

Pendal Sustainable Balanced Fund Class G Product Disclosure Statement

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Read this

This PDS provides a summary of the key information relating to an investment in the Class G Units of the Pendal Sustainable Balanced Fund (Class G Units or Fund). It also includes references to additional information which forms part of this PDS and marked with a 'P'. This is important information you should read together with the PDS before making a decision to invest into the Fund. You can access the 'Additional Information to the Product Disclosure Statement' on our website, at www.pendalgroup.com/PendalSustainableBalancedFundG-PDS or request a copy free of charge by calling us. The information in this PDS is general information only and does not take into account your personal financial situation or needs. You may wish to consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances. References in this PDS to 'Units', 'Class G Units' or the 'Fund' refers to the 'Class G' class of units in the registered managed investment scheme, the Pendal Sustainable Balanced Fund, ARSN 637 429 237 (Scheme). All rights and entitlements of a unit relate to the rights, entitlements, liabilities and other amounts referable to Class G Units. No other fund, trust or class of units is offered in this PDS.

Updated information

Information in this PDS is subject to change from time to time. Information that is not materially adverse information can be updated by us. Updated information can be obtained by contacting your master trust or wrap account operator (for indirect investors), your financial adviser, going to our website, or calling us. You may request a paper copy of any updated information at any time, free of charge.

Pendal Fund Services Limited ABN 13 161 249 332, AFSL 431426 is the responsible entity of the Scheme, and issuer of Class G Units offered in this PDS and has prepared this PDS. This PDS is prepared in accordance with Subdivision 4.2C of Division 4 of Part 7.9 of the *Corporations Regulations 2001*.



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RIAA's RI Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that the Pendal Sustainable Balanced Fund Class G (Fund) adheres to the strict operational and disclosure practices required under the Responsible Investment Certification Program for the category of Product. The Certification Symbol is a Trademark of the Responsible Investment Association Australasia (RIAA). Detailed information about RIAA, the Symbol and the Fund's methodology, performance and stock holdings can be found at www.responsibleinvestments.com.au, together with details about other responsible investment products certified by RIAA.

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.

1. About Pental Fund Services Limited

PENTAL

The future is worth investing in

Pental Fund Services Limited is the responsible entity for the Pental Sustainable Balanced Fund (Scheme). As responsible entity, it is responsible for overseeing the operations of the Scheme.

Pental Institutional Limited is the investment manager of the Scheme. As the investment manager, it selects and manages the assets of the Scheme and may appoint other managers to manage some or all of the Scheme's assets.

Pental Institutional Limited has appointed AEW Capital Management, L.P. (AEW) to manage the international listed property securities for the Fund. The selected investment managers are reviewed from time to time and we may remove or add an investment manager. We may do this at any time and in some cases without notice.

Pental Fund Services Limited and Pental Institutional Limited (together Pental) are wholly owned subsidiaries of Perpetual Limited.

Pental is a global investment management firm focused on delivering superior investment returns for its clients through active management.

Pental offers investors a range of Australian and international investment choices including shares, property securities, fixed income and cash strategies, as well as multi-asset and responsible investments. To complement its in-house expertise, Pental also partners with other leading investment managers.

2. How the Pental Sustainable Balanced Fund – Class G works

How the Fund operates

When you invest your money in the Pental Sustainable Balanced Fund, your money is pooled together with other investors' money. We use this pool to buy investments and manage them on behalf of all investors in the Scheme. This means that by investing in the Fund you have access to certain investments that you may not otherwise be able to access on your own as well as the knowledge of our skilled investment managers. However, Pental has day-to-day control over the operation of the Scheme.

The Scheme offers multiple classes of units to investors. From time to time, Pental may issue additional classes of units in the Scheme, each with different rights and entitlements. Investments made under this PDS are for units in Class G of the Scheme, and the rights and entitlements disclosed in this PDS are specific to the Class G Units. The total value of the assets in the Scheme are divided into units based on the classes in the Scheme. A reference to a 'unit' in this PDS, is a reference to the Class G units of the Scheme. A 'unit price' for Class G is generally calculated for each Business Day based on Class G Unit's share of the Scheme's net asset value. The unit price will generally change daily as the market value of assets in the Scheme rises or falls.

When you make an investment in the Fund, we will allocate units to you based on the entry price for the Business Day on which we accept your application and we will keep a record of the number of units you have bought. When you withdraw, we will redeem your units based on the exit price for the Business Day on which we receive your withdrawal request.

