

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	2 Years (% p.a.)	3 Years (% p.a.)	Since Inception [^] (% p.a.)	Since Inception Cumulative [^] (%)
Perennial Better Future Trust (Net)	+5.1	-6.6	+2.6	-19.5	+3.0	+3.9	+7.1	+38.2
S&P/ASX Small Ordinaries Accumulation Index	+6.5	-4.9	+6.0	-18.3	+3.5	+1.5	+3.0	+15.0
Value Added	-1.4	-1.7	-3.4	-1.2	-0.5	+2.4	+4.1	+23.2

[^]Since inception: 1 February 2018. Past performance is not a reliable indicator of future performance.

Overview

The benchmark rose 6.5% in October as global markets rallied as the US market third quarter reporting season was better than feared. The Trust finished the month up 5.1% after fees, underperforming the benchmark by 1.4%.

Positive contributors to relative performance this month included Telix Pharmaceuticals (+46.5%), Chorus (+15.5%), Immutep (+18.4%), and Arena REIT (+18.0%).

Negative contributors this month included Calix (-29.6%), Sims (-8.7%), NIB Holdings (-10.2%) and Genetic Signatures (-21.0%).

Portfolio holding Nitro Software (+29.2%) has received two takeover proposals with bidders interested in Nitro's global enterprise PDF productivity and e-signing businesses. During the month, Nitro announced that it had received a formal takeover offer from Potentia Capital. It also announced that it had received a conditional counter proposal from Alludo to acquire Nitro for \$2.00 cash per share which is an 11% premium to the Potentia bid.

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

Better Future Highlight

During October, portfolio holding Immutep announced that the United States Food and Drug Administration (FDA) has granted Fast Track designation to Immutep's "efti" product in combination with cancer treatment Keytruda for the treatment of 1st line non-small cell lung cancer. Fast Track designation has previously been granted to EFTI in head and neck squamous cell carcinoma.

Efti is an innovative product that activates the immune system to work in combination with existing cancer treatments to improve patient outcomes.

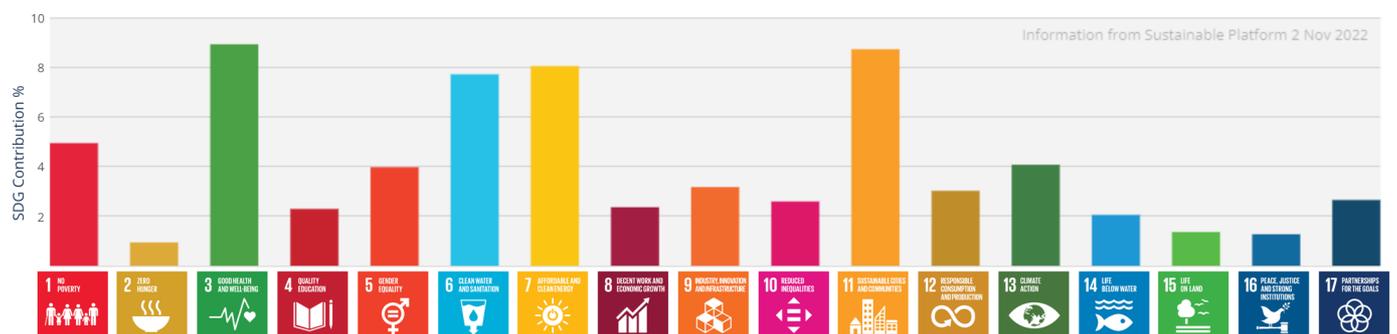
The achievement of Fast Track designation is an important milestone as the Fast Track designation process is designed to facilitate the development and expedite the review of drug candidates to treat serious conditions that fill an unmet medical need. Immutep will now have access to more frequent interactions with the FDA to discuss efti's development path and, if relevant criteria are met, eligibility for Priority Review.

Growth of \$100,000 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.

Portfolios Contribution to the UN Sustainable Development Goals



Total Contribution: 68.08% (equal to 54.77% social impact contribution and 13.31% environmental impact contribution)
Source: Data provided by the Sustainable Platform 2 November 2022; based on company revenues

Trust Review

The benchmark rose 6.5% in October as global markets rallied as the US market third quarter reporting season was better than feared. The Trust finished the month up 5.1% after fees, underperforming the benchmark by 1.4%.

