

Pendal Sustainable Conservative Fund

Additional Information to the Product Disclosure Statement

APIR Code: RFA0811AU

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Issued 15 April 2025

Read this

The information in this document forms part of the Product Disclosure Statement for the Pendal Sustainable Conservative Fund (Fund) dated 15 April 2025 (PDS). **You should read this information together with the PDS before making a decision to invest into the Fund.** This additional information is general information only and does not take into account your personal financial situation or needs.

1. Restrictions on withdrawals

The following text contains further information about the circumstances in which your ability to withdraw from the Fund may be restricted and should be read in conjunction with the PDS.

If the Fund 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. We are not obliged to make such an offer. However, if we do, you are only able to withdraw your investment in accordance with the terms of a current withdrawal offer. If an insufficient amount of money is available from the assets specified in the withdrawal offer to satisfy withdrawal requests, the requests will be satisfied proportionately amongst those investors wishing to withdraw from the Fund. Under the Corporations Act, a trust is illiquid if it has less than 80% liquid assets (generally cash and marketable securities).

The constitution of the Fund also contains specific provisions that provide us with powers in relation to withdrawals. The specific provisions in the constitution are summarised below.

Provision	Explained
Extending period to satisfy withdrawal requests	We may extend the period we take to process a withdrawal request by a maximum of 30 days from when we receive the withdrawal request. However, we can only do this if we believe that the earlier withdrawal of units would be prejudicial to the interest of unitholders or where there has been a delay due to circumstances beyond our reasonable control in remitting to Australia the money necessary to effect such redemptions.
Postponing calculation of the exit price	<p>We may also postpone the calculation of the exit price at which units can be redeemed by a maximum period of 30 days from when we receive your withdrawal request. However, we can only do this if we believe that the disposal of the investments cannot be effected without seriously prejudicing the interests of unitholders and where any stock exchange on which 5% or more (in value) of the Fund's investments are quoted is closed (other than for ordinary holidays), or where dealings in 5% or more (in value) of the Fund's investments on any stock exchange are restricted or suspended.</p> <p>Where we postpone the calculation of the exit price, we will determine the exit price on the earlier of the first Business Day after the cessation of the matters set out above or the Business Day immediately preceding the 30th day after we receive your withdrawal request.</p>

2. Indirect investors

The following text contains further information for indirect investors and should be read in conjunction with the PDS.

An investment in the Fund offered under the Fund's PDS through a master trust or wrap account does not entitle you to a direct interest in the Fund.

This means that the rights that apply to a person who invests directly in the Fund are not available to indirect investors but rather, to the operator or custodian of the master trust or wrap account. The operator or custodian of the master trust or wrap account will be recorded in the register as the investor and will be the person who exercises the rights and receives the benefits of an investor.

Persons who invest through a master trust or wrap account may be subject to different conditions from those referred to in the PDS, particularly in regard to:

- how to transact on your investment (initial and additional investments and withdrawals are determined by the master trust or wrap account operator);
- cooling-off period and rights (no cooling-off rights apply to any investments in the Fund acquired through a master trust or wrap account operator);
- timing of distributions, withdrawals and the processing of transactions are determined by the master trust or wrap account operator;
- cut-off times for transacting (e.g. applications and withdrawals) are determined by the master trust or wrap account operator;
- fund reporting and other documentation including notices about fee increases and other significant events (Fund reports and investor notices are sent to the master trust or wrap account operator who then provide this information to indirect investors);
- fees and other costs (additional fees and expenses may be charged by the operator or custodian of the master trust or wrap account).

Investors in the master trust or wrap account should contact their financial adviser or master trust or wrap account operator for any investor queries.

3. Other features and benefits of the Fund

The following text contains further information about other features and benefits of the Fund and should be read in conjunction with the PDS.

Additional disclosure information

The Fund is subject to regular reporting and continuous disclosure obligations. We will meet our continuous disclosure and reporting obligations by publishing material on our website. For continuous disclosure notices regarding the Fund please visit www.pendalgroup.com, click on 'Products', select the Fund and click on 'View fund information'. Refer to 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 Fund'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 Fund 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.

