

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	2 Years (% p.a.)	3 Years (% p.a.)	5 Years (% p.a.)	Since Inception [^] (% p.a.)	Since Inception Cumulative [^] (%)
Perennial Better Future Trust (Net)	-1.2	+0.9	+6.3	-11.1	-1.9	+15.3	+7.7	+7.2	+43.1
S&P/ASX Small Ordinaries Accumulation Index	-0.7	+1.9	+9.0	-13.2	-2.4	+13.1	+3.9	+3.3	+18.3
Value Added	-0.5	-1.0	-2.7	+2.1	+0.5	+2.2	+3.8	+3.9	+24.8

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

Overview

The benchmark declined 0.7% in March as the collapse of Silicon Valley Bank weighed on sentiment, although the market rallied towards month end as it appeared that global contagion is unlikely and that the interest rate hiking cycle may be nearing completion, particularly in Australia. The Trust declined -1.2% after fees during the month, underperforming by 0.5%.

Positive contributors to relative performance during March included Alpha HPA (+25.7%), Impedimed (+75.0%), PEXA Group (+13.9%) and Meridian Energy (+2.9%).

Negative contributors to relative performance during the month included Janison Education (-34.0%), Calix (-17.9%), Charter Hall Group (-17.4%) and Healthco Healthcare and Wellness REIT (-16.5%).

Better Future Highlight

During the month, Impedimed announced that the US National Comprehensive Cancer Network (“NCCN”) Clinical Practice Guidelines in Oncology have been revised to recommend objective measurement and routine screening for lymphoedema assessment in cancer patients. Lymphoedema is a chronic and often significant swelling in a limb that can occur as a side effect of cancer treatment when lymph nodes have been removed or damaged. While the recommendation applies to all cancer patients, this condition is most common in breast cancer patients. The guidelines now specifically name bioimpedance spectroscopy (“BIS”) as a screening tool for lymphoedema and Impedimed’s SOZO platform is the only FDA-cleared BIS technology for the assessment of lymphoedema. This decision was unanimous by the committee that oversees the process. This is a significant, long-awaited milestone for the company and is expected to lead to reimbursement from private health insurers in the US for the SOZO test. This will materially improve revenue from the SOZO platform, particularly in the US market. While this is a positive for the company, it is also a positive for cancer survivors who are at risk of suffering from lymphoedema as the SOZO technology is more likely to detect lymphoedema before the symptoms become significant than is currently the case.

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

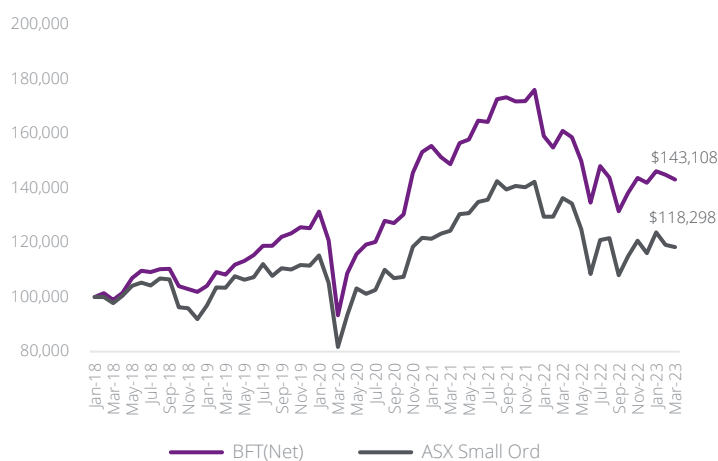
Trust Inception Date

1 February 2018

Fees

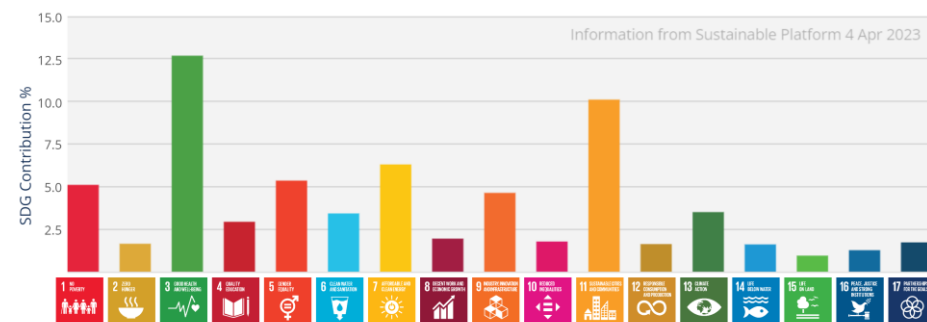
1.20% p.a. + Performance fee

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: 66.52%
(equal to 55.5% social impact contribution and 11.01% environmental impact contribution)

Source: Data provided by the Sustainable Platform 4 April 2023; based on company revenues

Trust Review

The benchmark declined 0.7% in March as the collapse of Silicon Valley Bank weighed on sentiment, although the market rallied towards month end as it appeared that contagion is unlikely and that the interest rate hiking cycle may be nearing its peak, particularly in Australia. The Trust declined -1.2% after fees during the month, underperforming by 0.5%.

