MONTHLY REPORT
JUNE 2026

PENGANA CAPITAL GROUP

PENGANA WHEB SUSTAINABLE IMPACT FUND

DESCRIPTION

The Pengana WHEB Sustainable Impact Fund invests in companies with activities providing solutions to sustainability challenges. WHEB have identified critical environmental and social challenges facing the global population over coming decades including a growing and ageing population, increasing resource scarcity, urbanisation and globalisation. The Fund invests in companies providing solutions to these sustainability challenges via nine sustainable investment themes – five of these are environmental (cleaner energy, environmental services, resource efficiency, sustainable transport and water management) and four are social (education, health, safety and well-being). WHEB's mission is 'to advance sustainability and create prosperity through positive impact investments.'

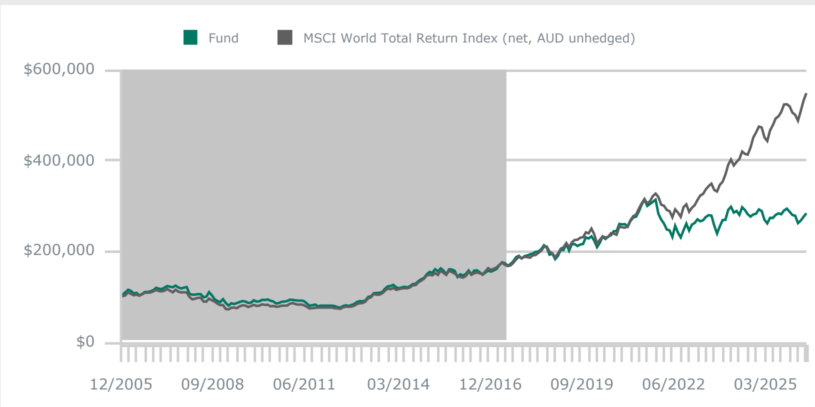
PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 30 Jun 2026[1]

	1 MTH	1 YEAR	3 YEARS P.A.	5 YEARS P.A.	SINCE INCEPTION P.A.
WHEB Sustainable Impact Fund	2.9%	3.8%	1.0%	-0.3%	
Strategy (partial simulation – see below)					5.2%
MSCI World Total Return Index (net, AUD unhedged)	3.1%	14.8%	17.7%	13.3%	8.7%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION[2]



TOP HOLDINGS (ALPHABETICALLY)

Agilent Technologies, Inc.	Health Care
Aptiv PLC	Consumer Discretionary
AstraZeneca PLC	Health Care
Ecolab Inc.	Materials
Globus Medical Inc Class A	Health Care
ICON Plc	Health Care
Keyence Corporation	Information Technology
TE Connectivity plc	Information Technology
Thermo Fisher Scientific Inc.	Health Care
Xylem Inc.	Industrials

SECTOR BREAKDOWN

Consumer Discretionary	8.2%
Health Care	29.6%
Industrials	29%
Information Technology	21.1%
Materials	7.3%
Utilities	4.1%
Cash	0.7%

CAPITALISATION BREAKDOWN

2-10bn	20.6%
10-20bn	19.7%
>20bn	59%
Cash	0.7%

CUSTOM SECTOR BREAKDOWN

Health	26.5%
Resource Efficiency	24.1%
Sustainable Transport	11%
Environmental Services	7.2%
Water Management	15.5%
Safety	7%
Cleaner Energy	5%
Education	3.2%
Cash	0.7%

REGION BREAKDOWN

North America	60.4%
Europe ex-UK	22.1%
Japan	8.3%
UK	8.6%
Cash	0.7%

JUNE REPORT

COMMENTARY

Global equity markets were up in June with investor sentiment supported by easing geopolitical tensions following the signing of a memorandum of understanding between the US and Iran. However, renewed volatility across parts of the artificial intelligence trade and continued uncertainty over the path of interest rates tempered gains. The Fund delivered a return of 2.9% over the month, compared to the MSCI World Index, which gained 3.1%.

Market Review

Global equity markets were up in June with investor sentiment supported by easing geopolitical tensions following the signing of a memorandum of understanding between the US and Iran, which contributed to a sharp decline in oil prices and reduced concerns around energy supply disruption. However, renewed volatility across parts of the artificial intelligence (AI) trade and continued uncertainty over the path of interest rates tempered gains.

The AI theme remained important, but market leadership broadened during the month. Semiconductor companies continued to benefit from strong demand linked to AI infrastructure, while some of the large technology platforms funding the build out came under pressure as investors reassessed the scale, timing and returns on future capital expenditure.

Central banks remained in focus during June, with policymakers maintaining a cautious stance as inflation risks persisted despite easing energy prices. The European Central Bank cut rates by 0.25%, while most other major economies left policy unchanged, reinforcing expectations that the path to lower rates will be gradual and potentially uneven.

The Science Based Targets initiative (SBTi) Corporate Net Zero Standard Version 2.0 was published in June after a meticulous two year revision process. The renewed policy shifts the framework from ambition to strict operational execution by separating Scope 1 and 2 targets, demands board level oversight and requires mandatory target renewals every 5 years. The revised standard will be phased in through 2028, when Version 2.0 becomes mandatory.