4. Labour, environmental, social and ethical considerations

The following text contains further information on the environmental, social (including labour standards) and ethical considerations that we take into account when selecting, retaining or realising investments in the Fund and should be read in conjunction with the PDS.

Exclusionary Screens

The Fund applies exclusionary screens to its investments in the Australian and International shares, Australian and International fixed interest and part of its Alternative investments asset classes. The Fund's exclusionary screens aim to avoid exposure to companies and issuers with core business activities that Pandal considers to negatively impact the environment and/or society¹.

Exclusionary screens are not applied to investments in the Fund's Australian and International property securities, part of the Fund's Alternative investments asset classes and certain financial instruments such as securities issued by government, semi-government or supranational entities, derivatives and cash. This is because such investments, financial instruments or issuers are not able to be reasonably screened for involvement in activities that Pandal considers to negatively impact the environment and/or society.¹

The use of derivatives may result in the Fund having indirect exposure to companies or issuers that would otherwise be excluded.

The Fund's Australian and International shares, Australian and International fixed interest and part of the Alternative Investments asset classes will not invest in companies and issuers which directly:

- Produce tobacco (including e-cigarettes and inhalers); or
- Manufacture controversial weapons (including landmines, biological weapons, blinding laser weapons, chemical weapons, cluster munitions, depleted uranium weapons, incendiary weapons, non-detectable fragments and nuclear weapons).

Additional exclusionary screens are also applied across these asset classes as follows:

Exclusionary Screens – Australian Shares

The Fund's Australian shares asset class will also not invest in companies which:

Fossil Fuels

- Directly extract or explore for fossil fuels (specifically, coal, oil and gas); or
- Derive 10% or more of their gross revenue from fossil fuel-based power generation (coal, oil and gas)*; or
- Derive 10% or more of their gross revenue from fossil fuel refinement (coal, oil and gas)*; or
- Derive 10% or more of their gross revenue from fossil fuel distribution (coal, oil and gas)*; or
- Derive 10% or more of their gross revenue from the provision of supplies or services which relate specifically to fossil fuel extraction or exploration (coal, oil and gas)*.

** 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.*

Uranium

- Derive 10% or more of their gross revenue from directly mining uranium for the purpose of nuclear power generation.

Logging

- Derive 10% or more of their gross revenue from unsustainable forestry or forest products, including non-Forest Stewardship Council certified forest products or non-Roundtable on Sustainable Palm Oil certified palm oil production.

¹ As defined by the Fund's exclusionary screens and gross revenue thresholds.

Gambling

- Directly manufacture, own or operate gambling facilities, gaming services or other forms of wagering; or
- Derive 10% or more of their gross revenue from the indirect provision of gambling (for example, through telecommunications platforms).

Pornography

- Produce pornography; or
- Derive 10% or more of their gross revenue from the distribution or retailing of pornography.

Weapons

- Manufacture or distribute controversial weapons (including landmines, biological weapons, blinding laser weapons, chemical weapons, cluster munitions, depleted uranium weapons, incendiary weapons, non-detectable fragments, nuclear weapons, and white phosphorus weapons); or
- Supply of goods or services specifically related to controversial weapons; or
- Manufacture of non-controversial weapons or armaments (including civilian firearms or military equipment); or
- Derive 10% or more of their gross revenue from the distribution or retailing of non-controversial weapons or armaments (including civilian firearms or military equipment); or
- Derive 10% or more of their gross revenue from the supply of goods or services specifically related to non-controversial weapons or armaments.

Alcohol

- Produce alcoholic beverages; or
- Derive 10% or more of their gross revenue from the distribution or retailing of alcoholic beverages.

Tobacco

- Produce tobacco (including e-cigarettes and inhalers); or
- Derive 10% or more of their gross revenue from the distribution of tobacco (including e-cigarettes and inhalers); or
- Derive 10% or more of their gross revenue from the supply of goods or services specifically related to the tobacco industry (for example, packaging or promotion).

Animal cruelty

- Directly undertake animal testing for cosmetic products; or
- Directly undertake live animal export.

Predatory lending

- Directly provide products or services with lending practices that are unfair or deceptive to ordinary borrowers, including small amount short term loans at higher than commercial rates of interest (for example, payday loans, pawn loans or the use of aggressive sales tactics).

