

	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)	-2.5	+2.5	+10.2	-1.0	-3.0	+8.6	+6.8	+7.7	+48.4
S&P/ASX Small Ordinaries Accumulation Index	-3.3	-1.3	+8.4	-5.8	-5.2	+4.5	+2.5	+3.1	+17.6
Value Added	+0.8	+3.8	+1.8	+4.8	+2.2	+4.1	+4.3	+4.6	+30.8

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

Overview

The benchmark was down 3.3% in May, giving up some of the recent gains. The Trust was down 2.5% after fees, outperforming the benchmark by 0.8%.

Positive contributors to relative performance during May included Telix Pharmaceuticals (+15.3%), Immutep (+13.2%), NIB Holdings (+9.5%) and Integral Diagnostics (+5.7%).

Negative contributors to relative performance during the month included G8 Education (-14.3%), Impedimed (-24.3%), IDP Education (-22.5%) and Sims (-9.3%).

Better Future Highlight

During the month portfolio holding Immutep made a number of interesting announcements. Readers may recall that Immutep's "efti" immunotherapy product stimulates the immune system and when used in conjunction with other cancer therapies has been shown to improve patient outcomes. The announcements during May included:

- The first patient has commenced treatment in the company's integrated Phase II/III trial in metastatic breast cancer.
- Promising initial clinical data in a Phase I trial being undertaken in Germany using efti together with existing standard of care (including chemotherapy) for non-small cell lung cancer (NSCLC).
- Promising initial data in the company's Phase II trial which suggests meaningfully improved long-term survival in NSCLC patients, particularly in patients that traditionally do not respond well to existing treatments. It was significant that this was achieved without using chemotherapy. The company also announced that the US Food and Drug Administration ("FDA") is supportive of a Phase III trial to further evaluate the product in this indication.
- A new Phase I study jointly funded with Merck, Germany to evaluate Immutep's EFTI product when used with existing treatments for metastatic urothelial bladder cancer;
- Abstracts of new data to be presented at the American Society of Clinical Oncology (ASCO) from the Phase II trial evaluating efti in 2nd line head and neck cancer indicated a promising response rate, particularly in patients who typically do not respond to traditional treatments.

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

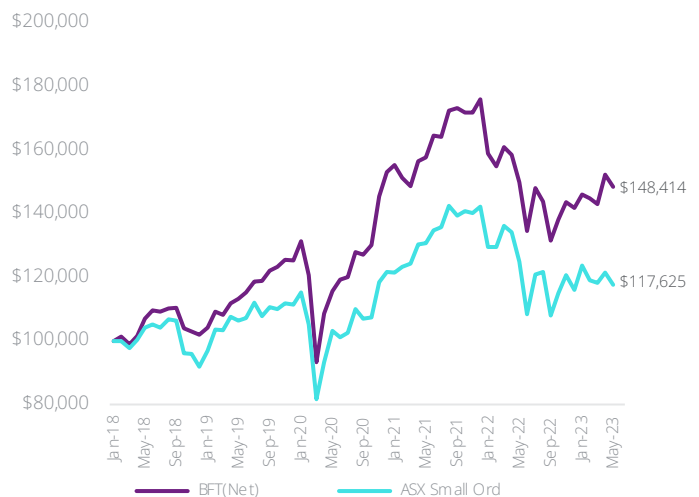
Trust Inception Date

1 February 2018

Fees

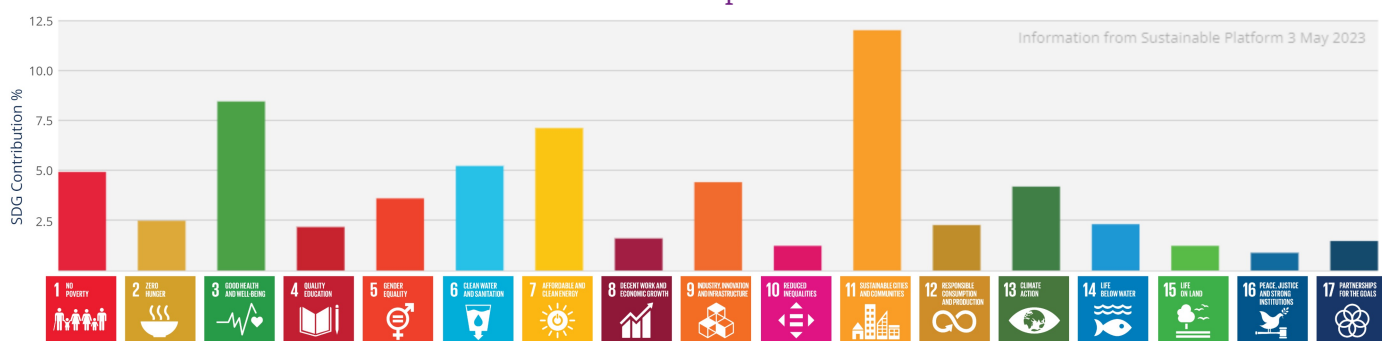
1.20% p.a. + Performance fee

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: 65.52%

(equal to 52.11% social impact contribution and 13.41% environmental impact contribution)

