



PENGANA WHEB SUSTAINABLE IMPACT FUND

1 AUGUST 2017
FUND
UPDATE

FUND DESCRIPTION AND FEATURES

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'.

Investment manager	WHEB Asset Management
APIR code	HHA0007AU
Management fee	1.35% p.a.
Minimum initial investment	\$10,000
Strategy inception¹	1 January 2006
Fund relaunch¹	1 August 2017
Asset allocation and ranges	Global equities: 95-100% Cash: 0-5%

¹ The Fund inception 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 in 2006 by the Henderson Industries of the Future Fund and currently by the FP WHEB Sustainability Fund.

FUND COMMENTARY

APPOINTMENT OF WHEB

On 22 June 2017, Pengana Capital Group entered into an arrangement with WHEB Asset Management LLP to manage the Hunter Hall Global Deep Green Trust using their WHEB Listed Equity strategy.

WHEB is a specialist investment management firm located in the UK. They are a leading proponent of sustainable and responsible investing with active roles in many of the organisations promoting best practices in this field.

The WHEB Listed Equity strategy was initially employed in the Henderson Industries of the Future Fund beginning 1 January 2006 and currently in the FP WHEB Sustainability Fund since 30 April 2012.

Management of the Fund was transferred to WHEB on 1 August 2017 and it was then renamed the Pengana WHEB Sustainable Impact Fund.

PORTFOLIO TRANSITION

The portfolio transition was completed on 1 August by WHEB (following their appointment). The

Pengana WHEB Sustainable Impact Fund's portfolio now fully implements the WHEB Listed Equity strategy.

PORTFOLIO SNAPSHOT

The portfolio is currently lead by the Resource Efficiency theme. Technologies which improve efficiency are a major part of the sustainability drive. The next largest theme is Health, reflecting an impressive rate of innovation, as well as the growing pressure from an aging population.

The Environmental Services and Water Management themes provide a backbone of environmental opportunities. Sustainable Transport and Cleaner Energy are more disruptive and fast-changing segments which provide riskier, but potentially richer, rewards. These four themes are mid-sized and have all been important contributors to the strategy.

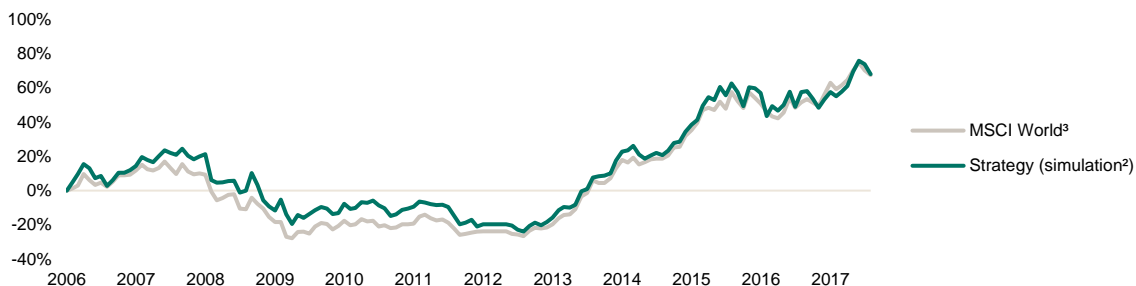
Safety, Education, and Wellbeing are typically smaller themes. They address some powerful sustainability trends and provide useful diversification.

MULTI
THEMATIC
GLOBAL
LISTED
EQUITY

STRATEGY PERFORMANCE (NET OF FEES, AUD, SIMULATION²)

Net performance for periods ending 31 July 2017

	1M	1Y	3Y p.a.	5Y p.a.	Since inception p.a.
Strategy (simulation ²)	-3.3%	6.7%	11.7%	17.2%	4.7%
MSCI World ³	-1.6%	10.5%	12.2%	18.0%	4.7%



² The strategy's AUD performance 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 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 Fund's GBP net track record data is historical. Past performance is not a reliable indicator of future performance. The value of the investment can go up or down.