Breaches and misconduct

- We consider to have been found to have significant breaches of social or environmental norms or regulations, or are subject to serious and substantiated allegations of unethical conduct, which we consider have not been remedied or adequately addressed.

Exclusionary Screens – International Shares

The Fund's international shares investments will also not invest in companies which directly:

- Extract or explore for fossil fuels (specifically, coal, oil and natural gas)

The Fund's International shares asset class 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.

** 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.*

Exclusionary Screens – Australian Fixed Interest

The Fund's Australian fixed interest asset class will also not invest in issuers which derive 5% or more of their gross revenue directly from:

- Exploration, extraction or refinement of fossil fuels (specifically coal, oil and gas); or
- The production of alcohol; or
- Manufacture or provision of gaming facilities; or
- Manufacture of non-controversial weapons or armaments; or
- Manufacture or distribution of pornography; or
- Direct mining of uranium for the purpose of weapons manufacturing.

Exclusionary Screens – International Fixed Interest

The Fund's International fixed interest asset class will also not invest in issuers which derive 10% or more of their gross revenue directly from:

- The production of alcohol; or
- Manufacture or provision of gaming facilities; or
- Manufacture of non-controversial weapons or armaments; or
- Manufacture or distribution of pornography; or
- Direct mining of uranium for the purpose of weapons manufacturing; or
- Extraction of thermal coal and oil sands production.

Exclusionary Screens – Alternative Investments

Additional exclusionary screens are applied to only part of the Fund's Alternative investments asset class. This is because some investments cannot be reasonably screened for involvement in activities that Pandal considers to negatively impact the environment and/or society.²

Where exclusionary screens can be applied to Alternative investments, the Fund's Alternative investments asset class will also not invest in companies or issuers which derive 10% or more of their gross revenue directly from:

- The production of alcoholic beverages; or
- Manufacture, ownership or operation of gambling facilities, gaming services or other forms of wagering; or
- Manufacture of non-controversial weapons or armaments; or
- Manufacture or distribution of pornography; or
- Direct mining of uranium for the purpose of nuclear power generation; or
- Extraction of thermal coal and oil sands production.

All reasonable care has been taken to implement the Fund's exclusionary screens to meet the criteria described above. To determine whether an investment is subject to the Fund's exclusionary screens, Pandal relies on internal and supplementary external research, believed to be accurate. However, as the nature and conduct of businesses may change over time, and publicly available financial or other information is not always comprehensive or up to date, we do not guarantee that the Fund's investments will meet all of the Fund's exclusionary screen criteria at all times.

² As defined by the Fund's exclusionary screens and gross revenue thresholds.

Where the Fund invests in non-Pendal funds or non-Pendal ETFs, LICs or LITs, we do not guarantee that these investments will meet all of the Fund's exclusionary screen criteria at all times. This is because Pendal does not control the exclusionary screening methodology applied by such funds, ETFs, LICs or LITs and relies on publicly available information to monitor their compliance with the Fund's exclusionary screens.

Pendal reviews investments subject to the Fund's exclusionary screens monthly, however some investments within the Fund's Alternative investments asset class are reviewed quarterly. We monitor the Fund's compliance with its exclusionary screens daily.

If we determine that an investment no longer meets our exclusionary screen criteria, we will divest the holding (usually within six months) having regard to the interests of investors. The time it takes to sell an investment depends on factors including, but not limited to, the size and liquidity of the investment (which may have an impact on the Fund's performance returns), and the time it takes for Pendal to seek and assess suitable replacement investments that meet the Fund's exclusionary screens and sustainability criteria.

Sustainability Assessment Framework

Once we determine that an investment meets the Fund's exclusionary screens, we will then assess the investment's sustainability characteristics for alignment with the Fund's sustainability objective.

The Fund has a sustainability objective which aims to support the transition to a more sustainable economy (the **Sustainability Objective**). We define a sustainable economy as an economic system which balances environmental, social, and economic factors.

The Fund aims to support the transition to a more sustainable economy, by aligning a portion of its capital⁴ (within the Australian and International shares, Australian and International fixed interest and part of the Alternative investments asset classes of the Fund), in aggregate with investments that advance this transition.

