

	Month (%)	Quarter (%)	FYTD (%)	1 Year (% p.a.)	2 Years (% p.a.)	3 Years (% p.a.)	Since Inception <sup>^</sup> (%p.a.)	Since Inception Cumulative <sup>^</sup> (%)
Perennial Better Future Trust (Net)	4.4	10.7	38.1	38.0	19.5	14.5	15.7	64.6
S&P/ASX Small Ordinaries Accum. Index	3.1	8.5	33.2	33.2	12.1	8.6	9.2	34.8
<b>Value Added</b>	<b>1.3</b>	<b>2.2</b>	<b>4.9</b>	<b>4.8</b>	<b>7.4</b>	<b>5.9</b>	<b>6.5</b>	<b>29.8</b>

<sup>^</sup>Since inception: 1 February 2018. Past performance is not a reliable indicator of future performance.

## Overview

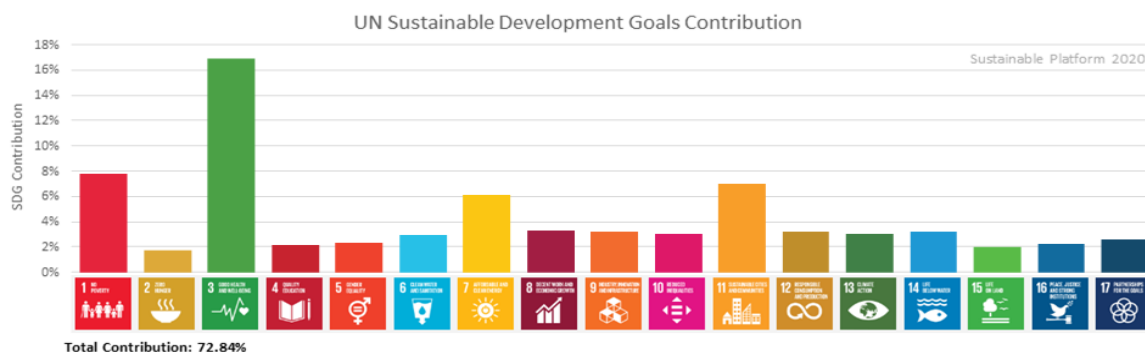
- The Better Future Trust was up 4.4% net of fees in June, outperforming the benchmark return by 1.3%.
- It is over three years since the inception of the Trust. It is a key goal of the Trust to demonstrate that there is no performance trade-off to invest with a focus on shaping a better future. Since inception in February 2018, the Trust has delivered a 15.7% p.a. return net of fees, outperforming the benchmark by 6.5% p.a.
- Positive contributors this month included Telix (+33.9%), Control Bionics (+20.9%), Resmed (+20.9%) and Iress (+20.8%).
- Negative contributors this month included Next Science (-24.2%), Immutep (-17.4%) and Doctor Care Anywhere (-19.8%).

## Perennial Better Future Trust

The aim of the Trust 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. The Trust seeks to provide a total return (after fees) that exceeds the S&P/ASX Small Ordinaries Accumulation Index measured on a rolling three-year basis.

Portfolio Manager Damian Cottier	APIR Code WPC5600AU
Distribution Frequency Half yearly (if any)	Minimum Initial Investment \$25,000
Trust Inception Date 1 February 2018	Fees 1.20% p.a. + Performance fee

## Portfolios Contribution to the UN Sustainable Development Goals



Source: Data provided by the Sustainable Platform 30 Sept 2020; based on company revenues. Note: ~70% of holding companies revenue contributes to the UN SDGs

## Better Future Highlight

During the month 4D Medical announced that it is undertaking a clinical trial at the John Hopkins School of Medicine in Baltimore, USA.

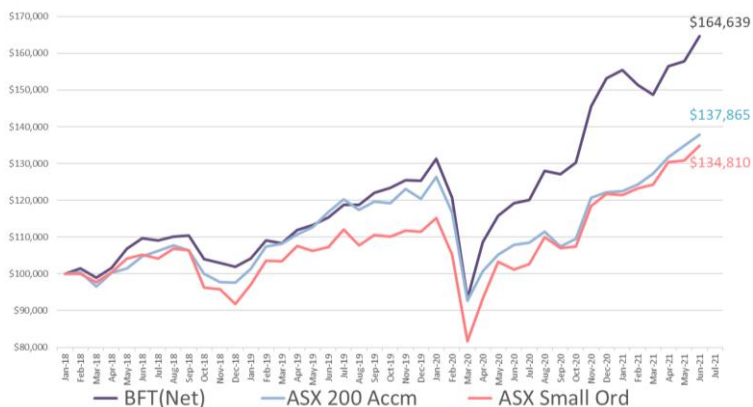
The trial will focus on validating the clinical benefit of the company's XV Lung Ventilation Analysis Software in patients with chronic obstructive pulmonary disease (COPD). COPD refers to a group of progressive lung diseases such as emphysema and chronic bronchitis. COPD is the third largest cause of death in the world.

By integrating with John Hopkins existing imaging equipment, the company's software is being utilised to detect early changes in airway function, disease progression and regional ventilation defects in patient lungs. The study is expected to be completed later this year.

With the addition of John Hopkins School of Medicine, 4D Medical currently has eight clinical trials in the US, including Cleveland Clinic, Duke University and the Vanderbilt Medical Center where the software is being used to study the effects of environmental exposure on the lungs of US war veterans.

4D Medical is also developing a world first, dedicated lung function scanner to provide safe, easy and rapid lung analysis of children and adults.

## Performance Since Inception



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.

## Trust Review

The Better Future Trust was up 4.4% net of fees in June, outperforming the benchmark return by 1.3%.

