

Regnan Global Equity Impact Solutions Fund

Class R

Factsheet | As at 30 April 2023

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.

Description of Fund

This Fund is designed for investors who are seeking an investment in global shares with an investment timeframe of 5 years or greater and are prepared to accept higher variability of returns.

The Fund will invest in shares of companies which we believe aim to generate positive, measurable social and environmental impact, alongside a financial return. The Fund will generally have less than 50 stocks and is benchmark agnostic.

The Fund will not invest in companies which directly:

- extract or explore for fossil fuels (specifically, coal, oil and natural gas); or
- produce tobacco (including e-cigarettes and inhalers); or
- manufacture controversial weapons (including cluster munitions, landmines, biological or chemical weapons, nuclear weapons, blinding laser weapons, incendiary weapons, and/or non-detectable fragments).

The Fund will also not invest in companies which derive 10% or more of their gross revenue directly from:

- fossil fuel-based power generation, or fossil fuel distribution or refinement (coal, oil and natural gas)*;
- the production of alcoholic beverages;
- manufacture, ownership or operation of gambling facilities, gaming services or other forms of wagering;
- manufacture of non-controversial weapons or armaments;
- manufacture or distribution of pornography; and
- uranium mining for the purpose of nuclear power generation.

For more information on how these exclusions are applied, refer to section 5 'How we invest your money' of the Fund's Product Disclosure Statement at www.pendalgroup.com/RegnanGlobalEquityImpactSolutionsFundClassR-PDS

Performance

| (%) | Total Returns | | Benchmark |
|-----------------------|---------------|-----------|-----------|
| | (post-fee) | (pre-fee) | Return |
| 1 month | 1.69 | 1.77 | 2.64 |
| 3 months | 5.38 | 5.61 | 7.57 |
| 6 months | 5.18 | 5.65 | 8.45 |
| 1 year | 8.06 | 9.03 | 9.21 |
| 2 years (p.a) | -1.12 | -0.22 | 5.51 |
| Since Inception (p.a) | -0.32 | 0.58 | 8.69 |

Source: Pental as at 30 April 2023.

"Post-fee" returns assume reinvestment of distributions and is calculated using exit prices. "Pre-fee" returns exclude the effects of management costs and any taxes. Returns for periods greater than one year are annualised. Fund inception: November 2020.

Past performance is not a reliable indicator of future performance.

About Regnan

Regnan is a specialist business unit within Pental and a responsible investment leader with a long and proud heritage providing our investment teams with insight and advice on important themes relating to environmental, social and governance (ESG) issues, including impact investment, engagement and advocacy.

Regnan's pioneering analysis has changed the way investors and businesses think about value creation and their wider responsibilities to society. Regnan remains committed to undertaking engagement that contributes to growing the market for impact investments.

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



The Regnan Global Equity Impact Solutions Fund has been certified by the Responsible Investment Association Australasia according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. See www.responsiblereturns.com.au for details.

The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

* Companies with a climate transition plan may be exempted from this exclusion, provided that they have in place a Paris Agreement aligned transition plan and produce climate-related financial disclosures annually, which in both cases we consider credible.

Fees and Costs

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

| | |
|-----------------------------|-------|
| Management fee ¹ | 0.90% |
|-----------------------------|-------|

¹ This is the fee we charge for managing the assets and overseeing the operations of the Fund. The management fee is deducted from the Fund's assets and reflected in its unit price.

Other Information

| | |
|--|------------------|
| Fund size (as at 30 April 2023) | \$185 million |
| Date of inception | 30 November 2020 |
| Minimum investment | \$25,000 |
| Buy-sell spread ² For the Fund's current buy-sell spread information, visit www.pendalgroup.com | |
| Distribution frequency | Annually |
| APIR code | PDL4608AU |

² 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 or withdraw funds, and may vary from time to time without notice.