Entry prices are usually higher than exit prices due to the 'buy-sell spread'. The buy-sell spread is built into the unit price and represents your contribution to the costs of buying and selling the underlying assets in the Fund.

Entry and exit prices for each Business Day will be available at www.pentalgroup.com by clicking on 'Products' and selecting the Scheme and clicking on Class G. Prices will usually be posted by the end of the next Business Day.

We have also adopted a unit pricing discretion policy setting out the principles that apply when we exercise discretions under the Scheme's constitution. You can request a copy of the policy free of charge by calling us or by downloading a copy at www.pentalgroup.com/UnitPriceDiscretionPolicy.

Minimum initial investment

The minimum initial investment is \$25,000. In certain circumstances, we may reject an application or accept only part of an application. Refer to Section 8 on how to apply.

Additional investments

You can add to your investment by completing the additional investment form and sending this form to us via mail, email or fax. Investors also have the ability to transact online. For more information, please refer to www.pentalgroup.com/forms.

Class G eligibility requirement

You are only eligible to invest in Class G if you have nominated a charity to receive the distributions from your investment in the Fund. If you have not nominated a charity for us to pay the distributions from your investment in Class G, we will contact you to nominate a charity and to complete a charity selection change form. If a distribution is due and payable during this period and we have yet to receive your charity selection change form, we will pay the distribution to the bank account you have nominated for withdrawals. If after reasonable attempts to contact you, you do not return to Pental a signed charity selection change form within 90 days of receiving the form from Pental, you will no longer be deemed eligible to invest in Class G, and we will transfer your investment from Class G to Class R of the Scheme. Such a transfer may trigger a capital gains tax event where you may be liable to pay tax on any gains realised from the redemption of your Class G Units. We recommend you contact your accountant, or professional adviser to obtain advice on the taxation implications of such an event.

Class R is the standard retail offering of the Scheme. A higher management fee is charged for investments in Class R. Distributions from Class R are paid to the investor, and not to a charity. A separate PDS is available for Class R of the Scheme which can be accessed at www.pentalgroup.com.

How to withdraw

You can withdraw some or all of your investment by completing the withdrawal form and sending this form to us via mail, email or fax. Investors also have the ability to transact online. For more information, please refer to www.pentalgroup.com/forms.


Withdrawals will generally be paid to your nominated Bank Account within 5 Business Days.

Restrictions on withdrawals

There may be circumstances where your ability to withdraw from the Fund is restricted and you may have to wait a period of time before you can redeem your investment.

We may delay or suspend a withdrawal request where we are unable to realise sufficient assets due to circumstances outside our control (such as restricted or suspended trading in the market for an asset) or where the Scheme becomes illiquid.

If the Scheme is illiquid (as defined in the Corporations Act) withdrawals from the Fund will only be possible if we make a withdrawal offer in accordance with the Corporations Act. Under the Corporations Act, a scheme is illiquid if it has less than 80% liquid assets (generally cash and marketable securities).

 You should read the important information about 'Restrictions on withdrawals' before making a decision. Go to section 1 of the 'Additional Information to the Product Disclosure Statement' at www.pendalgroup.com/PendalSustainableBalancedFundG-PDS. The material relating to 'Restrictions on withdrawals' may change between the time when you read this Statement and the day when you sign the application form.


Processing

If we receive an application or withdrawal request by 1.00pm (Sydney time) on a Business Day, we will process the transaction using that day's Class G unit price. Requests received on or after the cut-off time of 1.00pm (Sydney time) on a Business Day, or on a non Business Day, will generally be treated as having been received before the cut-off time on the next Business Day.

If we receive an invalid or incomplete application or withdrawal request, the transaction request will be processed using the Class G unit price applying on the day that we receive the correct documentation. The above rules about cut-off times apply.

Distributions

All distributions are paid to the charity you nominate on the application form or a charity selection change form provided to Pental from time to time. We may in our absolute discretion, and at any time without notice, cease or suspend the payment of distributions to your nominated charity in certain circumstances.

 You should read the important information about 'Cessation or suspension of payment of distributions' before making a decision. Go to section 2 of the 'Additional Information to the Product Disclosure Statement' at www.pendalgroup.com/PendalSustainableBalancedFundG-PDS. The material relating to 'Cessation or suspension of payment of distributions' may change between the time when you read this Statement and the day when you sign the application form.

