

### Pendal Imputation Fund

Equity Strategies

ARSN: 089 614 693

31 March 2026

#### About the Fund

The Pendal Imputation Fund (**Fund**) is an actively managed portfolio of Australian shares. The Fund invests in a portfolio which we believe will provide a higher yield than the market average. It is intended that the portfolio will be well diversified across sectors and not biased structurally to invest only in traditional 'yield stocks'.

#### Investment Return Objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 (TR) Index over the medium to long term. The suggested timeframe for holding the investment 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 will primarily invest in Australian shares, including Australian listed property securities and convertible preference shares, that offer above average income returns. The Fund may also hold cash and may use derivatives.

Pendal's investment process for Australian shares is based on our core investment style and aims to add value through active stock selection and fundamental company research. Pendal's core investment style is to select stocks based on our assessment of their long term worth and ability to outperform the market, without being restricted by a growth or value bias. Our fundamental company research focuses on valuation, franchise, management quality and risk factors (both financial and non-financial risk).

Derivatives may be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets. Derivatives can also be used to gain exposure to assets and markets.

#### Investment Team

Pendal's nineteen member Equity team is one of the largest in the Australian funds management industry. The portfolio manager for the Fund is Jim Taylor.

#### Performance

Total Returns (%)	1 mth	3 mths	6 mths	1 Year (p.a.)	3 Years (p.a.)	5 Years (p.a.)	10 Years (p.a.)	Since Inception (p.a.)
Fund (Pre-Fee)	-6.66	-3.24	-5.12	6.78	8.67	8.67	9.30	9.85
Fund (Post-Fee)	-6.73	-3.46	-5.55	5.83	7.70	7.70	8.32	8.84
Benchmark	-7.30	-2.04	-2.91	11.59	9.43	8.46	9.39	8.61
Excess return (Post-Fee)	0.57	-1.42	-2.64	-5.76	-1.73	-0.77	-1.06	0.24

"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 1999.

Past performance is not a reliable indicator of future performance.

#### Franking Credits Returns<sup>1</sup>

(%)	1 mth	3 mths	6 mths	1 Year (p.a.)	3 Years (p.a.)	5 Years (p.a.)	10 Years (p.a.)
Fund	0.22	0.35	0.50	1.19	1.19	1.44	1.63

#### Returns Grossed Up For Franking Credits<sup>1</sup>

Fund (Post-Fee)	-6.51	-3.11	-5.05	7.02	8.89	9.13	9.95
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Fund Returns (%)	3 Years (p.a.)	5 Years (p.a.)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
As at 30 June 2025							
Post-Fee	12.70	12.60	29.43	-2.31	11.62	11.56	14.95

#### After Tax<sup>2</sup> (Superannuation tax rate)

Pre-Liquidation <sup>3</sup>	12.58	12.90	30.14	-1.21	12.51	12.12	13.13
Post-Liquidation <sup>3</sup>	12.62	12.71	27.39	-0.52	11.75	11.39	14.48

#### After Tax<sup>2</sup> (highest marginal tax rate)

Pre-Liquidation <sup>3</sup>	9.65	10.44	28.34	-3.27	10.56	10.43	7.99
Post-Liquidation <sup>3</sup>	9.72	9.91	22.39	-1.68	8.78	8.72	11.14

<sup>1</sup> Franking credit returns reflect the value, expressed as a percentage of the Fund's net asset value, of franking credits earned, directly or indirectly, by the Fund on the dividends it has accrued. Returns grossed up for franking are calculated by adding the franking credit returns to the total returns after-fees. The Fund's actual entitlement to franking credits is only known at 30 June each year and therefore amounts during the year are estimates only, subject to revision. Franking credit returns, and returns grossed up for franking, for the Benchmark are calculated on an equivalent basis.