Source: Data provided by the Sustainable Platform 3 May 2023; based on company revenues

Trust Review

The benchmark was down 3.3% in May, giving up some of the recent gains. The Trust was down 2.5% after fees, outperforming the benchmark by 0.8%.

It is now over 5 years since the inception of the Trust and over this time the Trust has delivered a +7.7% p.a. return net of fees, outperforming the benchmark by 4.6% p.a.

Positive contributors to relative performance during May included Telix Pharmaceuticals (+15.3%), Immutep (+13.2%), NIB Holdings (+9.5%) and Integral Diagnostics (+5.7%).

Negative contributors to relative performance during the month included G8 Education (-14.3%), Impedimed (-24.3%), IDP Education (-22.5%) and Sims (-9.3%).

Telix Pharmaceuticals was higher after Lantheus Holdings, Inc (which is another participant in the PSMA prostate imaging market) reported better than expected results which suggests the size of the market may be materially higher than market expectations. Telix also announced additional positive data from the company's completed Phase III Ziron study that relates to the imaging of clear cell renal (kidney) cancer. The results were announced in a presentation delivered by Associate Professor Brian Such, MD, from the UCLA Institute of Urologic Oncology at the American Urological Association's Annual Meeting. The new data demonstrates the value of Telix's imaging product in detecting very small renal or kidney cancers that present a significant diagnostic challenge. Telix's renal cancer imaging product is currently going through the FDA fast-track approval process.

As mentioned overleaf/above, there were a number of interesting announcements from Immutep during May. NIB Health presented at the Macquarie Equities Conference and provided an updated outlook that was ahead of market expectations. Integral Diagnostics also provided outlook comments at the Macquarie conference that were ahead of expectations.

There were no material news announcements from G8 Education. Impedimed gave back some of the company's recent gains after announcing a capital raising to accelerate sales and marketing of the company's SOZO product. Importantly, the company has since announced the first published medical policy from a US health insurer indicating reimbursement for the SOZO product which is used to manage lymphoedema in breast cancer survivors.

IDP Education was weaker after Canadian immigration authorities announced that they would allow additional providers for the English language proficiency test that is required for the Canadian student visa scheme. Currently IDP is the sole provider of the English language test.

At month end, the portfolio held 44 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 7.4 which is 30% higher than the benchmark ESGE Score of 5.7.

Top 5 Active Positions	Trust (%)	Index (%)
Meridian Energy	4.8	0.0
Sims Ltd	4.9	1.0
Integral Diagnostics	3.8	0.3
AUB Group	4.5	1.0
Arena REIT	3.9	0.6

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Signatory of:



Principles for Responsible Investment



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ESG Activity

ESG activity during the month included:

- Damian presented at the Financial Standard Forum in a fire side chat on the expectation gap: ESG Analysis vs Sustainable Investment
- Met with Carbon Direct in New York who took a 7% stake in Calix's LEILAC business which is decarbonizing the lime and cement industry. We also provided Calix with support for their upcoming sustainability report and visited their site in Bacchus Marsh
- Met with Perpetual's ESG investment business, Trillium in Boston, USA to discuss portfolio management and ESG strategy
- Engaged with Chorus regarding the new organizational structure which will result in the appointment of two females to the executive team. We have been engaging with CNU on signing up to the 40:40 Vision which calls for gender diversity on executive management teams
- Attended KMD investor day: updates included the announcement of Megan Welch as the new CEO of the Kathmandu brand and details of the company's sustainability linked debt refinance. Interestingly, all three of KMD's brands now have female CEOs. This is a significant change since we started engaging with KMD on the topic several years ago.
- We wrote to IDP Education as part of our engagement plan with the company in regards to Reconciliation, cyber security, employment practices, governance and executive gender diversity and we wrote to Nanosonics on integrated ESG reporting, leadership gender diversity and modern slavery assessment and supplier audits
- Pacific Edge reported increased ESG disclosures at its FY23 result. This included GHG emissions disclosure after continued engagement with us



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Responsible Investment Leader 2022

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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