



Regnan Global Equity Impact Solutions Fund

Class W

Factsheet | As at 31 August 2021

ARSN: 645 981 853

For Wholesale Investors only

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	0.65%
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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

Date of inception	9 August 2021
Minimum investment	\$500,000
Buy-sell spread ³ For the Fund's current buy-sell spread information, visit www.pendalgroup.com	
Distribution frequency	Annually
APIR code	PDL7011AU

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 of the Fund

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
1 month	1.51	1.55	1.92
3 months	-	-	-
6 months	-	-	-
1 year (pa)	-	-	-
Since Inception	1.51	1.55	1.92

Source: Pental as at 31 August 2021

Please note that the performance returns shown are for the period from the fund's inception and are short term in nature. Performance may therefore not reflect the longer term performance of the fund.

Historical simulated returns – Class W

Regnan Global Equity Impact Solutions Fund - Class W has been operating since August 2021. To provide a simulated longer term view of the estimated performance for Class W, we have based the estimated returns for Class W using the **Regnan Global Equity Impact Solutions Fund - Class R**, given the identical investments, and have then adjusted the returns to reflect the fee differences between Class W and Class R.

(%)	Total Returns (simulated)		Benchmark Return
	(post-fee)	(pre-fee)	
6 months	19.28	19.68	19.96
1 year (pa)	-	-	-
Since Inception	19.97	20.56	22.82

Inception date: 30 November 2020

Source: Pental as at 31 August 2021

Past performance is not a reliable indicator of future performance.

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.

To learn more about what we do, our journey, investment process, impact investment and bespoke insights please visit regnan.com

Portfolio analysis

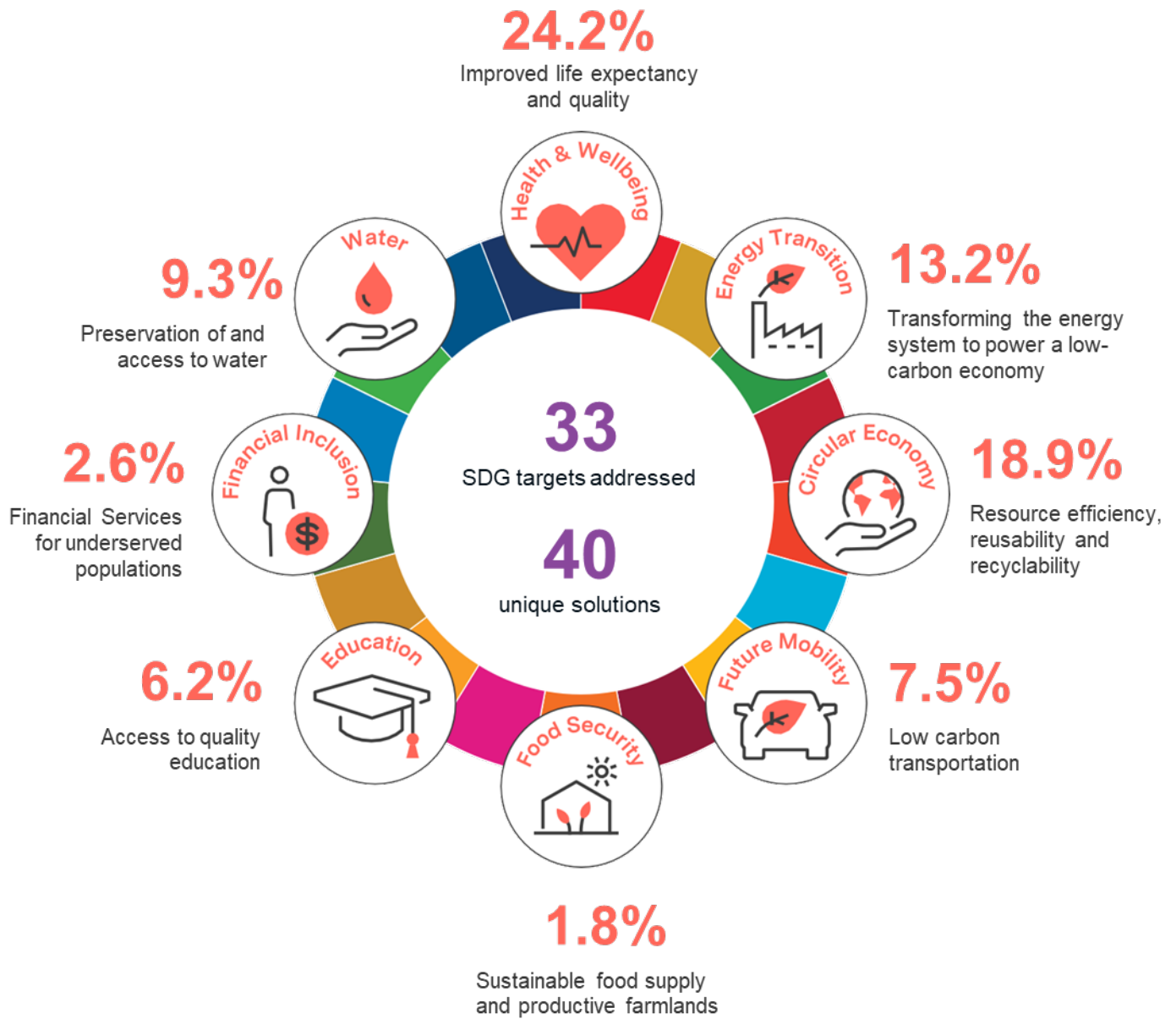
Top 10 Holdings (as at 31 August 2021)