The Fund generally distributes on a quarterly basis and pays a final distribution each year for the period ending 30 June. In some circumstances, we may also pay distributions at other times where we consider it appropriate.

Distributions generally include assessable income and can be made up of both income and net realised capital gains. Distributions may also include non-taxable amounts which may reduce the cost base of your units. Distributions are generally calculated based on the Scheme's net income at the end of the distribution period referable to the Class G Units divided by the number of Class G Units on issue. In certain circumstances, some income and/or net realised capital gains may be held back until the final distribution at the end of June to allow for market volatility.


Where there is a large application or redemption from the Scheme on any one day, Pental may determine to calculate and pay a special distribution to all investors of the Scheme. Prior notification of a special distribution is not provided to investors and the amount of the distribution may be larger than previous distributions. Any special distribution will be paid to your nominated charity and may represent a significant portion of your total investment in the Fund.

Distribution payments to your nominated charity are generally made within 12 Business Days after the end of the distribution period.

Indirect investors

We authorise the use of this PDS as disclosure to persons who wish to access the Fund indirectly through an Investor Directed Portfolio Service (IDPS), IDPS-like scheme or a nominee or custody service (collectively referred to as master trusts or wrap accounts).

Persons who invest in the Fund through a master trust or wrap account may be subject to different conditions from those referred to in this PDS particularly with regard to cut-off times for transacting, timing of distributions, processing and withdrawals as well as Fund reporting and investor notices.

 You should read the important information about 'Indirect investors' before making a decision. Go to section 3 of the 'Additional Information to the Product Disclosure Statement' at www.pendalgroup.com/PendalSustainableBalancedFundG-PDS. The material relating to 'Indirect investors' may change between the time when you read this Statement and the day when you sign the application form.

3. Benefits of investing in the Pental Sustainable Balanced Fund – Class G

Significant features

The Pental Sustainable Balanced Fund is an actively-managed diversified portfolio that invests in Australian and international shares, Australian and international property securities, Australian and international fixed interest, cash and alternative investments. Sustainable and ethical investment practices are incorporated into the Australian and international shares, Australian and international fixed interest and part of the Alternative investments components of the Fund. All other investments by the Fund are not assessed for sustainable and ethical investment practices. The Fund has a higher weighting towards growth assets than defensive assets.

Significant benefits

Investing in the Fund offers investors a range of benefits:

- ability to support a charity by directing the payment of distributions from your investment in the Fund to a nominated charity;
- access to a professionally managed diversified portfolio with the potential for long-term capital growth and income;
- exposure to companies and issuers that demonstrate leading environmental, social and corporate governance (ESG) and ethical practices while avoiding exposure to companies and issuers with activities that we consider to negatively impact the environment or society; and
- access to the investment expertise of Pental and other leading global investment managers.

4. Risks of managed investment schemes

All investments carry risk. The likely investment return and the risk of losing money is different for each managed investment scheme as different strategies carry different levels of risk depending on the underlying mix of assets that make up each fund. Those assets with potentially the highest long term return (such as shares) may also have the highest risk of losing money in the shorter term.

The significant risks for the Fund are:

- **Market risk:** The risk that the market price of an asset will fluctuate as a result of factors such as economic conditions, government regulations, market sentiment, local and international political events and environmental and technological issues. Market risk may have different impacts on each type of asset, investment style and investor.
- **Interest rate risk:** The risk that the investment value or future returns of an asset may be adversely impacted by changes in interest rates. Interest rates may directly or indirectly affect a company's cost of borrowings as well as the value of fixed interest securities.
- **International investments risk:** International investments may be affected by movements in foreign currency exchange rates, interest rates, political and economic uncertainties, lower regulatory supervision and more volatile, less liquid markets compared with Australian investments.
- **Currency risk:** The Fund has assets that are denominated in foreign currencies. For unhedged investments in international assets, a rise in the Australian dollar relative to other currencies will negatively impact investment values and returns. Currency markets can be extremely volatile and are subject to a range of unpredictable forces. Where this risk is hedged, the hedge may not provide complete protection from adverse currency movements.
- **Credit risk:** The risk of an issuing entity defaulting on its obligation to pay interest and principal when due. It arises primarily from investments in fixed interest securities and from certain derivatives.
- **Liquidity risk:** The risk that an investment may not be easily converted into cash with little or no loss of capital and minimum delay. Fixed interest securities may have limited or no liquidity where there has been a default by the issuer, or deterioration in the creditworthiness or credit rating of a particular issuer or market. Liquidity risk may also extend to swap transactions, structured securities or derivative

contracts which provide exposure to some types of assets or markets. This means that it may not be possible to sell these investments or to do so in sufficient time to pay withdrawals. If this occurs, withdrawals may be suspended for the protection of all investors even if other assets can be readily sold.