<sup>2</sup> After-tax returns should only be viewed as a guide to the after-tax position of an investor in the Fund. The after-tax returns of the Fund will depend on an investor's individual tax situation and may differ from those shown. There have been a number of assumptions made in the calculation of after-tax returns, which include: investors are Australian resident taxpayers; investors hold their units on capital account; returns assume reinvestment of after-tax distributions on the distribution period end date; returns are calculated using applicable income tax rates at the time of each distribution; capital gains concessions (CGT discount) are always available to the investor; tax credits distributed by the Fund can be fully utilised by the investor; investors will be able to immediately offset any loss made on their units against capital gains from other sources. FY Stands for Financial Year, which runs from July 1 to June 30.

<sup>3</sup> The pre-liquidation returns refer to the after-tax returns assuming a continuing investment in the Fund. It is calculated using the actual discounts that applied to the fund on any realised capital gains and assuming the distributions are reinvested on an after-tax basis. Post-liquidation returns refer to the after-tax returns assuming a full redemption of an investor's units. It is calculated by including, in addition to the reinvestment of after-tax distributions, the unrealised gains, based on the assumption that the asset has been held for more than 12 months and that the CGT discount rate is applied to the unrealised gains and, in the case of unrealised losses, that those losses would be immediately available to the investor.

## Sector allocation (as at 31 March 2026)

Energy	7.7%
Materials	24.9%
Industrials	2.0%
Consumer Discretionary	2.5%
Consumer Staples	2.9%
Health Care	7.1%
Information Technology	2.1%
Telecommunication Services	9.2%
Utilities	0.8%
Financials ex Property Trusts	32.1%
Property Trusts	6.3%
Cash & other	2.3%

## Top 10 holdings (as at 31 March 2026)

	Weight	12 Mnth Fwd Div. Yield <sup>^</sup>
Commonwealth Bank of Australia	10.1%	3.1%
BHP Group Ltd	9.8%	4.1%
Telstra Group Limited	5.4%	4.1%
National Australia Bank Limited	5.3%	4.1%
CSL Limited	5.1%	3.2%
ANZ Group Holdings Limited	4.8%	4.7%
Rio Tinto Limited	4.4%	4.4%
Westpac Banking Corporation	4.1%	4.1%
Santos Limited	3.9%	6.5%
Goodman Group	3.3%	1.2%

<sup>^</sup>Derived from the consensus broker forecast for dividends from FactSet and the stock price as at the end of the fact sheet period.

## Investment Guidelines

Ex-ante (forward looking) tracking error	2.0% - 5.0%
Min/max stock position	+/-4% <sup>4</sup>
Min/max sector position	+/-8% <sup>4</sup>

<sup>4</sup> Compared to benchmark

## Other Information

Fund size (as at 31 March 2026)	\$81 million
Date of inception	October 1999
Minimum investment	\$25,000
Buy-sell spread <sup>5</sup>	
For the Fund's current buy-sell spread information, visit <a href="http://www.pendalgroup.com">www.pendalgroup.com</a>	
Distribution frequency	Quarterly
APIR code	RFA0103AU

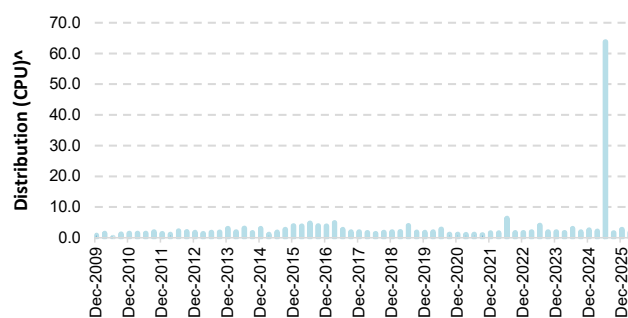
<sup>5</sup> The buy-sell spread represents a contribution to the transaction costs incurred by the Fund, when the Fund is purchasing and selling assets. The buy-sell spread is generally incurred whenever you invest or withdraw funds, and may vary from time to time without notice.