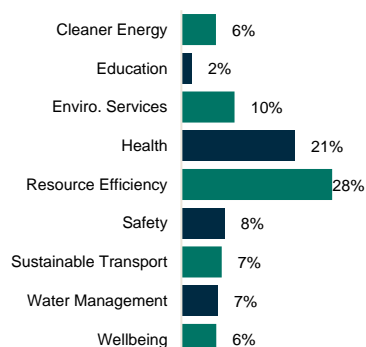
³ MSCI World Total Return Index (net, AUD unhedged).

PORTFOLIO INFORMATION

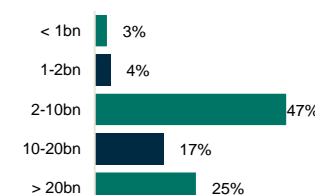
Top 10 Stocks

Name	Sustainable Investment Theme	Description
Intertek Group	Safety	Making products safe
Xylem	Water Management	Efficient water use
Acuity Brands	Resource Efficiency	Efficient lighting
Littelfuse	Safety	Making products safe
Ansys	Resource Efficiency	Using IT to improve efficiency
CVS Health	Health	Cutting costs in healthcare
Stantec	Environmental Services	Environmental consulting
Thermo Fisher Scientific	Health	Research and diagnostics
Roper Technologies	Resource Efficiency	Energy efficient products
Agilent Technologies	Health	Research and diagnostics

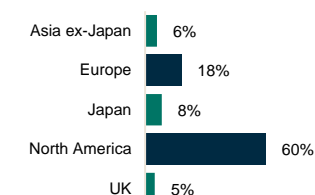
THEME EXPOSURE



MARKET CAP (U\$) EXPOSURE



GEOGRAPHIC EXPOSURE



Hunter Hall Investment Management Limited (**Pengana**) (ABN 69 063 081 612, AFSL 219 462) is the issuer of units in the Pengana WHEB Sustainable Impact Fund (ARSN 121 915 526) (**the Fund**). A Product Disclosure Statement for the Fund (**PDS**) is available and can be obtained from our distribution team or website. A person should obtain a copy of the PDS and should consider the PDS carefully before deciding whether to acquire, or to continue to hold, or making any other decision in respect of, the units in the Fund. This report was prepared by Pengana and does not contain any investment recommendation or investment advice. This report has been prepared without taking account of any person's objectives, financial situation or needs. Therefore, before acting on any information contained within this report a person should consider the appropriateness of the information, having regard to their objectives, financial situation and needs. None of Pengana, WHEB Asset Management LLP (**WHEB**), or their related entities, directors, partners or officers guarantees the performance of, or the repayment of capital, or income invested in the Fund. An investment in the Fund is subject to investment risk including a possible delay in repayment and loss of income and principal invested.

