

eInvest Better Future Fund (Managed Fund)

ASX:IMPQ
MONTHLY REPORT APRIL 2022

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	2 Year (%p.a)	Since Inception [^] (% p.a.)	Since Inception Cumulative [^] (%)
eInvest Better Future Fund (Managed Fund)	-1.4	-0.3	-3.4	2.5	21.9	12.6	41.8
S&P/ASX Small Ordinaries Accum. Index	-1.5	3.7	-0.4	2.9	19.9	7.8	24.8
Value Added (Detracted)	0.1	-4.0	-3.0	-0.4	2.0	4.8	17.0

[^]Inception date was 23 May 2019. Performance shown above are net of fees. Fund returns are calculated using net asset value per unit at the start and end of the specified period and do not reflect the brokerage or the bid ask spread that investors incur when buying and selling units on the ASX. Past performance is not a reliable indicator of future performance.

Overview

- The market was weaker in April with the market concerned about the growth impacts of COVID-19 related lockdowns in China and higher global interest rates. The Fund finished the month down 1.4%, out-performing the benchmark by 0.1%.
- It is now almost 3 years since the inception of the Fund. It is a key goal of the Fund to demonstrate that there is no performance trade-off to invest for shaping a better future. Since inception, the Fund has delivered a +12.6% p.a. return net of fees, outperforming the benchmark by +4.8% p.a.
- Positive contributors to relative performance this month included Calix Ltd (18.4%), NIB Holdings (+11.3%) and Telix Pharmaceuticals (+10.3%).
- Negative contributors this month included Janison Education (-17.3%), Immutep (-11.7%) and Meridian Energy (-9.6%).

Better Future Highlight

After delays due to COVID-19, Next Science is starting to ramp up sales of the companies' products in the important US market.

Next Science has developed innovative non-toxic products which treat and prevent bacterial infections.

The company's Bactisure product is used to treat chronic wound infections while the company's xPerience product is used at the end of surgery to prevent surgical site infection. Reducing post-surgical infection benefits patients, surgeons and hospitals. There are significant health benefits for the patient and significant cost savings and other benefits for hospitals and surgeons.

A key market that Next Science is focused on initially is the US orthopaedic joint replacement market. The company's product will be distributed by Zimmer Biomet, which is one of the leaders in the US market. During April, the company announced that it expected to provide the results of two retrospective case series in joint replacement in June to support the launch of Zimmer's distribution efforts in July. Pleasingly the company announced that early indications suggest that there are no infections among the 900 patients in the studies which would be a positive outcome.

eInvest Better Future Fund (Managed Fund)

The aim of IMPQ is to grow the value of your investment over the long term by investing in companies predominantly outside the S&P/ASX Top 50 Index that conduct business taking into account environmental, social and governance ("ESG") considerations and/or conduct business in industries which have favourable characteristics having regard to ESG considerations. IMPQ seeks to provide a total return (after fees) that exceeds the S&P/ASX Small Ordinaries Accumulation Index.

Portfolio Manager

Damian Cottier

IMPQ FUM

\$38 million

Distribution Frequency

Annually (if any)

Management Cost

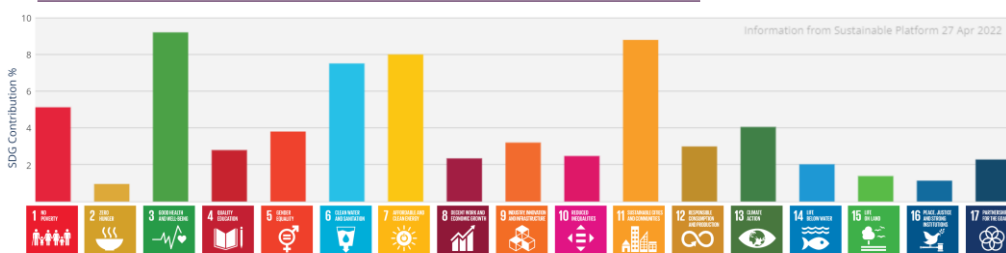
0.99% (incl of GST and RITC)

Inception Date

23 May 2019

+ performance fee

Portfolio's contribution to UN Sustainable Development Goals



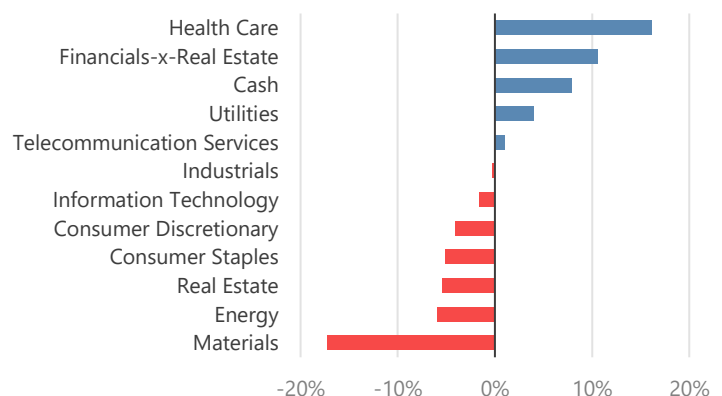
Total Contribution: 67.96%

(equal to 54.69% social impact contribution and 13.26% environmental impact contribution)