It is now over 5 years since inception of the Trust and over this time the Trust has delivered a +7.2% p.a. return net of fees, outperforming the benchmark by 3.9% p.a.

Positive contributors to relative performance during March included Alpha HPA (+25.7%), Impedimed (+75.0%), PEXA Group (+13.9%) and Meridian Energy (+2.9%).

Negative contributors to relative performance during the month included Janison Education (-34.0%), Calix (-17.9%), Charter Hall Group (-17.4%) and Healthco Healthcare and Wellness REIT (-16.5%).

Alpha HPA announced that it had reached an agreement with global industrial company Ebner Industrieofenbau to enable Alpha to produce synthetic sapphire glass which is a downstream product of the company's high-purity alumina ("HPA") production process. Sapphire glass is used in LED lighting, optics and consumer electronics. Ebner has developed an advanced sapphire glass production technology and selected Alpha as a partner after testing Alpha's products since mid-2022. This agreement will result in the production of value-added product in Australia at the company's Gladstone, Queensland production facility using Ebner's low energy technology and Alpha's high-purity alumina. Alpha's production process results in HPA which has around 70% lower total emissions compared to incumbent processes.

The Impedimed share price responded positively to the announcement referred to in the "Better Future Highlight" section above in relation to the NCCN Clinical Practice Guidelines changes.

There were no negative announcements from Janison or Calix during the month. Janison did announce an incremental positive in that it has entered into an agreement with the University of Sydney. Under the agreement, Janison will partner with the university in relation to both the promotion of Janison's ICAS assessment competition product – where Janison will be able to use the University of Sydney name in promotion - and the extension of Janison's Data-Led Education Equity Program ("DEEP") into target communities. The DEEP program uses student data derived from digital assessments to drive improvements in student learning outcomes. The initiative will see Janison provide student benchmarking assessments and the ICAS competition to students in years 5-10 in regional, remote, very remote, Indigenous and low socioeconomic schools over the next 2 years.

Charter Hall Group was impacted by the general weakness in real estate stocks during the month despite the 10-year bond yield falling significantly in both the US and Australia. Healthco raised capital at a discount late in the month to fund the acquisition of a portfolio of hospital properties which we see as an incremental positive in improving the quality of the portfolio.

At month end, the portfolio held 43 stocks and cash of 7.8%.

At March end, 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

Our ESG activity during the month included:

- Meridian Energy raised \$200m in green bonds for renewable energy and energy efficiency projects.
- KMD Brands achieved Group-wide B Corp Status, which is one of the first multinational companies in Australia & New Zealand to have all its brands individually certified. We also engaged with KMD on cyber security risk management & governance.
- We participated in the Bendigo Bank ESG materiality study to assist them with ESG priorities.
- Perennial Better Future Trust was re-certified as a Responsible Investment Product by RIAA as part of RIAA's rigorous Certification program.
- We emailed companies in our portfolio to encourage measurement and disclosure of GHG emission in line with our reporting targets. We were met with constructive responses from Charter Hall, Pacific Edge, Immutep & Opthea.
- The 4th annual Perennial Better Future Survey was released. [See here.](#)
- Perennial Better Future released the third annual Impact statement. [See here.](#)
- Perennial Better Future participated in an FPA webinar titled "ESG Analysis vs Sustainable Investing".
- Members across the Perennial team (including Perennial Better Future) undertook a corporate volunteer day at Wayside Chapel.
- Perennial held the first Diverse Boards Event in collaboration with Perennial Better Future, Smaller Companies and Private Investments. The event connected female NEDs in our network with our portfolio companies, aiming to produce meaningful introductions to facilitate increased board gender diversity.

Top 5 Active Positions

	Trust (%)	Index (%)
Meridian Energy	5.2	0.0
Telix Pharmaceuticals	5.0	0.7
Sims Ltd	4.9	1.1
NIB Holdings	3.4	0.0
PEXA Group	3.8	0.7



Emilie O'Neill (left) and Damian Cottier (right)

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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.

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.

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Signatory of:



Principles for Responsible Investment



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