We apply our sustainability assessment to investments in the Fund's Australian and International shares, Australian and International fixed interest and part of the Alternative investments asset classes of the Fund. The types of sustainability characteristics that we may consider as part of our sustainability assessment include:

- Positive screening or positive tilts

We consider whether the investment has a strategy in place that intentionally favours companies or assets that are considered to support positive environmental and/or social change via their investment processes;

- Approach to active ownership

Active ownership refers to the influence that can be applied to management teams and relevant stakeholders of investee companies and assets by asset owners via engagement and voting activities;

- Exclusionary screening process

We consider the investment's approach to screening out securities that are considered to negatively impact the environment and/or society³;

- Sustainability reporting

We consider the investment's approach to reporting their sustainability targets and commitments.

Pendal continually monitors the sustainability characteristics of the Fund's investments. A portion of the Fund's capital (within the Australian and International shares, Australian and International fixed interest and part of the Alternative investments asset classes) in aggregate will be in alignment with the Fund's Sustainability Objective.⁴

If we determine that an investment no longer meets the Fund's sustainability criteria, we may choose to engage with the underlying manager, company or issuer to address the issue. If the engagement is unsuccessful, we may divest the holding (usually within six months) having regard to the interests of investors. The time it takes to sell an investment depends on factors including, but not limited to, the size and liquidity of the investment (which may have an impact on the Fund's performance returns), and the time it takes for us to assess suitable replacement investments that meet the Fund's exclusionary screens and sustainability criteria.

³ As defined by the Fund's exclusionary screens and gross revenue thresholds.

⁴ The Fund aims to support the transition to a more sustainable economy by aligning approximately 50% of its capital (within the Australian and International shares, Australian and International fixed interest and part of the Alternative investments asset classes of the Fund) in aggregate with investments that advance this transition.

5. Additional information about fees and costs

The following section provides further information about the fees and costs that you may be charged in relation to your investment in the Fund and should be read in conjunction with the PDS.

You should note that except as otherwise set out in the PDS, any estimated costs are calculated based on our reasonable estimates of these costs using the actual costs incurred for the first 11 months in the previous financial year and annualising these actual costs for the 12 month period in the full financial year.

Unless otherwise stated, all fees and costs disclosed in the PDS are on a GST inclusive basis and net of any applicable Reduced Input Tax Credits.

Management fees and costs

Management fees and costs are comprised of the Fund's management fee and any indirect costs and expense recoveries.

Management fee

The management fee is the fee we charge for managing the assets and overseeing the operations of the Fund. Although we have the power to change our fees without your consent, we have no present intention to do so. If we increase the management fee, we will give you 30 days' written notice.

The maximum management fee we are entitled to charge for the Fund is set out in the Fund's Constitution. The Constitution allows us to charge a maximum management fee of 2.1% p.a. (ex GST) of the value of the assets of the Fund. The management fees charged for this Fund may be less than the maximum. Please refer to section 6 of the PDS for the actual management fees being charged for the Fund.

Indirect costs

Indirect costs are certain costs which we reasonably estimate will reduce, directly or indirectly, the Fund's return. Indirect costs may include underlying investment manager fees and costs and certain derivative costs. If any indirect costs are incurred, they would be reflected in the unit price of the Fund and would not be charged to you as a fee nor retained by us.

Based on the information available to us as at the date of this PDS, and having regard to the previous financial year, the Fund incurred no indirect costs.

This information may change from year to year and prior notice will not ordinarily be provided. For the latest indirect costs, please visit www.pendalgroup.com, click on 'Products,' and refer to the 'Fees and Costs' document under 'Important Information.'

Expense recoveries

We are entitled to be reimbursed for expenses we incur in the proper performance of our duties and in connection with the day-to-day operation of the Fund.

As at the date of this PDS, we pay these recoverable expenses (excluding any GST payable on our fees) out of our management fee and do not recover them from the Fund. However, if we decide to recover these expenses, in addition to the management fee in the future, we will give you 30 days' written notice.

Transaction costs

Transaction costs are the cost of buying and selling the Fund's assets. Transaction costs such as brokerage, bid-offer spreads on securities traded, settlement costs, clearing costs, over-the-counter (OTC) option costs and government charges may be incurred as a result of changes in the Fund's investment portfolio, either in relation to implementing the Fund's investment strategy or investors entering or exiting the Fund.