Stock	Impact Solution	Absolute
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.	4.9%
Durr AG	Duerr 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. Duerr 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.	4.5%
Lenzing AG	Fashion represents up to 10% global CO2 emission, 20% of waste water and 6% of global pesticide use. This is compounded by the fact that a new garment is used only about 60x, down from 120x 10 years ago, and 87% of garments are incinerated or landfilled. Wood-based cellulosic fibres from Lenzing use 10x less water than cotton, have a neutral carbon footprint (not taking into account carbon sequestration from forests), are highly biodegradable, and almost exclusively use chemicals that are recycled in a loop process. Lenzing is also developing a technology that can include 30-50% recycled cotton together with Lyocell.	4.3%
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.	4.2%
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.	4.2%
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.	4.1%
PTC Inc	Productivity growth across OECD countries was lower in the decade leading up to 2016 than it was in 4.2 any other decade from 1950 (UN). While technological progress and innovation has continued, the adoption of Industry 4.0 solutions with potential to deliver significant productivity improvements remains low, particularly from small and medium sized enterprises where the costs of upgrading can be prohibitive. PTC's solutions drive digital transformation, which reduces waste and scrap in the products they design, creates efficiencies in their manufacturing processes, and optimizes the operations of their customers' processes. PTC provides global leading software solutions across the life cycle of products through computer aided design, product life cycle management, industrial IoT and augmented reality. PTC solutions increase productivity and efficiency of R&D by reducing design time by up to 30%, make manufacturing more efficient and less wasteful with up to 30% reduction in prototypes, thereby reducing costs and raw material use, and reduce the time to market by up to 57%. PTC is also improving access to Industry 4.0 solutions for smaller enterprises through the recent addition of multi-tenant SaaS based CAD (Onshape) and PLM (Arena).	4.1%

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.	4.0%
Agilent Technologies, Inc.	The need to improvement laboratory efficiency has arguably never been greater, while the complexity of driving these efficiency improvements has never been more challenging. Agilent transitioned from simply selling instruments and consumables, to becoming a provider of integrated, interconnected solutions which it provides via Agilent Cross Labs (ACG). ACG enables laboratories, from pathology to food testing, to focus on what they do best: delivering value-additive outcomes, while Agilent helps them to optimise maximise clinical value per dollar spent.	4.0%
Horiba , Ltd.	Horiba has an 80% market share in emission measurement systems. Its automotive test division (c. 40% of sales) is expected to be a significant beneficiary of the introduction of the worldwide harmonized light vehicle test procedure and real driving emissions. Horiba also provides instruments and systems for applications outside of autos, including process and environmental monitoring, in-vitro medical diagnostics, semiconductor manufacturing and metrology.	3.9%
Total		42.2%

Portfolio exposure by impact theme

(As at 31 August 2021)



Source: Regnan/JOHCM as at 31 August 2021. Note: Thematic exposure attribution to eight impact themes based on estimates of company revenues or other relevant metrics. Cash position: 0.8%. Neutral impact (12.8%) is estimated where revenues not directly tied to any theme. Negative impact (2.7%) estimated where revenues may be detrimental to UN Sustainable Development Goals (SDG).

Portfolio analysis

Theme breakdown (as at 31 August 2021)

	Absolute
Health & Wellbeing	24.2%
Energy Transition	13.2%
Circular Economy	18.9%
Water	9.3%
Future Mobility	7.5%
Education	6.2%
Financial Inclusion	2.6%
Food Security	1.8%
Positive Impact	83.7%
Cash	0.8%
Neutral Impact	12.8%
Negative Impact	2.7%

Source: Pandal

Country breakdown (as at 31 August 2021)

	Absolute
Austria	4.3%
Belgium	3.9%
Denmark	6.2%
France	8.1%
Germany	16.6%
Netherlands	3.6%
Norway	3.1%
Spain	1.9%
Switzerland	3.9%
United Kingdom	4.7%
Japan	3.9%
Other Asia	3.7%
USA	32.5%
Latin America	2.7%
Cash	0.8%

Source: Pandal

Sector breakdown (as at 31 August 2021)

	Absolute
Energy	0.0%
Materials	9.4%
Industrials	26.5%
Consumer Discretionary	13.7%
Consumer Staples	0.0%
Health Care	25.2%
Information Technology	11.6%
Telecommunication Services	0.0%
Utilities	3.3%
Financials ex Property Trusts	9.6%
Cash	0.8%

Source: Pandal

Active bets (as at 31 August 2021)

Top 5	Relative
Evoqua Water Tech	4.9%
Duerr	4.5%
Lenzing	4.3%
Sartorius Stedim Biotech	4.2%
Xylem	4.2%

Bottom 5	Relative
Apple	-3.2%
Microsoft Corp	-2.7%
Alphabet	-2.2%
Amazon.Com	-2.0%
Facebook A	-1.2%

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'
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For more information



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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.
- **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.
- **Class risk:** The Fund has been established as a separate class of units in the Scheme. As the assets are held on trust for all investors, there is a risk that investors of one class, may be exposed to liabilities of another class of units and they could lose some or all of their investment in the Fund. There is also a risk that in the event of an insolvency, the assets of the Fund could be made available to creditors of another class of units of the Scheme.

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.

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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.