Strategy Review

The Fund delivered a return of 2.9% over the month, compared to the MSCI World Index, which gained 3.1%.

Contract research organisation ICON, in the Health theme, was the best contributor after reporting reassuring Q1 results. The results highlighted strong bookings, with a book-to-bill ratio significantly above 1x. More importantly, we saw improving commercial momentum, particularly the pickup in biotech RFP flow.

Ecolab, in the Water Management theme, was the second best contributor. Water Management was the strongest performing theme during the month, with the majority of holdings generating positive returns. Ecolab benefited from successful pricing and cost initiatives. The company highlighted a clearer pricing roadmap, supporting expectations for further gross margin expansion, alongside positive commentary on the Life Sciences end market and the acquisition of CoolIT, which strengthens the company’s data centre cooling capabilities.

Xylem was upgraded by several sell-side analysts, reflecting continued margin expansion despite the absence of meaningful macroeconomic tailwinds, reinforcing confidence that the company is on track to achieve its 2026 margin target ahead of schedule.

Design engineering software provider **Autodesk,** in the Resource Efficiency theme, was the principal detractor. The share price declined following the announcement of its all-cash acquisition of MaintainX, a data-driven asset management platform. Investor concerns centred on the acquisition's relatively high valuation and the potential of near-term margin dilution.

Nextracker was another detractor, with the Cleaner Energy theme the weakest performing theme this month. The company gave back some of its earlier gains despite the strategically positive acquisition of Zimmermann PV-Steel, as sector wide profit taking outweighed supportive company specific developments.

First Solar also declined in the absence of material company specific news, with ongoing policy uncertainty and weaker sentiment towards utility scale solar continuing to weigh on the sector.

Outlook

The long term structural drivers underpinning the strategy remain intact. June's market rotation highlighted that even powerful themes such as AI can experience periods of volatility, particularly after strong valuation moves. However, investment in digital infrastructure, electrification, healthcare efficiency, water resilience and resource productivity continues to grow.

AI remains a particularly important example. While market attention has focused on software platforms, semiconductors and cloud providers, the physical infrastructure required to support AI is equally important. Data centres require significant investment in power generation, grid infrastructure, cooling, monitoring and resource efficiency, creating opportunities for companies providing solutions across these areas.

Similar structural trends are evident across the portfolio, with healthcare systems seeking greater productivity, water infrastructure facing increasing pressure from scarcity and ageing assets, and companies investing in technologies that improve efficiency and resilience.

While macroeconomic uncertainty is likely to persist with geopolitical risks, volatile energy prices and shifting expectations for interest rates continuing to influence investor sentiment, our investment approach remains unchanged. We continue to focus on companies whose products and services address real world needs and are supported by durable structural growth drivers.

FEATURES

APIR CODE	HHA0007AU
REDEMPTION PRICE	A$ 1.5594
FEES *	Management Fee: 1.35%
MINIMUM INITIAL INVESTMENT	$10,000
FUND INCEPTION DATE	31 October 2007 Relaunched on 1 August 2017.*

FUND MANAGERS

Ted Franks
Managing Director, Fund Manager

Seb Beloe
Managing Director, Head of Impact Research

1. From August 2017, performance figures are those of the Pengana WHEB Sustainable Impact Fund's class A units (net of fees and including reinvestment of distributions). The strategy's AUD performance between January 2006 and July 2017 (shown in the shaded area in the chart) has been simulated by Pengana from the monthly net GBP returns of the Henderson Industries of the Future Fund (from 1 January 2006 to 31 December 2011) and the FP WHEB Sustainability Impact Fund (from 30 April 2012 to 31 July 2017). This was done by: 1) converting the GBP denominated net returns to AUD using FactSet's month-end FX rates (London 4PM); 2) adding back the relevant fund's monthly ongoing charge figure; then 3) deducting the Pengana WHEB Sustainable Impact Fund's management fee of 1.35% p.a. The WHEB Listed Equity strategy did not operate between 1 January 2012 and 29 April 2012 – during this period returns are nulled. The Henderson Industries of the Future Fund's and the FP WHEB Sustainability Impact Fund's GBP net track record data is historical. Performance figures are calculated using net asset values after all fees and expenses, and assume reinvestment of distributions. No allowance has been made for buy/sell spreads. Please refer to the PDS for information regarding risks. Past performance is not a reliable indicator of future performance. The value of the investment can go up or down.
2. The Fund incepted on 31 October 2007 as the Hunter Hall Global Deep Green Trust. The Fund was relaunched on 1 August 2017 as the Pengana WHEB Sustainable Impact Fund employing the WHEB Listed Equity strategy. This strategy was first employed on 1 January 2006 by the Henderson Industries of the Future Fund and currently by the FP WHEB Sustainability Impact Fund.
3. Annualised standard deviation since inception.
4. Relative to MSCI World Total Return Index (net, AUD unhedged)

* For further information regarding fees please see the PDS available on our website.

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