's current buy-sell spread information, visit www.pendalgroup.com
Distribution frequency	Quarterly
APIR Code	PDL5969AU

³ The buy-sell spread represents a contribution to the transaction costs incurred by the Fund, when the Fund is purchasing and selling assets. The buy-sell spread is generally incurred whenever you invest in the Fund, and may vary from time to time without notice.

Sector Allocation (as at 31 March 2021)

Money Market	4.7%
Financials	34.6%
Industrials	20.7%
Supranational, Sovereign & Agencies	24.1%
Infrastructure & Utilities	7.2%
Real Estate	7.7%
Semis	1.0%



Portfolio Statistics (as at 31 March 2021)

Yield to Maturity [#]	1.18%
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[#] The portfolio yield to maturity is an estimate of the fund's internal rate of return. It is calculated as the yield to maturity of all securities comprised in the benchmark at the relevant time (sourced from Bloomberg), plus our estimate of the weighted average traded margin over the swap rate for each of those securities based on observed market prices. The portfolio yield to maturity does not represent the actual return of the fund over any period.

About Commentary

At Pandal Group, we pride ourselves on being inquisitive, asking questions and not simply accepting the 'status quo'.

In line with this approach, we have removed commentary from this Factsheet to ensure we provide you with key product information in a timely and efficient manner.

We encourage you to visit our pend.al/credit-impact page to access

- Latest market insights
- Newsletters
- Bespoke thought pieces
- Webinars
- Press releases and videos

You can also follow us [LinkedIn](#) and [Twitter](#) to discover and interact with our latest content.

Invested in Impact

Impact report

Portfolio's contribution to the environment




Low carbon

15,331 tCO₂e
GHG EMISSION AVOIDED PA

Equivalent to: **6,741** cars taken off road per annum

78 hectares
FOREST RESTORED

Equivalent to: the size of **44** Melbourne Cricket Ground



Renewable energy

16,558 MWh
RENEWABLE ENERGY GENERATED PA

Equivalent to: **3,603** average household annual electricity use in Australia

1 MW
RENEWABLE ENERGY GENERATION INSTALLED CAPACITY

Equivalent to: **0.1%** of renewable energy capacity installed in Australia 2018



Low carbon transport

15,303
PASSENGER TRIPS PA

Invested in Impact

Impact report

Portfolio's contribution to society




Social quality

33,218
PEOPLE

with access to Information and Communication technology in third world remote regions

1,492
SMALL-SCALE FARMERS

reached for improved agricultural technology

173
TEACHERS TRAINED

2,997
UNDERPRIVILEGED STUDENTS

expected number of student education

510
JOBS

created through supporting education & renewable energy plants

278
YOUTH

in at risk training programs



Financial inclusion

13,284
MICRO-LOANS

made to financially under-served entrepreneurs from underdeveloped nations

4,850
LOANS

made to female-owned micro, small and medium enterprise with little access to formal sources of financing

12
SOCIAL / AFFORDABLE HOUSING

For more information



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Regnan

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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.
- **Interest rate risk:** The risk associated with adverse changes in asset prices as a result of interest rate movements.
- **Credit risk:** The risk of an issuing entity defaulting on its obligation to pay interest/principal when due.
- **Liquidity risk:** The risk that an asset may not be converted to cash in a timely manner.
- **Valuation risk:** The risk that the value of an investment in a less active or liquid market is lower than what is reflected in the Fund's unit price.
- **Counterparty risk:** The risk of another party to a transaction failing to meet its obligations.

Please read the Fund's Information Memorandum (**IM**) for a detailed explanation of each of these risks.

This factsheet has been prepared by Pandal 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 and issuer of units in the Regnan Credit Impact Trust (**Fund**) ARSN: 638 304 220. An Information Memorandum (**IM**) is available for the Fund and can be obtained by calling 1300 346 821 or visiting www.pendalgroup.com. You should obtain and consider the IM 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.

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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.