Portfolio analysis

Country breakdown (as at 30 April 2023)

| | Absolute |
|----------------|----------|
| Austria | 0.9% |
| Belgium | 1.1% |
| Denmark | 9.2% |
| France | 5.7% |
| Germany | 14.7% |
| Italy | 2.4% |
| Netherlands | 3.8% |
| Norway | 1.7% |
| Switzerland | 5.1% |
| United Kingdom | 6.6% |
| Japan | 4.5% |
| Other Asia | 5.4% |
| Canada | 4.7% |
| USA | 26.0% |
| Latin America | 5.2% |
| Cash | 2.9% |

Source: Pandal

Sector breakdown (as at 30 April 2023)

| | Absolute |
|-------------------------------|----------|
| Energy | 0.0% |
| Materials | 5.8% |
| Industrials | 24.6% |
| Consumer Discretionary | 7.1% |
| Consumer Staples | 0.0% |
| Health Care | 36.0% |
| Information Technology | 13.0% |
| Telecommunication Services | 0.0% |
| Utilities | 4.0% |
| Financials ex Property Trusts | 6.6% |
| Property Trusts | 0.0% |
| Other | 0.0% |
| Cash | 2.9% |

Source: Pandal

Active bets (as at 30 April 2023)

| Top 5 | Relative |
|-----------------------|----------|
| Bank Rakyat Indonesia | 5.4% |
| AGILENT TECHNOLOGIES | 5.2% |
| LONZA GROUP | 5.1% |
| QIAGEN | 4.9% |
| NOVO NORDISK B | 4.9% |

| Bottom 5 | Relative |
|----------------|----------|
| APPLE | -3.9% |
| MICROSOFT CORP | -3.2% |
| Alphabet | -1.8% |
| AMAZON.COM | -1.4% |
| NVIDIA | -1.0% |

Source: Pandal

Portfolio analysis

Top 10 Holdings (as at 30 April 2023)

| Stock | Impact Solution | Absolute |
|----------------------------|--|--------------|
| PT 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. | 5.4% |
| 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. | 5.3% |
| Novo Nordisk A/S Class B | Today 26m of the 425m diabetic patient globally are treated with Novo Nordisk's products across the treatment cascade. As prevalence increases above 10% today (from 8% a decade prior), the diabetes patient population is expected to grow 50% to 700m by 2045. The cost of diabetes is expected to reach US\$2.5th by 2030. Novo Nordisk is also one of the few companies with obesity medicine. | 5.3% |
| Lonza Group AG | Biologic, large-molecule drugs, currently grow twice as fast as their small-molecule counterparts, owing to their exceptional efficacy ability to address previously untreatable conditions, such as cancers and autoimmune diseases. However, the manufacturing of biologics is complex, expensive and resource-intensive. As the world's leading contract manufacturing and development company, Lonza allows biotech companies to outsource that process manufacturing process, thereby helping them to develop more potent, complex medicines at lower cost and increased speed-to-market. | 5.1% |
| 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. | 4.9% |
| ANSYS Inc | As a global leader in simulation solutions, ANSYS enables faster R&D, makes manufacturing more efficient and less wasteful, thereby reducing costs, as well as permitting environmentally-friendly specifications to be embedded at the design phase of product. Its simulation software is used in developing impact solutions such as electric and autonomous vehicles, renewable energy and introducing environmental data into the choice of materials. | 4.8% |
| ATS Corp | ----- | 4.7% |
| Xylem Inc/NY | 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 | 4.6% |
| 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. | 4.5% |
| Abcam PLC | Biomedical research, which seeks to understand the biology of a range of diseases, from cancer to autoimmune diseases, suffers from a reproducibility crisis. Abcam helps solve this challenge by providing highly validated antibody solutions, developed on its leading proprietary technology platforms. Its highly validated antibodies ensure that antibodies perform as expected and significantly reduce batch-to-batch variability, one of the main causes of irreproducibility. | 4.5% |
| Total | | 49.1% |

Investment process with a purpose



Meet the Regnan Global Equity Impact Solutions team



Tim Crockford
Senior Fund Manager



Mohsin Ahmad, CFA
Fund Manager



Maxime Le Floch, CFA
Research Analyst



Maxine Wille, CFA
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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 Pandal's website.

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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.pandalgroup.com. The Target Market Determination (**TMD**) for the Fund is available at www.pandalgroup.com/ddo. You should obtain and consider the PDS and TMD 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.