- **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.
- **Counterparty risk:** The risk of loss arising from the failure of another party to a contract (the counterparty) to meet its obligations. Counterparty risk arises primarily from investments in derivatives and currency transactions. Substantial losses can be incurred if a counterparty fails to deliver on its contractual obligations.

Risk can be managed but it cannot be completely eliminated. It is important to understand that:

- the value of your investment will go up and down;
- investment returns will vary and future returns may be different from past returns;
- returns are not guaranteed and there is always the chance that you may lose money on any investment you make; and
- laws affecting your investment in a managed investment scheme may change over time.

The appropriate level of risk for you will depend on your age, investment time frame, where other parts of your wealth are invested and how comfortable you are with the possibility of losing some of your money in some years.

5. How we invest your money

You should consider the likely investment return, risk and your investment time frame when choosing to invest into the Fund.


| Pendal Sustainable Balanced Fund – Class G | | |
|---|--|--|
| Investment Return Objective | The Fund aims to provide a return (before fees, and expenses) that exceeds the Fund's benchmark over the medium to long term. | |
| Minimum Suggested Time Frame for Holding Investment | 5 years | |
| Asset Classes, Asset Allocation Ranges and Neutral Positions ¹ | <ul style="list-style-type: none"> • Australian shares 20 – 40% • International shares 20 – 40% • Australian property securities 0 – 10% • International property securities 0 – 10% • Australian fixed interest 0 – 25% • International fixed interest 0 – 25% • Cash 0 – 20% • Alternative investments 0 – 20% <p>Details of the Fund's asset allocation neutral positions can be found at www.pendalgroup.com/PendalSustainableBalancedFund.</p> | |
| Benchmark | The benchmark for the Fund is created from a range of published indices. The benchmark is based on the asset allocation, neutral position and the index returns for each asset class. Details of the particular market indices used for the Fund's benchmark can be found at www.pendalgroup.com/PendalSustainableBalancedFund . | |

¹ The reference to the Fund investing in an asset class includes all types of investments which give exposure to that asset, directly or indirectly, including through derivatives and investment in other funds which invest primarily in that asset class. This includes any type of

investment which would ordinarily be understood in financial markets to be included in that asset class and does not preclude investment in other types of assets where we consider it appropriate to do so in the interests of investors.

| | |
|-------------------------|--|
| Description of Fund | <p>This Fund is designed for investors who want the potential for long term capital growth and to support a charity by directing the payment of distributions from their investment to a nominated charity.</p> <p>The Fund seeks diversification across a broad range of asset classes and exposure to companies and issuers (within the Australian and international shares, Australian and international fixed interest and part of the Alternative investments components of the Fund) that demonstrate leading environmental, social and corporate governance (ESG) and ethical practices while avoiding exposure to companies and issuers with material involvement in activities we consider to negatively impact the environment or society and are prepared to accept some variability of returns.</p> <p>The Fund invests in Australian and international shares, Australian and international property securities, Australian and international fixed interest, cash and alternative investments. The Fund may also use derivatives. The Fund has a higher weighting towards growth assets than defensive assets.</p> <p>Sustainable and ethical investment practices are incorporated into the Australian and international shares, Australian and international fixed interest and part of the Alternative investments components of the Fund. All other investments by the Fund are not assessed for sustainable and ethical investment practices. We actively seek exposure to securities and industries that demonstrate leading ESG and ethical practices and exclude companies not meeting the investable criteria.</p> <p>The sustainability and ethical criteria employed includes factors such as:</p> <ul style="list-style-type: none"> • environmental issues, • social practices, • corporate governance, and • ethical practices. <p>In addition, we will not invest in some types of companies or issuers which are materially involved in activities including:</p> <ul style="list-style-type: none"> • Fossil fuels • Uranium • Logging • Gambling • Pornography • Weapons • Alcohol • Tobacco (including e-cigarettes and inhalers) • Animal cruelty • Predatory lending • Breaches and misconduct <p>These exclusions may be applied differently across the asset classes of the Fund. For more information on how these exclusions are applied go to section 4 of the 'Additional Information to the Product Disclosure Statement' at www.pendalgroup.com/PendalSustainableBalancedFundG-PDS.</p> <p>Pendal actively engages with the management of the companies and issuers we invest in to manage risk, effect change and realise potential value over the long term.</p> <p>The assets of the Fund are managed by Pendal together with AEW for international listed property securities. Pendal manages the asset allocation of the Fund. Pendal may implement asset allocation decisions away from the neutral position within the specified minimum and maximum ranges based on investment views.</p> <p>Alternative investments refer to a range of investments that do not fall within the four main asset classes of shares, property, fixed interest and cash. They can be based on publicly traded securities like shares, bonds and derivatives, which include hedge funds, absolute return funds and commodity investments. Some alternatives are based on private securities; these include venture capital and private equity. Investment strategies that may be found in some alternative investments include the use of gearing, short selling (selling something you do not own with a view to buying it back later at a lower price), and more extensive use of derivatives.</p> <p>The Fund has assets that are denominated in foreign currencies. This means that changes to the Australian dollar relative to foreign currencies may affect the value of the assets of the Fund. The international fixed interest and international property securities exposures are fully hedged to the Australian dollar to the extent considered reasonably practicable. Generally, the Fund's international share and alternative investment exposures are partially hedged, though the extent of this may vary over time.</p> <p>The Fund may use derivatives to achieve its investment objective and to gain exposure to assets and markets. Derivatives may also be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets.</p> |
| Risk Level ² | <p>Medium to high</p> <p>Medium to high risk of losing money in any year. Likely to produce higher returns over the long term.</p> |
| Fund Performance | <p>For up-to-date information on the performance of the Fund, including performance history, please visit www.pendalgroup.com, click on 'Products' and select the Fund.</p> |