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 +7.1% p.a. return net of fees, outperforming the benchmark by +4.1% p.a.

Positive contributors to relative performance this month included Telix Pharmaceuticals (+46.5%), Chorus (+15.5%), Immutep (+18.4%), and Arena REIT (+18.0%).

Negative contributors this month included Calix (-29.6%), Sims (-8.7%), NIB Holdings (-10.2%) and Genetic Signatures (-21.0%).

Telix announced sales revenue of \$55m for the first full quarter of sales of the company's Illucix prostate cancer imaging product which was ahead of market expectations.

As mentioned overleaf, Immutep received FDA Fast Track designation for the company's "efti" product in 1st line non-small cell lung cancer. Arena REIT recovered some of its recent weakness after providing an update where it highlighted that the rents for many of its properties are indexed at CPI which provides it with some offset to higher interest rates.

Long-term holding Calix had an eventful month. It announced that it had reached terms for a licence agreement with Heidelberg Materials (formerly known as Heidelberg Cement, a significant global cement and lime company). This agreement sets out the terms on which Heidelberg will pay a royalty to Calix for the use of Calix's LEILAC technology if it implements the technology to assist with Heidelberg's decarbonisation. This agreement is significant as it sets out a basis for Calix to negotiate similar agreements with other cement and lime companies globally. On the back of this announcement, Calix raised equity to fund the company's share of projects to demonstrate the technology works at scale in each of the lime, cement and lithium processing industries with Heidelberg, Adbri (formerly Adelaide Brighton), Boral and Pilbara Minerals respectively. Towards the end of the month, the company announced that while the Federal government had included funding in the Federal budget to assist projects focused on decarbonising difficult-to-abate sectors such as the cement and lime industries, the government had cancelled grants awarded to Calix and Boral by the previous government, pending the finalisation of a revised grant program. This was a disappointing outcome and is a short-term setback for Calix's projects with Adbri and Boral, albeit the projects with Heidelberg in Germany and Pilbara Minerals are unaffected.

NIB was weaker as it raised equity to fund a measured expansion of its business into the National Disability Insurance Scheme (NDIS) sector through the proposed acquisition of a number of NDIS management businesses.

Portfolio holding Nitro Software (+29.2%) has received two takeover proposals with bidders interested in Nitro's global enterprise PDF productivity and e-signing businesses. During the month, Nitro announced that it had received a formal takeover offer from Potentia Capital. It also announced that it had received a conditional counter proposal from Alludo to acquire Nitro for \$2.00 cash per share which is an 11% premium to the Potentia bid.

At month end, the portfolio held 46 stocks and cash of 8.2%.

At October end, the weighted average Perennial-derived Environmental, Social, Governance and Engagement ("ESGE") Score of the Trust was 7.3 which is 28% higher than the benchmark ESGE Score of 5.7.

ESG Activity

Our ESG activity during the month included:

- Perennial Better Future was awarded "Sustainable and Responsible Investments – Growth" award by Zenith.
- Participated on The Greener Way podcast, the ASX Future Focus Event hosted by Ausbiz and Finfest by Equity Mates.
- Met with the Perpetual chair to discuss the upcoming AGM and various ESG issues including remuneration & performance hurdles, the recently released Prosperity Strategy, gender diversity and pay gap, cyber security, emissions reductions, staff "mood monitors".
- Engaged on Reconciliation with Bendigo and Adelaide Bank, Iress and IDP Education.
- Engaged on Say on Pay with Spark NZ and remuneration and board composition with APM Human Services as part of AGM discussions.
- Presented to the board of an un-held company on ESG & Sustainability.

Top 5 Active Positions	Trust (%)	Index (%)
Meridian Energy	4.6	0.0
Spark New Zealand	4.5	0.5
Telix Pharmaceuticals	4.6	0.8
Integral Diagnostics	3.6	0.2
Sims Ltd	4.0	0.9

Better Future and ESG Team

Damian Cottier
Portfolio Manager

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



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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 <http://www.responsiblereturns.com.au/> for details¹.

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