

	Month (%)	Quarter (%)	FTYD (%)	1 Year (%)	2 Years (% p.a.)	3 Years (% p.a.)	5 Years (% p.a.)	Since Inception^ (% p.a.)	Since Inception Cumulative^ (%)
Perennial Better Future Active ETF	-1.5	-3.9	1.4	-2.5	2.3	1.7	0.1	4.8	37.1
S&P/ASX Small Ordinaries Accumulation Index	2.7	2.7	20.6	22.8	17.4	12.1	7.5	7.5	62.0
Value Added	-4.2	-6.6	-19.2	-25.3	-15.1	-10.4	-7.4	-2.7	-24.9

^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 benchmark Small Ordinaries Accumulation Index was up 2.7% in January largely due to strength in gold and other resources stocks. The Small Resources Accumulation Index was up 12.5% compared to the Small Industrials Accumulation Index which was down 2.0%. The portfolio was down 1.5% underperforming the benchmark by 4.2%.

Similar themes have played out during the month as have played out in the underperformance of the portfolio over the 12 months to 31 January where the benchmark has been up 22.8%. The Small Resources Accumulation Index has been up 76.8% over the 12 months compared to the Small Industrials Accumulation Index which is up 3.2% and just the gold stock component of resources has been a 14.3% relative performance drag over the year. Our relatively defensive positioning and healthcare exposures have been the other significant contributor to the portfolio lagging the strong benchmark.

Positive held relative contributors this month included Calix (+29.6%), Sims (+12.7%) and IDP Education (+9.2%).

Held negative relative contributors this month included PolyNovo (-17.5%), Smartgroup (-7.8%) and Genetic Signatures (-38.0%).

Better Future Highlight

During the month, Leilac, a subsidiary of Calix, announced that it was awarded an R&D grant to support the production of zero carbon lime by Frontier. Frontier was founded by Stripe, Google, Shopify and McKinsey Sustainability and its members have committed to purchase over \$1bn of permanent carbon removal by 2030.

The Leilac technology produces zero-carbon lime with electric heating and by capturing the carbon dioxide released unavoidably from the raw material during calcination. The lime product has near-zero associated emissions, giving it potential to be used in carbon removal methods like ocean alkalinity enhancement (OAE).

Initially, Leilac will produce OAE materials for testing and conduct an engineering study that aims to develop the lowest cost solutions for producing zero carbon lime for OAE.

While this is an early stage project and not as significant as Calix's recent development agreement with Rio Tinto in relation to the company's zero emissions iron and steel technology or the memorandum of understanding with Norske Hydro in relation to the company's zero emissions alumina technology, it demonstrates another possible use of Calix's LEILAC technology.

Perennial Better Future Active ETF

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 businesses that are making a positive contribution to creating a better future. 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)

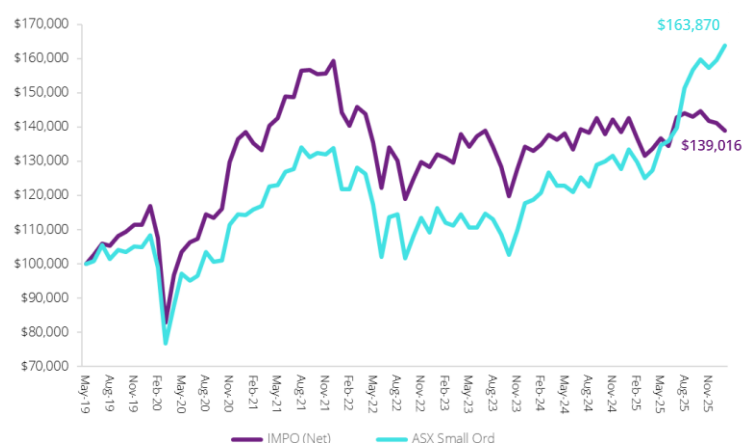
Fees

0.99% p.a. (incl of GST and RITC)
+ Performance fee

Inception Date

23 May 2019

Growth of \$100,000 Since Inception



As at 30 January 2026. Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. Past performance is not a reliable indication of future performance.

Better Future Stats



The portfolio is **87.3% less carbon intensive compared to the ASX300** and **86.6% less carbon intensive compared to the ASX Small Ords**^



8 female Directors were appointed to the board across 8 portfolio companies in 2024, typically following engagement, totalling **81 female Directors since inception** as at 31 December 2024



111 dedicated ESG engagements in 2024 with management and boards about material risks and opportunities **across 34 portfolio companies**



33% of portfolio companies have a Reconciliation Action Plan, compared to 21% of the ASX300 and 12% of the ASX Small Ords as at 31 December 2024

Fund Review

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January was generally a quieter month in terms of company news given the summer holiday period.

As mentioned in the Better Future Highlight section, Calix announced a R&D grant to support the development of zero carbon lime. However, the share price performance this month is likely more reflective of the announcement in December of a significant contract with a global agriculture company for its water treatment products and recent announcements in relation to projects with Rio Tinto for zero emissions iron and steel and Norsk Hydro for zero emissions alumina.

Sims benefited from improved sentiment towards pricing for some of the outputs from its global recycling business, including computer memory, copper and aluminium.

PolyNovo delivered a first half update that was weaker than expected, albeit still exhibiting solid growth. Genetic Signatures also announced a first half update that was weaker than expected.

At month end, the portfolio held 43 stocks and cash of 9.2%. The weighted average Perennial-derived Environmental, Social, Governance and Engagement ("ESGE") Score of the Trust was 7.3 which is 30% higher than the benchmark ESGE Score of 5.6.

ESG Activity

ESG activity during the month included:

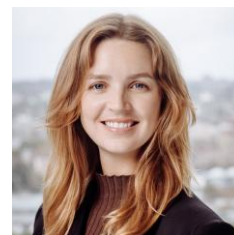
- We engaged with Calix on climate, SBTi targets, safety and environmental management, first nations engagements, and cybersecurity.
- We engaged with Chorus on worker welfare and modern slavery, climate, asset resilience, recycling and waste management. Modern slavery due diligence will continue to be an area of focus for our engagement with Chorus going forward.
- Perennial's Sustainability Working Group met in January for a knowledge sharing session to improve modern slavery risk integration in investment portfolios.

Top 5 Portfolio Positions

Top 5 Portfolio Positions	IMPQ (%)	Index (%)
Sims Ltd	6.2	0.9
Meridian Energy	5.8	0.0
NIB Holdings	5.3	1.0
Pexa Group	5.1	0.6
Chorus Ltd	4.9	1.1



Portfolio Manager
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