² The risk level is not a complete assessment of all forms of investment risk for instance, it does not detail what the size of a negative return could be or the potential for a positive return to be less than the return an investor may require to meet their objectives.

| | |
|--|--|
| Labour, Environmental, Social and Ethical Considerations | <p>Our 'sustainable' investment approach takes labour standards, environmental, social and ethical considerations into account when selecting, retaining or realising the Fund's investments in Australian and international shares, Australian and international fixed interest and part of the Alternative investments components of the Fund.</p> <p> You should read the important information about the 'Additional information on how we invest your money' before making a decision. Go to section 4 of the 'Additional Information to the Product Disclosure Statement' at www.pendalgroup.com/PendalSustainableBalancedFundG-PDS. The material relating to 'Additional information on how we invest your money' may change between the time when you read this Statement and the day when you sign the application form.</p> |
| Changes to Fund Details | We have the right to close or terminate the Fund and change the Fund's investment return objective (including benchmark), asset classes, asset allocation ranges and neutral positions and currency strategy (if any), without prior notice in some cases. We will inform investors of any material change to the Fund's details in their next regular communication or as otherwise required by law. |

6. Fees and costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000). You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged for the Fund. The fees and costs may be deducted from your money, from the returns on your investment or from the assets of the Fund as a whole. Taxes are set out in another part of this document.

You should read all of the information about fees and costs because it is important to understand their impact on your investment. You can also use this information to compare the fees and costs of the Fund with those of other funds.

| Pendal Sustainable Balanced Fund – Class G | | |
|--|---|---|
| Type of Fee or Costs ³ | Amount | How and when paid |
| Ongoing annual fees and costs | | |
| Management fees and costs The fees and costs for managing your investment | Estimated to be 0.40% p.a. of the assets of the Fund, comprised of: 1. Management fee of 0.40% p.a. 2. Estimated indirect costs of 0.00% p.a. ⁴ 3. Estimated expense recoveries of Nil ⁵ | The management fees and costs are deducted from the Fund's assets and are reflected in its unit price. 1. The management fee is payable monthly in arrears. 2. Indirect costs are deducted from the Fund's assets as and when incurred. 3. Expense recoveries are deducted from the Fund's assets as and when incurred. ⁵ |
| Performance fees Amounts deducted from your investment in relation to the performance of the Fund | Nil | Not applicable |
| Transaction costs The costs incurred by the Fund when buying or selling assets | Estimated to be 0.14% p.a. of the assets of the Fund ⁶ | All transaction costs are paid out of the Fund's assets as incurred and are reflected in its unit price. |
| Member activity related fees and costs (fees for services or when your money moves in or out of the Fund) | | |
| Establishment fee The fee to open your investment | Nil | Not applicable |
| Contribution fee The fee on each amount contributed to your investment | Nil | Not applicable |

³ Fees in this PDS can be individually negotiated if you are a wholesale client under the Corporations Act.

