

**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.'

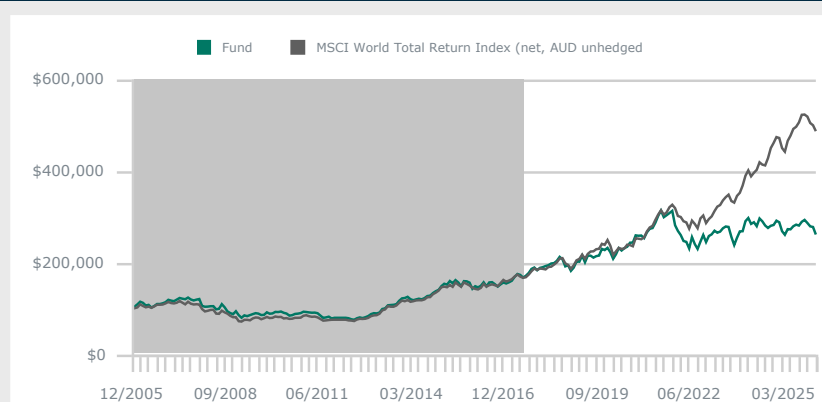
**PERFORMANCE TABLE**

NET PERFORMANCE FOR PERIODS ENDING 31 Mar 2026<sup>1</sup>

	1 MTH	1 YEAR	3 YEARS P.A.	5 YEARS P.A.	SINCE INCEPTION P.A.
WHEB Sustainable Impact Fund	-5.9%	-2.7%	-1.0%	-0.4%	
Strategy (partial simulation – see below)					4.9%
MSCI World Total Return Index (net, AUD unhedged)	-2.6%	8.2%	15.9%	12.6%	8.1%

**PERFORMANCE CHART**

NET PERFORMANCE SINCE INCEPTION<sup>2</sup>



**TOP HOLDINGS (ALPHABETICALLY)**

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

**SECTOR BREAKDOWN**

Consumer Discretionary	5.6%
Health Care	26.9%
Industrials	28.4%
Information Technology	26.7%
Materials	7%
Utilities	4.3%
Cash	1%

**CAPITALISATION BREAKDOWN**

2-10bn	19.8%
10-20bn	19.4%
>20bn	59.9%
Cash	1%

**CUSTOM SECTOR BREAKDOWN**

Health	23.5%
Resource Efficiency	26.4%
Sustainable Transport	10.9%
Environmental Services	4.4%
Water Management	15.6%
Safety	9.9%
Cleaner Energy	6.4%
Education	1.8%
Cash	1%

**REGION BREAKDOWN**

North America	60.1%
Europe ex-UK	21.7%
Japan	7.8%
UK	9.3%
Cash	1%

## MARCH REPORT

### COMMENTARY

Global equity markets moved sharply lower in March as geopolitical risk displaced the more constructive tone seen earlier in the quarter. Energy was the only sector to rise during the month, while utilities and other defensive sectors (not generally investable by the fund) outperformed more economically sensitive sectors such as industrials and materials. The Fund delivered a negative return of -5.9% over the month, underperforming the MSCI World's -2.6% decline. At the thematic level, Cleaner Energy and Education were the better performing areas of the portfolio, while Resource Efficiency and Safety were the weakest. Unusually in the long history of the investment strategy, the Health theme only provided modest defensive cover.

#### Market Review

Global equity markets moved sharply lower in March as geopolitical risk displaced the more constructive tone seen earlier in the quarter. The escalation of conflict in the Middle East and disruption to energy flows through the Strait of Hormuz sent oil prices soaring and prompted investors to reassess inflation, growth and supply chain risks. After strong gains earlier in the year, Europe and Asia were among the weaker regions during the month.

Central banks reinforced the more cautious tone, keeping rates on hold and warning that the conflict was adding to upside inflation risks and downside growth risks through higher energy prices. In equity markets, that translated into a clear rotation. Energy was the only sector to rise during the month, while utilities and other defensive sectors outperformed more economically sensitive sectors such as industrials and materials.

The conflict also reinforced the importance of investment in the physical systems that underpin energy security, electrification and digitalisation. Even though conventional fossil energy producers were the clearest short-term beneficiaries of energy price moves, events highlighted how dependent economic resilience remains on grid investment, domestic power capacity and efficiency. This is only exacerbated by rising AI related electricity demand continues to test existing infrastructure.

Against this backdrop, better, cleaner energy alternatives continue their steady growth path. [IRENA's annual renewable capacity statistics](#) showed that renewables accounted for 86% of global power additions in 2025, with a record 692GW added over the year. Solar remained the dominant driver, contributing 510GW, while wind added a further 159GW. At year end, renewables represented 49% of installed power capacity worldwide. The data also highlighted how large the opportunity remains: China, the United States and the European Union accounted for 80% of new additions, while Africa contributed 2%, despite recording its strongest annual increase and reaching 82GW of installed renewable capacity. As prices continue to fall, adoption will spread.

#### Fund Review

The Fund delivered a negative return of -5.9% over the month, underperforming the MSCI World's -2.6% decline, in a market where defensive areas (not generally investable by the fund) outperformed and economic confidence took a sharp dip.

At the thematic level, Cleaner Energy and Education were the better performing areas of the portfolio, while Resource Efficiency and Safety were the weakest. Unusually in the long history of the investment strategy, the Health theme only provided modest defensive cover. The healthcare sector remains out of favour with investors

over concerns about unsustainable costs and technological uncertainty.

On the positive side, Vestas in the Cleaner Energy theme was one of the strongest contributors, benefiting from continued investor support for companies exposed to power infrastructure and longer-term electrification trends. NextPower also outperformed, with its contracted renewable power assets offering relatively defensive characteristics during a period of heightened geopolitical and macroeconomic uncertainty.

Grand Canyon Education performed well as the Education theme proved comparatively resilient over the month.

On the weaker side, Keyence in the Resource Efficiency theme underperformed as investor preference shifted away from high quality automation and industrial technology names in Japan. Infineon Technologies in the Sustainable Transport theme was also weaker, reflecting softer sentiment towards semiconductor companies outside those areas seen as more directly linked to defence and energy security spending.

Bureau Veritas in the Safety theme also detracted from performance, reflecting both its exposure to the Middle East and broader weakness across quality industrial, testing and safety related businesses.

## Outlook

Markets are now being shaped by geopolitical risk, energy price volatility and uncertainty over inflation and interest rates, which has kept attention focused on near term resilience and sentiment rather than fundamentals and longer-term growth. Sentiment towards sustainability initiatives has become even more cautious than in recent years.

Even so, many of the structural drivers behind our investment themes continue to strengthen. The rapid build out of artificial intelligence and digital infrastructure is increasing demand for electricity networks, cooling systems and water management. A more uncertain geopolitical environment is also reinforcing the importance of energy security, industrial efficiency and more resilient domestic infrastructure. At the same time, sustainability policy is evolving in a more pragmatic direction. In Europe, the focus has shifted towards simplification and competitiveness, while in China support for the green transition remains embedded in broader economic planning.

We therefore continue to see strong long-term opportunities for companies helping to improve the efficiency of energy, water and materials use. Market leadership may remain unsettled in the near term, but the case for businesses providing solutions linked to efficiency, resilience and resource productivity remains compelling.

## FEATURES

APIR CODE	HHA0007AU
REDEMPTION PRICE	A\$ 1.4398
FEES *	Management Fee: 1.35%
MINIMUM INITIAL INVESTMENT	\$10,000
FUM AT MONTH END	A\$ 157.67m
FUND INCEPTION DATE	31 October 2007 Relunched 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 relunched 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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### PENGANA.COM

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