## Fees and cost

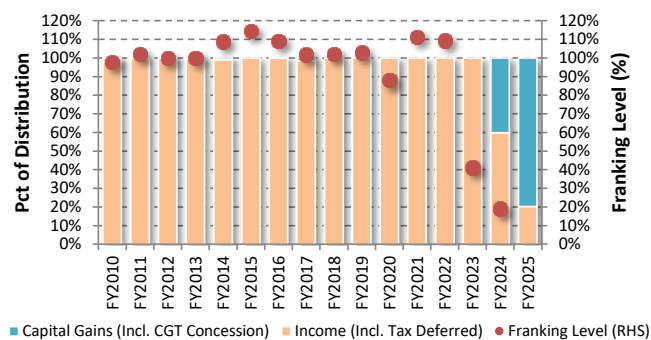
You should refer to the latest Product Disclosure Statement for full details of the ongoing fees and costs that you may be charged.

Management fee <sup>6</sup>	0.90% pa
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<sup>6</sup> 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.



<sup>^</sup>Historic distributions are not representative of future distributions.



## Market review

The disruption to commodity production and shipping in the wake of US and Israeli attack on Iran dominated markets in March.

Iran retaliated with strikes on Gulf State energy production infrastructure and effectively closed the Strait of Hormuz.

This saw energy prices surge and prompted concern about the ultimate impact on inflation and interest rates – with the market in the US flipping from pricing rate cuts to rate hikes.

The Gulf and Strait are also important in global production of fertiliser, helium, aluminium and sulphur, among other commodities. The market also started to focus on the possible effect of a period of higher prices – or shortages – of key inputs at a macroeconomic, industry and company level.

The Trump Administration made several statements that suggested a relatively short conflict. However continued attacks and deadlines, bellicose Iranian responses, and threats of escalation to critical infrastructure, saw market sentiment oscillate and extremely volatile markets with sometimes large intra-day swings.

The net effect was the S&P/ASX 300 fell -7.3% for the month, an outcome which suggests that on balance, the market still expects a cessation to hostilities relatively soon and the resulting disruption to be brief.

Energy did best, with strength across the oil/LNG producers, the fuel refiners and distributors, and the coal miners as the market started to contemplate substitutes. Woodside Energy (WDS, +27.2%), Santos (STO, +17.8%), Ampol (ALD, +21.9%), Whitehaven Coal (WHC, +18.4%) and Viva Energy (VEA, +48.0%) all surged.

Utilities also held up relatively well on the view that they would also benefit from higher energy prices. Origin Energy (ORG) gained 4.5% and pipeline company APA Group (APA) 8.2%.

Materials was the worst-performing sector. Gold miners fell as the gold price fell 11.5% in March despite heightened geopolitical risk. A rally in the US dollar was a headwind, as were reports of investors taking recent profits in gold to deploy elsewhere or cover margin calls and some commentary around central banks pausing gold purchases. This saw Northern Star (NST) down -32.2% and Evolution (EVN) -23.0%. Copper was also weak. Continued friction between BHP (BHP, -12.1%) and China's iron ore buying group

saw it fall. Rio Tinto (RIO, -1.4%) held up better than the market, with Gulf disruption seeing aluminium price rises.

Meanwhile fears around AI disruption continued to weigh on Information Technology. Selling remained largely broad-based, with software stocks Xero (XRO) down -9.7%, Wisetech (WTC) -19.9% and Life360 (360, -23.6%). Data centre stocks were also weak. Technology One (TNE, +3.0%) bucked the trend.

#### **Fund performance**

The Fund outperformed the benchmark over the month of March.

#### **Key contributors**

##### **Overweight Viva Energy (VEA, +48.1%)**

Disruption in the energy sector saw a rapid expansion in refining margins and buoyed fuel refiner/distributor Viva Energy. The Federal Government also announced an amendment to the terms of the Fuel Security Support Package, the subsidy it pays to VEA (and Ampol) in order to keep their oil refineries operating. The amended terms better reflect increased costs over the last two years and remains in place until at least the end of the decade.