It is over three years since the inception of the Trust. It is a key goal of the Trust to demonstrate that there is no performance trade-off to invest with a focus on shaping a better future. Since inception in February 2018, the Trust has delivered a 15.7% p.a. return net of fees, outperforming the benchmark by 6.5% p.a.

Positive contributors this month included Telix (+33.9%), Control Bionics (+20.9%), Resmed (+20.9%) and Iress (+20.8%).

Negative contributors this month included Next Science (-24.2%), Immutep (-17.4%) and Doctor Care Anywhere (-19.8%).

Telix announced that it participated in a late-cycle review meeting with the US Food and Drug Administration Agency ("FDA") regarding the company's prostate cancer imaging product Illuccix. During the meeting the FDA indicated that there are no outstanding substantive review issues with Telix's submission. This is encouraging and Telix is working closely with commercial partners to prepare for the US launch of the product pending final approval.

Resmed was higher after one of the company's competitors announced a product recall and Iress traded higher after media reports suggested that strategic investors were looking to acquire a stake in the company.

Next Science provided a weaker-than-expected second half trading update and announced a potential dispute with a distributor. This was regarding the extent of the distributor's rights to distribute the company's xPerience No Rinse Antimicrobial Solution.

Immutep was weaker after recent strong gains and the announcement of a capital raising. We participated in the capital raising which will put the company in a strong position to accelerate the development of Immutep's trial program including into metastatic breast cancer.

There were no incremental announcements in relation to either Control Bionics – which was stronger over the month, or Doctor Care Anywhere – which was weaker.

During the month we participated in two other capital raisings - for Alpha HPA and Janison Education. Alpha HPA raised capital to commence the first stage of the development of the company's high-purity aluminium processing facility in Gladstone. When completed, the facility will produce materials for use in LED lights and lithium batteries with up to a 59% reduction in carbon dioxide emissions compared to traditional processes. Janison Education raised capital to accelerate the rollout of the company's platform globally including for the OECD's PISA test for schools.

Portfolio changes during the month included reducing our holdings in Iress, Kathmandu, Pental, Resmed and Telix after strong performances. We added to our position in Meridian Energy after recent underperformance and added small initial positions in IPH Ltd, an intellectual property services provider, and Chorus Ltd, a NZ telecommunications infrastructure provider.

At month end the Trust held 46 stocks and cash was 7.6%.

At the end of June, the weighted average Perennial-derived Environmental, Social, Governance and Engagement ("ESGE") Score of the Trust was 7.1 which is 24% higher than the benchmark ESGE Score of 5.7.

## ESG Activity

Relevant ESG activity during the month included:

- We completed the data collection process for our third annual Better Future Survey which seeks to take the "ESG Pulse" of ASX listed corporates.
- We participated in the Investors Against Slavery & Trafficking engagement introduction meeting to discuss approaches to engaging with companies on modern slavery and human rights.
- Perpetual appointed a strong female NED based in New York. We have been engaging with Perpetual on gender diversity for some time. We think this is a good example of a well-qualified female director being appointed to an ASX-listed board.
- We attended a CleanSpace site tour to meet management and explore the new expanded facility in St Leonards.
- Emilie presented on MarketLit: Australia's first Millennial and Gen Z investment conference, to discuss ESG funds, greenwashing and stock examples in the Better Future strategies.
- We were pleased to receive a number of awards and recognitions over the month including Green ETF of the Year at the Finder Green Awards for our listed version of the product (ASX: IMPQ). Emilie was also awarded Green Rising Star of the Year. IMPQ was recognised by StockSpot as a top 5 performing ETF for 2020.

Top 5 Active Positions	Trust (%)	Index (%)
Integral Diagnostics	4.0	0.3
Spark NZ	3.9	0.4
Janison Education	3.3	0.0
Calix	3.2	0.0
Meridian Energy	3.0	0.0

## Better Future and ESG Team

Damian Cottier  
Portfolio Manager

Emilie O'Neill  
ESG & Equities  
Analyst



CERTIFIED BY RIAA



The Perennial Better Future Trust has been certified by the Responsible Investment Association Australasia according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. See [www.responsiblereturns.com.au](http://www.responsiblereturns.com.au) for details<sup>1</sup>.

1. The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

Invest Online Now

Contact Us Level 27, 88 Phillip Street, Sydney NSW 2000 [invest@perennial.net.au](mailto:invest@perennial.net.au) [www.perennial.net.au](http://www.perennial.net.au) 1300 730 032

Signatory of:  
 Principles for Responsible Investment

Proud member of the  
Responsible Investment Association Australia (RIAA)  
 Responsible Investment Association Australasia

Issued by: The Investment Manager, Perennial Value Management Limited, ABN 22 090 879 904, AFSL: 247293. Responsible Entity: Perennial Investment Management Limited ABN 13 108 747 637, AFSL: 275101. This promotional statement is provided for information purposes only. Accordingly, reliance should not be placed on this promotional statement as the basis for making an investment, financial or other decision. This promotional statement does not take into account your investment objectives, particular needs or financial situation. While every effort has been made to ensure the information in this promotional statement is accurate; its accuracy, reliability or completeness is not guaranteed. Past performance is not a reliable indicator of future performance. Gross performance does not include any applicable management fees or expenses. Net performance is based on redemption price for the period and assumes that all distributions are reinvested. Fees indicated reflect the maximum applicable. Contractual arrangements, including any applicable management fee, may be negotiated with certain large investors. Investments in the Trusts must be accompanied by an application form. The current relevant product disclosure statements, additional information booklet and application forms can be found on Perennial's website [www.perennial.net.au](http://www.perennial.net.au).