FOR FURTHER INFORMATION PLEASE VISIT OUR WEBSITE: **PENGANA.COM**



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Ethical
Managed Funds

Hunter Hall Global Deep Green Trust

Monthly Performance Report

July 2017

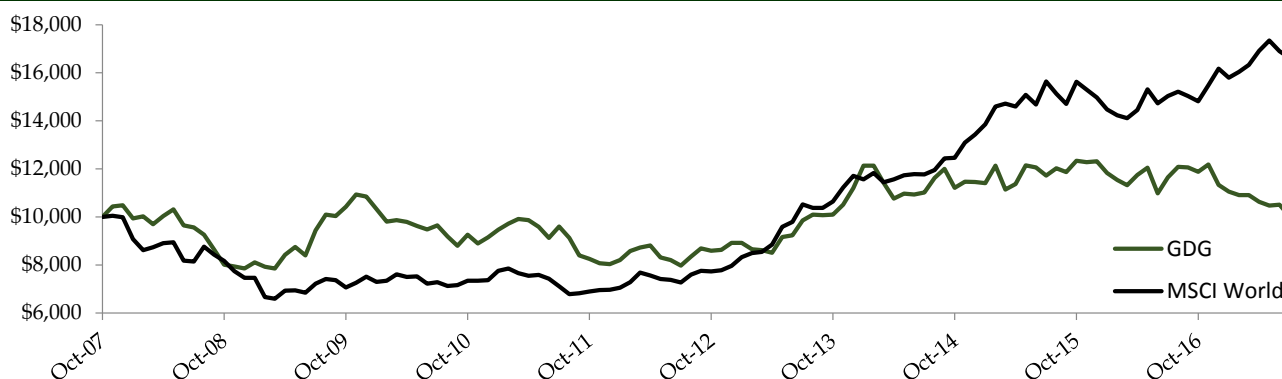
Date	Entry Price	Unit Price	Exit Price
31 July 2017	0.9348	0.9325	0.9302

Absolute and Relative Performance (after fees)

31 July 2017 (%)	1 month	6 months	Compound Annual Return					Value of \$10,000 invested at inception
			1 year	3 years	5 years	7 years	Since inception	
GDG - Performance	-4.6	-9.4	-14.0	-3.1	4.7	0.5	0.0	\$10,020
MSCI World - Performance	-1.6	5.2	10.5	12.2	18.0	12.5	5.4	\$16,625
Relative Performance	-3.0	-14.6	-24.5	-15.3	-13.3	-12.0	-5.4	-\$6,605

Inception date: 31.10.2007. MSCI World refers to the MSCI World Total Return Index, Net Dividends Reinvested, in A\$. Source: Hunter Hall. Past performance is no guarantee of future performance and no guarantee of future return is implied.

Value of \$10,000 invested at inception (vs benchmark)



Commentary

GLOBAL DEEP GREEN PERFORMANCE

The Hunter Hall Global Deep Green strategy returned -4.6% (net of fees) for the month of July, underperforming the MSCI World Index which returned -1.6%.

The underperformance during the month was attributed to a number of factors, with a significant portion attributable to stocks held by the GDG strategy but not by the WHEB Listed Equity strategy. Seeing Machines for example, contributed -0.87% to the Fund's return before it was able to be transitioned out of the portfolio. The WHEB listed equity strategy also underperformed, generating a return of -3.3% for the month, however further underperformance relative to the WHEB strategy was driven by the GDG prohibition on investments in countries supporting commercial whaling such as Japan. The Japanese portion of WHEB's strategy generated positive returns through the month. Nitto Denko for example, which was up +4.5% (in A\$), produces goods that deliver energy efficiency benefits either through their use in enhancing brightness from LCD screens, as insulation material in buildings, or in reducing weight in automotive applications.

FINAL GLOBAL DEEP GREEN TRUST REPORT

On 1 August 2017, management of the Hunter Hall Global Deep Green Trust was transferred to WHEB Asset Management LLP. The Fund was renamed the Pengana WHEB Sustainable Impact Fund and now employs WHEB's Listed Equity strategy. The GDG strategy was discontinued on 31 July 2017 and this will be the final newsletter relating to the GDG strategy.

During the month of July, the Hunter Hall Global Deep Green Trust began transitioning its stock portfolio to replicate the positions held by the WHEB Listed Equity strategy's portfolio, whilst remaining within the GDG strategy's guidelines. The portfolio transition was completed on 1 August by WHEB. We attach a 1 August 2017 update on the Pengana WHEB Sustainable Impact Fund to this report.

Investment returns have been calculated in accordance with normal industry practice utilising movements in the unit price and assuming the reinvestment of all distributions of income and realised profits. Hunter Hall Investment Management Limited (AFSL: 219462) or any related entity does not guarantee the repayment of capital or any particular rate of return from the Fund. Past performance is no guarantee of future performance. This document does not take into account a reader's investment objectives, particular needs or financial situation. It is general information only and should not be considered investment advice and should not be relied on as an investment recommendation.