Source: Data provided by the Sustainable Platform 26 April 2022; based on company revenues, based off the portfolio of the Better Future Trust

eInvest Better Future Fund (ASX:IMPQ) – Monthly Report April 2022

Sector Active Exposure vs Index



Fund Review

The market was weaker in April with the market concerned about the growth impacts of COVID-19 related lockdowns in China and higher global interest rates. The Fund finished the month down 1.5%, outperforming the benchmark by 0.1%.

It is now almost 3 years since the inception of the Fund. It is a key goal of the Fund to demonstrate that there is no performance trade-off to invest for shaping a better future. Since inception, the Fund has delivered a +12.6% p.a. return net of fees, outperforming the benchmark by +4.8% p.a.

Positive contributors to relative performance this month included Calix Ltd (18.4%), NIB Holdings (+11.3%) and Telix Pharmaceuticals (+10.3%).

Negative contributors this month included Janison Education (-17.3%), Immutep (-11.7%) and Meridian Energy (-9.6%).

Calix announced an agreement with ASX listed Suvo Strategic Minerals for Suvo to use Calix's technology to process material for use in green cement which has the potential to reduce the carbon intensity of cement by up to 40%.

Telix announced the commercial availability of the company's prostate cancer imaging agent Illucix in the US following the receipt of FDA approval late last year.

There was no incremental news announced in relation to Janison or Immutep during the month with the companies impacted by the general weakness in growth companies. Meridian announced reduction in water inflows into the company's hydro catchment areas on New Zealand's South Island resulting in dam levels being lower than typical at this time of year.

There were a number of other interesting announcements from companies held in the portfolio. Alpha HPA announced that it had been approved for a \$15.5m grant from the Commonwealth Department of Industry as part of the Critical Minerals Accelerator Initiative to accelerate and expand production capability at the company's Gladstone Precursor Production Facility which will produce materials for use in decarbonizing industries such as LED lighting and eMobility. This amount is in addition to the \$45m Modern Manufacturing Initiative grant that was announced last month. The company's high purity alumina process produces up to 59% less greenhouse gas emissions than traditional processes.

Micro-X announced an agreement with French diagnostic imaging manufacturer DMS imaging under which DMS will purchase Micro-X's innovative cold cathode X-ray technology for use in DMS designed products.

Genetic Signatures released a positive quarterly update which indicated that the company is making good progress in international sales of the company's 3base technology which is used by pathology laboratories for the more efficient testing of viruses. While the company has seen strong growth in its COVID-related products, uptake of non-COVID products is also increasing. Importantly, the company announced its first major contract for these products after it won the Public Health Wales national tender for molecular detection of enteric pathogens (associated with gastrointestinal disease) across 7 hospital sites in Wales.

At month end, the portfolio held 49 stocks and cash of 7.9%.

At April end, the weighted average Perennial-derived Environmental, Social, Governance and Engagement ("ESGE") Score of the Fund was 7.3 which is 27% higher than the benchmark ESGE Score of 5.7.

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ESG Activity

Our ESG activity during the month included:

- Perennial submitted its first Reconciliation Action Plan for review by Reconciliation Australia. We expect this to be released in the coming few months.
- Perennial published its second annual Engagement Report available here: <https://www2.perennial.net.au/Perennial-Engagement-Report-2021>.
- We discussed remuneration, diversity and ESG disclosures with Imricor. After our engagement in 2021, the company moved away from option grants to NEDs.
- Doctor Care Anywhere announced changes to its board to improve independence following our engagement with the company on this topic.
- The team met with several female directors as potential appointments to our portfolio companies.
- Emilie presented at Ladies Finance Club to discuss ESG investing on behalf of eInvest.

Top 5 Portfolio Positions

	IMPQ	Index
Meridian Energy Ltd	4.0%	0.0%
Integral Diagnostics Ltd	4.0%	0.3%
Sims Ltd	3.7%	1.3%
Spark New Zealand Ltd	3.6%	0.4%
Bendigo and Adelaide Bank	3.5%	0.0%



Better Future and ESG Team

Damian Cottier – Portfolio Manager

Emilie O'Neill – Co-Head ESG & Equities Analyst