

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	2 Years (% p.a.)	3 Years (% p.a.)	Since Inception <sup>^</sup> (% p.a.)	Since Inception Cumulative <sup>^</sup> (%)
Perennial Better Future Trust (Net)	-5.4	-3.2	-8.9	-5.0	+13.8	+9.8	+9.8	+49.9
S&P/ASX Small Ordinaries Accumulation Index	-7.0	-3.6	-7.4	-4.6	+10.0	+5.5	+5.3	+24.8
<b>Value Added</b>	<b>+1.6</b>	<b>+0.4</b>	<b>-1.5</b>	<b>-0.4</b>	<b>+3.8</b>	<b>+4.3</b>	<b>+4.5</b>	<b>+25.1</b>

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

### Overview

The benchmark was weaker in May with the market concerned about the growth impacts of COVID-19 related lockdowns in China and higher global interest rates. The Trust finished the month down 5.4%, outperforming the benchmark by 1.6%.

It is over four 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 for shaping a better future. Since inception, the Trust has delivered a +9.8% p.a. return net of fees, outperforming the benchmark by +4.5% p.a.

Positive contributors to relative performance this month included Immutep (+23.5%), Opthea (+34.5%) and NIB Health (+4.4%).

Negative contributors this month included Kathmandu (-12.7%), Sims (-15.1%) and Integral Diagnostics (-10.4%).

### Better Future Highlight

During May, long term holding Calix Limited announced that three projects involving Calix technology received government grants. The projects involve Boral (ASX: BLD), Adbri (ASX: ABC) and Pilbara Minerals (ASX: PLS). These grants have a combined value of A\$61m which will allow Calix to support the decarbonisation efforts of these Australian companies.

Pilbara Minerals received \$20m under the Australian Government Modern Manufacturing Initiative (MMI), which will be used as part of a joint venture with Calix for the progression of a demonstration scale facility at the Pilgangoora Project. The technology is expected to deliver sustainability benefits across the lithium industry, by both improving the efficiency of the resource recovery process and allowing the process to use renewable energy.

Calix received \$11m from the Australian Government's Carbon Capture, Use and Storage (CCUS) Hubs and Technologies Program (CCUS program) to develop the world's first commercial-scale process for the manufacture of low emissions lime with Adbri (formerly Adelaide Brighton). Similarly, Boral received \$30m from the CCUS program to develop a project at its cement and lime facilities, for which Calix will be supplying its LEILAC technology to separate carbon dioxide from the production process.

### 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

Annually (if any)