##### **Overweight Santos (STO, +17.8%)**

The surge in energy prices saw oil/LNG producer Santos rise in March. At a company level, the company continues to ramp up the newly-commissioned Barossa project as it transitions from a capex-heavy period to one of greater free cash flow. During March it announced the decision to progress with the Moomba Central Optimisation Project, in partnership with Beach Energy, which aims at achieving \$600 million in capex and opex savings for STO's assets in South Australia's Cooper basin.

#### **Key detractors**

##### **Underweight Woodside Energy (WDS, +27.2%)**

The surge in energy prices saw oil/LNG producer Woodside rise in March. It delivered its FY25 result early in the month. While largely pre-announced, the tax outcome was better than expected and helped fuel a higher dividend. We continue to prefer Santos within the oil/LNG sector, as production ramps up from recent developments and the company inflects from high capex to high free cash flow. The position in Santos helped offset the drag from Woodside.

##### **Overweight Northern Star Resources (NST, -32.2%)**

The gold price fell in March, weighing on the gold mining sector, including NST. However this move was compounded by management downgrading expected production for FY26. While its KCGM project remains on track for start-up in Q1 FY27, the spate of recent downgrades has driven a material de-rating and the market is expressing uncertainty with respect to the company's multi-year guidance, due to be delivered in June.

#### **Outlook**

The outlook remains highly uncertain. The market is highly sensitive to statements from the Trump Administration; the consensus view on the conflict's likely end could shift quickly in either direction and prompt a rapid relief rally or further drawdowns.

This underpins the case for retaining a balanced portfolio construction, not positioning the portfolio to be reliant on one pathway or outcome, and having stocks that can outperform in either scenario.

Even if the conflict is brought to swift resolution and the Strait returns to something like normal traffic, there will still likely be the "air pocket" of constricted supply to work through the system.

At the same time, the combination of war-related damage to Gulf commodity production infrastructure – and the time required to restart and ramp up shuttered capacity – is likely to further exacerbate a period of disrupted supply.

The risk for Australia is that this will be felt in a period higher prices and lower demand, against a backdrop in which the RBA is raising rates. This could weigh on the earnings outlook for companies tied to domestic consumer demand and we are incrementally more cautious on these stocks.

The counterpoint could be in areas more tied to the global growth outlook. Resource companies look relatively well placed in this regard, helped at the margin by disrupted supply in certain commodities as a result of the conflict. Companies with little exposure to a disrupted supply chains or higher input costs, but which have nevertheless been sold down on broader fears around global demand, are also looking more attractive. We have been using this month's weakness to add to some of these positions.

There were some constructive signals from both the US and Iran at the start of April, possibly suggesting the desire to bring the conflict to an end. However this remains uncertain – as does the timeframe, the structure of any agreement, and the implications for supply chains.

As a result we continue to stay close to our companies, understanding the nature and scope of their sensitivity to issues raised by the conflict (both positive and negative), when they are likely to manifest, and what proactive strategies management are employing to deal with them.

Historically, we have been able to use episodes of market volatility to identify and add value via opportunities in individual companies, while balancing the portfolio construction to help deal with a quickly-changing environment. Single stock volatility was already elevated heading into the conflict, suggesting a high degree of mispricing that has only been exacerbated by the spike in uncertainty related to Iran. Current uncertainty is a challenge for investors, but the degree of mispricing suggest a good environment for active investors looking beyond the near-term volatility.

For more information please call 1300 346 821, contact your key account manager or visit [pendalgroup.com](http://pendalgroup.com)

**PENDAL**

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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, except where returns are shown as "Grossed up for franking" or "Post-tax". Post-tax returns are explained in the footnotes to the relevant performance tables. 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.