

Pendal Sustainable Australian Share Fund

ARSN: 097 661 857

Equity Strategies

31 October 2023

About the Fund

The Pendal Sustainable Australian Share Fund (**Fund**) is an actively managed portfolio of Australian shares. Investments are selected based on a range of sustainable, ethical and financial criteria. The Fund seeks exposure to companies that are more sustainable while avoiding those that cause significant social and/or environmental harm.

Investment Return Objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 200 (TR) Index over the medium to long term, whilst maximising the portfolio's focus on sustainability. The recommended investment timeframe is five years or more.

Description of Fund

This Fund is designed for investors who want the potential for long-term capital growth and tax effective income, diversification across a broad range of Australian companies and industries and are prepared to accept higher variability of returns.

The Fund uses an active stock selection process that combines sustainable and ethical criteria with Pendal's financial analysis. We actively seek out companies and industries that demonstrate leading ESG and ethical practices and exclude companies not meeting the investable criteria.

Pendal takes labour standards, environmental, social and ethical considerations into account when selecting, retaining or realising investments of the Fund.

The sustainability, ESG and ethical criteria employed includes factors such as:

- environmental issues,
- corporate governance, and
- social practices,
- ethical practices.

The Fund applies exclusionary screens, 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/PendalSustainableAustralianShareFund-PDS.

Investment Team

The Fund is managed by Rajinder Singh in Pendal's Australian Equity team who has more than 22 years' industry experience.

Risks

An investment in the Fund involves risk, including:

- **Market risk:** The risk that factors affecting one or more countries that can influence the direction and volatility of an overall market, as opposed to security-specific risks.
- **Security specific risk:** The risks associated with an individual security.

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

Performance

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
1 month	-3.64	-3.57	-3.78
3 months	-8.19	-7.99	-7.19
6 months	-6.77	-6.37	-5.30
1 year	-0.35	0.50	2.95
2 years (p.a)	-3.99	-3.18	0.44
3 years (p.a)	6.71	7.62	8.88
5 years (p.a)	6.13	7.04	7.18
Since Inception (p.a)	7.27	8.19	8.16

Source: Pendal as at 31 October 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: October 2001.

Past performance is not a reliable indicator of future performance.

Sector Allocation (as at 31 October 2023)

Energy	0.0%
Materials	23.7%
Industrials	6.8%
Consumer Discretionary	1.6%
Consumer Staples	2.9%
Health Care	10.7%
Information Technology	5.2%
Telecommunication Services	9.2%
Utilities	0.0%
Financials ex Property Trusts	30.6%
Property Trusts	4.6%
Cash & other	4.6%

Top 10 Holdings (as at 31 October 2023)

CSL Limited	8.9%
Commonwealth Bank of Australia	7.5%
Telstra Group Limited	5.9%
Rio Tinto Limited	5.8%
National Australia Bank Limited	5.6%
QBE Insurance Group Limited	4.9%
Westpac Banking Corporation	4.1%
Goodman Group	3.7%
Qantas Airways Limited	3.6%
Macquarie Group, Ltd.	3.5%



CERTIFIED BY RIAA

The Pendal Sustainable Australian Share 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.responsibleinvestments.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.

Other information

Fund size (as at 31 October 2023)	\$355 million
Date of inception	October 2001
Minimum investment	\$25,000
Buy-sell spread ¹	
For the Fund's current buy-sell spread information, visit www.pendalgroup.com	
Distribution frequency	Half-yearly
APIR code	WFS0285AU

¹ 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.

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 ²	0.85% pa
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² 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.

Carbon performance

The estimated weighted average carbon intensity (WACI) of the portfolio, using greenhouse gas emissions (scope 1 and 2¹) data supplied by ISS and weighted by the size of our holding in each company, is shown in the table below. In other words, this provides an indication of a portfolio's exposure to carbon intensive companies. We also compare this to the weighted average emissions for the companies in the aggregated ASX 200 index.

We caution that there are limitations of using carbon metrics as an indicator of a portfolio's overall exposure to climate-related risks. For example, not all companies report their emissions data and hence some of the below analysis includes estimates. Also, it does not include scope 3 emissions. Further, portfolio carbon analysis does not capture exposure to physical climate-related risks, or the unique transition risks some companies within the portfolio face. Nevertheless, the WACI metric is recommended by the Task Force on Climate-related Financial Disclosures (TCFD)², noting it supports greater comparability of investor reporting.

Weighted Average Carbon Intensity (tonnes CO₂e / \$M revenue)

Pendal Sustainable Australian Share Fund	ASX 200	Relative to ASX 200
121.94	172.77	-50.83

Source: ISS, Pendal holdings as at 31 October 2023. Report run on 08/11/2023 using latest ISS data. Currency AUD.

^[1] Scope 1 emissions result from sources directly owned or controlled by the company. Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by the company. Scope 3 emissions result from activities not directly owned or controlled by the company but are associated with its operation such as business travel, waste management, commuting, and the use of sold products and services. <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

^[2] Recommendations of the Task Force on Climate-Related Financial Disclosures, June 2017 <https://www.fsb-tcfid.org/recommendations/>

For more information please call 1300 346 821, contact your key account manager or visit pendalgroup.com

PENDAL

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PFSL is the responsible entity and issuer of units in the Pendal Sustainable Australian Share Fund (Fund) ARSN: 097 661 857. A product disclosure statement (PDS) is available for the Fund and can be obtained by calling 1300 346 821 or visiting www.pendalgroup.com. The Target Market Determination (TMD) for the Fund is available at www.pendalgroup.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.