When the Fund changes its investment portfolio, transaction costs are paid out of the Fund's assets and are reflected in the daily unit price. They are not charged to you as an additional fee.

If you choose to enter or exit the Fund (to buy or sell units) some or all of the associated transaction costs will be recouped via the Fund's buy-sell spread (being the difference between the Fund's entry and exit unit prices). The transaction costs set out in the PDS are net of any amount recovered by the buy-sell spread. GST is not applicable to any buy-sell spread incurred by transacting investors.

For the previous financial year, the estimated total transaction costs for the Fund were 0.32%⁵. Of this amount, we estimate 0.08% was recouped via the buy-sell spread and 0.24% reduced the return of the Fund. Transaction costs and buy-sell spreads may vary from year to year depending upon market conditions, the market impact of transacting and volumes traded.

The Fund's estimated OTC derivative costs may also include our reasonable estimates where we are unable to determine the exact amount or where information is unavailable to us.

Rebates/waivers for interfunding arrangements

The Fund may invest from time to time in other funds that we, or a related entity manage (related fund). Our current policy is:

- no contribution fee is payable to the related fund;
- management fees are either not collected by the related fund or if they are, they are rebated in full to the Fund; and
- where the related fund charges expense recoveries outside the management fee, these will also be rebated to the Fund.

However, we may change these arrangements at any time, in which case, we will give you 30 days' notice.

Differential fees

We may negotiate a rebate on all or part of our management fee with wholesale clients (as defined by the *Corporations Act*). The payment and terms of rebates are negotiated with wholesale clients and are at our discretion subject to the *Corporation Act* and ASIC policy.

Some funds may have a separate class of units to facilitate the negotiation of the management fee amount and means of payment by relevant investors.

Fees paid to master trusts, wrap accounts, financial advisers and other persons

Indirect investors – additional master trust or wrap account fees

For indirect investors accessing the Fund through a master trust or wrap account, additional fees and costs may apply. These fees and costs are stated in the offer document provided to you by your master trust or wrap account operator.

Product access payments and fund manager payments

From the fees we receive, we may pay product access payments (as a flat dollar amount each year) to wrap platforms, master trusts or other investment administration services (**Platforms**) for making the Fund available on their investment menus.

The amount of these payments may change during the life of the PDS. As these amounts are paid by us out of our own resources, they are not an additional cost to you.

Direct remuneration – financial advisers

Pendal does not pay commissions to financial advisers who provide financial product advice to retail investors.

Other benefits

We may make certain payments or other non-monetary benefits (including sponsorships, gifts, entertainment and information technology support) to financial advisers, dealer groups and Platform providers who provide financial product advice to retail investors. The provision of such payments or benefits will be made in accordance with applicable law and are not an additional cost to you.

Incidental fees and costs

Standard Government fees, duties and bank charges may also apply to your investments and withdrawals including dishonour fees and conversion costs.

⁵ These costs are expressed as a percentage of the assets of the Fund and are based on a one-year period for the previous financial year.

6. How managed investment schemes are taxed

The following text contains further information about how managed investment schemes are taxed and should be read in conjunction with the PDS.

Taxation

Investing in the Fund is likely to have tax consequences. Before investing in the Fund, you should obtain professional tax advice about the Australian tax consequences applicable to you, and if appropriate, any foreign tax consequences that may apply to you based on your particular circumstances.

The taxation information contained in this document reflects Australian tax laws and their interpretation as at the date of issue of this document.

Attribution Managed Investment Trust (AMIT) Regime

We have elected that the Fund be an AMIT.

As an investor in the Fund, you will be taxed on the income of the Fund that has been attributed to you on a 'fair and reasonable' basis for each financial year that the Fund qualifies as an AMIT. Where the Fund's determined trust components are revised in a subsequent year (e.g. due to actual amounts differing to the estimates of income, gains/losses or expenses), then differences (referred to as 'unders and overs') will arise. Unders and overs will generally be taken into account in the year they are discovered.

In certain circumstances, we may attribute income and gains of the Fund to specific redeeming investors.

The AMIT Member Annual (AMMA) statement provided to you after the end of the financial year will set out the details of taxable income that has been attributed to you.