⁴ Based on the information available to us as at the date of this PDS, no indirect costs were incurred in the past financial year although these costs may be incurred in the future.

⁵ We currently pay recoverable expenses (if any, excluding any GST payable on our fees) out of our management fee

and do not separately recover expenses from the Fund. However, if we decide to deduct these expenses from the Fund in addition to the management fee in the future, we will give you 30 days' written notice.

⁶ Transaction costs are shown net of any amounts recovered by the Fund from the buy-sell spread charged to transacting investors.

| | | |
|---|---|---|
| Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the Fund | Estimated to be 0.14% of the application amount on application and 0.14% of the withdrawal amount on withdrawal | These are the amounts recovered by the Fund when you transact. Buy-sell spreads are included in the application and withdrawal prices and effectively increase the amount you pay when you buy units and reduce the amount you receive when you sell units. |
| Withdrawal fee The fee on each amount you take out of your investment | Nil | Not applicable |
| Exit fee The fee to close your investment | Nil | Not applicable |
| Switching fee The fee for changing investment options | Nil | Not applicable |

Fees and costs of the Fund set out above can change. In particular, subject to the Fund's constitution, we can change the fees noted above without the consent of the Fund's investors. If we do change the fees, or our approach to expense recoveries, we will give you 30 days' written notice. For more information on fees and costs refer to section 5 in the 'Additional information to the Product Disclosure Statement'.

Warning

In addition to the fees set out above, fees may be payable to your financial adviser. Any such fees would be payable by you in addition to those set out above, and set out in the Statement of Advice your financial adviser provides.

Example of annual fees and costs for the Fund

This table gives an example of how the ongoing annual fees and costs for the Fund can affect your investment over a one-year period. You should use this table to compare this product with other products offered by managed investment schemes.

| Example – Pental Sustainable Balanced Fund – Class G | | Balance of \$50,000 with a contribution of \$5,000 during year ⁷ |
|--|------------|--|
| Contribution fees | Nil | For every additional \$5,000 you put in, you will be charged \$0 |
| PLUS Management fees and costs | 0.40% p.a. | For every \$50,000 you have in the Fund you will be charged or have deducted from your investment \$200 each year |
| PLUS Performance fees | Nil | And , you will be charged or have deducted from your investment \$0 in performance fees each year |
| PLUS Transaction costs | 0.14% p.a. | And , you will be charged or have deducted from your investment \$70 in transaction costs |
| EQUALS Cost of Fund | | If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of \$270 ⁸ |
| What it costs you will depend on the fees you negotiate | | |

Additional explanation of fees and costs

Buy-sell spread

The buy-sell spread is an additional cost to you and is generally incurred whenever you transact in the Fund. The buy-sell spread is retained by the Fund (it is not a fee paid to us) and represents a contribution to the transaction costs incurred by the Fund such as brokerage, stamp duty and other costs of execution, when the Fund is purchasing and selling assets. There is no buy-sell spread on distributions that are reinvested.

The current total buy-sell spread is 0.28% of the amount that you transact, represented as the difference between the entry and exit price. A buy spread of 0.14% is applied on each application and a sell spread of 0.14% is applied on each withdrawal. For example, if you invested \$50,000 in the Fund the cost of your buy spread would be \$70, and the cost of your sell spread on withdrawing \$50,000 from the Fund would be \$70.

We may vary the buy-sell spread from time to time and prior notice will not ordinarily be provided. For current buy-sell spread information, visit www.pentalgroup.com, click on 'Products' and select the Fund.



You should read the important information about 'Additional information about fees and costs' before making a decision. Go to section 5 of the 'Additional Information to the Product Disclosure Statement' at www.pentalgroup.com/PentalSustainableBalancedFundG-PDS. The material relating to 'Additional information about fees and costs' may change between the time when you read this Statement and the day when you sign the application form.

7. How managed investment schemes are taxed

Investing in a managed investment scheme is likely to have tax consequences. Managed investment schemes generally do not pay the tax liability on behalf of investors. However, we may be required to withhold tax from each distribution at the relevant withholding tax rates under certain circumstances.

⁷ This example assumes the \$5,000 contribution occurs at the end of the first year, therefore management costs are calculated using the \$50,000 balance only.