#### Minimum Initial Investment

\$25,000

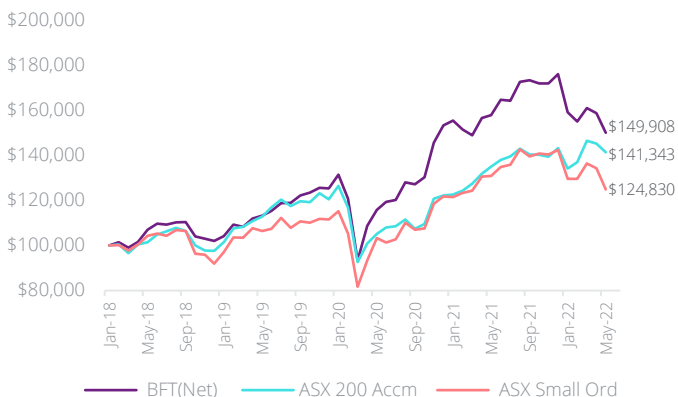
#### Trust Inception Date

1 February 2018

#### Fees

1.20% p.a. + Performance fee

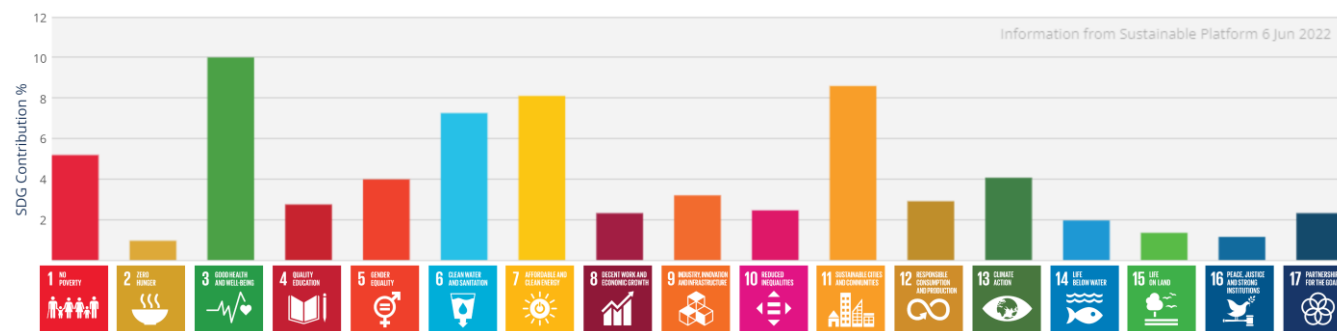
### Performance Since Inception



Value of A\$100,000 since inception (1 February 2018) of the Better Future Trust as at 31 May 2022.

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.

### Portfolios Contribution to the UN Sustainable Development Goals



**Total Contribution: 68.43%**

**(equal to 55.3% social impact contribution and 13.12% environmental impact contribution)**

Source: Data provided by the Sustainable Platform 31 May 2022; based on company revenues

## Trust Review

The benchmark was weaker in May with the market concerned about the growth impacts of COVID-19 related lockdowns in China and higher global interest rates. The Trust finished the month down 5.4%, outperforming the benchmark by 1.6%.

It is over four 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 for shaping a better future. Since inception, the Trust has delivered a +9.8% p.a. return net of fees, outperforming the benchmark by +4.5% p.a.

Positive contributors to relative performance this month included Immutep (+23.5%), Opthea (+34.5%) and NIB Holdings (+4.4%).

Negative contributors this month included Kathmandu (-12.7%), Sims Ltd (-15.1%) and Janison Education (-16.5%).

Both Immutep and Opthea announced incrementally positive news and reversed some of their recent weak stock price performance.

Immutep announced incrementally positive data on the Phase II trial related to non-small cell lung cancer and the Phase II trial related to metastatic breast cancer.

Opthea announced incrementally positive trial data which suggests that the company's product to improve vision in patients with age-related macular degeneration had an impact on more difficult to treat patients with a condition known as Polypoidal Choroidal Vasculopathy.

There were no material announcements in relation to Kathmandu or Janison Education. The Sims Ltd share price was impacted by softer global scrap metal prices.

Other developments for portfolio holdings included:

- PEXA announced a timeline and market share targets for the introduction of the company's paperless conveyancing system to the UK after the company's PEXA Pay system has been cleared by the Bank of England. It is envisaged the company's Remortgage system will launch later this year with targeted market share of 25-50% by 2025 and the Sale & Purchase system launch targeted for 2025 with 25% market share by 2027.
- Micro-X announced further progress with the company's Passenger Self-Screen Checkpoint project with the US Department of Homeland security having achieved the first stage design milestone; and
- Telix announced that the company's prostate cancer imaging product Illucix had been granted full reimbursement status in the US which is a key milestone in the launch of the product after receiving US Food and Drug Administration approval for the product late last year.

At month end, the portfolio held 49 stocks and cash of 8.1%.

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

## ESG Activity

Our ESG activity during the month included:

- Genetic Signatures appointed a female Non-Executive Director to the Board. This was a pleasing outcome as Perennial had engaged extensively with the company on the appointment, including putting forward the name of the new director for the company to consider.
- PEXA appointed a female Non-Executive Director to the Board, following the Better Future team's engagement with the Company on improving board gender diversity
- We engaged with Nitro Software as part of the AGM voting process on issues including board independence, board gender diversity and remuneration.
- Emilie presented on a Responsible Investment Association of Australasia panel encouraging ASX small cap companies to increase their focus on ESG: [turning ESG urgency into business value for ASX listed companies](#).
- We hosted two interns through the elvest F3 Women in Finance program in the Better Future Team. [Read more here](#).

### Top 5 Active Positions

	Trust (%)	Index (%)
Meridian Energy	4.4	0.0
Integral Diagnostics	3.8	0.3
Spark NZ	3.8	0.4
KMD Brands	3.3	0.0
Bendigo Banks	3.3	0.0

## Better Future and ESG Team

Damian Cottier  
Portfolio Manager

Emilie O'Neill  
Co-Head of 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>.

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Signatory of:



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