Taxation of the Fund

We intend to manage the Fund so that it is not subject to Australian tax.

We do not expect the Fund to be subject to tax on the income of the Fund (other than in relation to withholding tax on foreign income or other taxes in respect of non-resident investors) as we intend that all taxable income of the Fund will be attributed to investors on a 'fair and reasonable' basis in each financial year and this attribution be reflected in the AMMA statement provided to investors.

As the Fund is an AMIT, we have the discretion to accumulate income in the Fund (instead of, or in addition to, distributing income to investors). If we do, the Fund's unit price will only fall by the amount of the actual distribution and the accumulated income will be reflected in the Fund's unit price.

If you are investing indirectly through a master trust or wrap account, you should also refer to your provider for further information about the tax treatment of your investment in the Fund through their master trust or wrap account service.

Withholding taxes

The Fund may derive income from foreign sources which is subject to foreign withholding taxes in those jurisdictions. The benefit of foreign taxes paid by the Fund in foreign jurisdictions will be attributed/allocated to investors as foreign tax credits to the extent permitted by Australian tax laws.

Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

Foreign Tax Residency Information

We or your master trust or wrap account provider must obtain details about any other countries where you are a resident for tax purposes (including your taxpayer identification number) as the Fund may be required to report information about your investment in the Fund (including investment balances and any payments made) to the ATO each year for provision to the relevant overseas tax authority under rules designed to combat tax evasion in that country. We may request that you provide us with further information. We will then determine whether the Fund is required to report your details to the ATO for this purpose based on our assessment of the relevant information received.

Quoting your Tax File Number (TFN) or Australian Business Number (ABN)

Investors are not obliged to provide their TFN or ABN (if applicable), but if you are an Australian resident for tax purposes and you do not provide a TFN, ABN or a valid exemption, we or your master trust or wrap account provider are required to deduct tax from distributions that are paid as cash, reinvested or amounts attributed to you, at the highest marginal tax rate, plus Medicare levy and any other applicable levies.

Australian companies and other entities may provide us with their ABN instead of their TFN if their investment in the Fund is made as part of an enterprise.

7. Other information

The following text contains a glossary of certain terms used in the PDS and should be read in conjunction with the PDS.

Terms used in this PDS

In this PDS:

‘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;

‘ASIC’ means the Australian Securities and Investments Commission;

‘ATO’ means the Australian Taxation Office;

‘Bank Account’ means an account with an Australian Authorised Deposit Taking Institution (which includes a building society and credit union);

‘Business Day’ means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney;

‘Corporations Act’ means the *Corporations Act 2001* (Cth);

‘Derivative’ is an instrument whose value is derived from the value of an underlying asset (such as a share) or reference index;

‘Exchange traded fund’ or ‘ETF’ is a managed fund that you can buy or sell on an exchange such as the Australian Securities Exchange (ASX). Exchange traded funds are ‘open-ended’ funds which means that units can be created or redeemed to match investor demand. ETF units are designed to track their net asset value closely. When you invest in an ETF, you don’t own the underlying investments. You own units in the ETF;

‘Fund’ means the Pandal Sustainable Conservative Fund ARSN 090 651 924;

‘GST’ means Goods and Services Tax;

‘Listed investment company’ or ‘LIC’ is an investment listed on an exchange such as the ASX, incorporated as a company. Listed investment companies are ‘closed-ended’ which means they don’t issue new shares or cancel existing shares, as investors join or leave. Instead, they issue a fixed number of shares in an initial public offering. Investors then buy and sell those shares on the exchange. The shares may trade at a premium or discount price to their net asset value;

‘Listed investment trust’ or ‘LIT’ is an investment listed on an exchange such as the ASX, incorporated as a trust. Listed investment trusts are also closed-ended funds that issue a fixed number of units so investors then buy and sell those units on the exchange. The units may trade at a premium or discount price to their net asset value;

‘responsible entity’ means Pandal Fund Services Limited ABN 13 161 249 332, AFSL 431426;

‘we’, ‘our’, ‘us’ or ‘Pandal’ means the responsible entity of the Fund and, where appropriate, Pandal Institutional Limited;

Asset values of the Fund for the purposes described in this PDS are determined in accordance with the Fund’s constitution.