⁸ Please note that this example does not capture all the fees and costs that may apply to your investment, such as the buy-sell spread.

As an investor, you will generally be subject to tax on your share of any taxable income and net realised capital gains generated by the Scheme.

Because the Australian taxation system is complex and different investors have different circumstances, you should seek professional tax advice before investing in the Fund.



You should read the important information about 'How managed investment schemes are taxed' before making a decision. Go to section 6 of the 'Additional Information to the Product Disclosure Statement' at www.pendalgroup.com/PendalSustainableBalancedFundG-PDS. The material relating to 'How managed investment schemes are taxed' may change between the time when you read this Statement and the day when you sign the application form.

8. How to apply

1. Read this PDS together with the 'Additional Information to the Product Disclosure Statement' available at www.pendalgroup.com/PendalSustainableBalancedFundG-PDS.
2. Direct investors should complete the Application and relevant Form(s) by clicking on 'Apply' at www.pendalgroup.com/products. A copy of the forms can also be requested by calling us. Payment details and methods are included in the Application Form. The offer made in this PDS is only available to persons receiving this PDS (electronically or otherwise) within Australia. Applications from outside Australia will not be accepted.
3. If you are a retail investor (as defined in the Corporations Act) investing directly in the Fund, you have a 14 day cooling-off period to confirm that the investment meets your needs. If you exercise your cooling-off rights, we will return your money to you and no fees will apply. However, the amount you receive will reflect any movement (either up or down) in the unit price of the Fund which means that there may be tax implications for you. The 14 day cooling-off period commences on the earlier of the end of the fifth Business Day after we issue the units to you or from the date you receive confirmation of your transaction.
4. If you have any concerns or complaints, as a first step please contact us and we will do our best to resolve your concern quickly and fairly. Our contact details are on the front cover of this PDS. If you believe that your matter has not been dealt with satisfactorily, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA.

Website: www.afca.org.au
Email: info@afca.org.au
Telephone: 1800 931 678 (free call)
In writing to: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

For more detailed information on how we deal with complaints please visit www.pendalgroup.com, click on 'Contact', and click on 'Concerns or Complaints'.

9. Other information

Target market determination for the Fund

A target market determination (TMD) describes the class of investors for whom the Fund would likely to be suitable based on their investment objectives, financial situation and needs. For more information on whether the Fund may be suitable for your investment needs, please refer to the TMD of the Fund at www.pendalgroup.com/ddo.

Additional disclosure information

The Scheme is subject to regular reporting and continuous disclosure obligations. For continuous disclosure notices regarding the Scheme please visit www.pendalgroup.com, click on 'Products', select the Scheme and expand the 'Important Updates' section. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office. You can also call us to obtain copies of the following documents, free of charge:

- the Scheme's Annual Report most recently lodged with ASIC;
- any half-year report lodged with ASIC after the lodgement of the Annual Report and before the date of this PDS;
- any continuous disclosure notices given by the Scheme after lodgement of the Annual Report and before the date of this PDS.

Related party transactions and conflicts of interests

The Fund may, without limit, invest in other funds of which we, or a related entity, are trustee, responsible entity or manager (related funds).

We may appoint any of our related entities to provide services or perform functions in relation to the Fund, including acting as our delegate. We may also enter into financial or other transactions with related entities in relation to the assets of the Fund and may sell assets or purchase assets from, a related entity. A related entity is entitled to earn fees, commissions or other benefits in relation to any such appointment or transaction and to retain them for its own account. Such arrangements will be based on arm's length commercial terms.

In the course of managing the Fund, we may face conflicts in respect of our duties in relation to the Fund, related funds and our own interests. We have policies and procedures in place to manage these appropriately. We will resolve such conflict fairly and reasonably and in accordance with the law, ASIC policy and our policies.

Consents

The following party has consented to this PDS containing, and accepts responsibility for the inclusion of, their name and the information referable to them in the form and context in which it appears:

– AEW Capital Management, L.P. (AEW).

The party above has not withdrawn their consent as at the date of this PDS and are not responsible for any information or statements which are not referable to them.



You should read the important information about 'How managed investment schemes are taxed' before making a decision. Go to section 7 of the 'Additional Information to the Product Disclosure Statement' at www.pendalgroup.com/PendalSustainableBalancedFundG-PDS. The material relating to 'Additional information about fees and costs' may change between the time when you read this Statement and the day when you sign the application form.