

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	2 Years (% p.a.)	3 Years (% p.a.)	5 Years (% p.a.)	7 Years (% p.a.)	Since Inception [^] (% p.a.)	Since Inception Cumulative [^] (%)
Perennial Better Future Trust (Net)	-2.0	-1.3	+4.2	-0.2	+5.2	+2.8	+1.4	+6.1	+5.8	+55.7
S&P/ASX Small Ordinaries Accumulation Index	-1.5	+3.8	+15.8	+19.4	+19.6	+11.5	+7.1	+8.3	+6.8	+67.2
Value Added	-0.5	-5.1	-11.6	-19.6	-14.4	-8.8	-5.7	-2.2	-1.0	-11.5

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

Overview

The benchmark Small Ordinaries Accumulation Index was down 1.5% in November. The portfolio was down 2.0%, underperforming by 0.5% largely due to not holding gold stocks which was a 1.7% relative performance drag.

Similar themes have played out during the month as have played out in the underperformance of the portfolio over the 12 months to 30 November where the benchmark has been up 19.4%. Gold stocks have been a 11.6% relative performance drag over the year. While the portfolio has experienced some company specific weakness, our relatively defensive positioning and healthcare exposures have been a significant contributor to the portfolio lagging the strong benchmark, despite an increasingly uncertain economic environment.

Positive held relative contributors this month included Calix (+57.6%), Charter Hall (+10.8%) and Smartgroup (+7.5%).

The key negative relative contributor was the nil holding in gold stocks referred to above. Held negative relative contributors this month included Bendigo Bank (-19.1%), Australian Ethical (-18.3%) and PEXA Group (-6.5%).

Better Future Highlight

During the month portfolio holding Sims Ltd held an investor day at which it provided more detail on the progress it has been making in the company's Sims Lifecycle Services business ("SLS").

The SLS business operates globally in an emerging area of the collection, reuse and redeployment of used electronics including the recycling of computer chips used in data centres. This allows customers, including "hyperscalers" to improve the sustainability of operations.

The SLS business has been growing strongly in recent years with revenue growth driven by increasing the breadth and depth of the global client base. Interestingly, growth has also been driven by the higher prices that it receives for selling recycled computer chips as a result of changing market dynamics due to increased AI-related computer chip demand.

The revenue growth in the SLS business is also translating into profit growth with the company forecasting EBIT for SLS to be higher in 1HFY26 than all of FY25 and it is expected to represent a significant portion of group profit in FY26. The Sims share price reacted positively to the investor day and the company's trading update during November, with the share price finishing up 7%.

Better Future Stats



The **portfolio is 88.6% less carbon intensive compared to the ASX300** and 87.2% less carbon intensive compared to the ASX Small Ords[^]



8 female Directors were appointed to the board across 8 portfolio companies in 2024, typically following engagement, totalling **81 female Directors since inception** as at 31 December 2024



111 dedicated ESG engagements in 2024 with management and boards about material risks and opportunities **across 34 portfolio companies**



33% of portfolio companies have a Reconciliation Action Plan, compared to 21% of the ASX300 and 12% of the ASX Small Ords as at 31 December 2024

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



As at 30 November 2025. 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 benchmark Small Ordinaries Accumulation Index was down 1.5% in November. The portfolio was down 2.0%, underperforming by 0.5% largely due to not holding gold stocks which was a 1.7% relative performance drag.

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During the month Calix announced that it had executed a Joint Development Agreement with Rio Tinto, one of the world's leading iron ore producers for over \$35m cash and in-kind support to assist with the development of a demonstration plant for Calix's Zero Emissions Steel Technology (ZESTY). This support includes providing the site for the plant in Kwinana, Western Australia.

The Kwinana site is in close proximity to the NeoSmelt Project for downstream processing of direct reduced iron being developed jointly by Rio Tinto, BHP, BlueScope and Mitsui with the material produced by ZESTY being a potential feedstock for that plant.

Calix and Rio have outlined the key terms, including royalties, for a potential non-exclusive global and perpetual licence agreement for Rio's commercial use of the ZESTY technology and Rio may also sub-license the Zesty technology to its customers.

This agreement with RIO is a significant step in progressing the ZESTY plant towards final investment decision following the announcement earlier in the year of a grant of up to \$44.9m from the Australian Renewable Energy Agency (ARENA).

Charter Hall upgraded earnings guidance by 5.5% at its annual general meeting after a strong start to the year.

Bendigo Bank announced a weaker than expected quarterly update and that it had engaged Deloitte to conduct a review of the Bank's anti-money laundering policies which had identified deficiencies in the Bank's approach to these issues and will require remediation.

Australian Ethical announced that APRA had applied additional licence conditions for the trustee of the company's superannuation product. The additional conditions require the trustee to engage an independent expert to undertake a review of some related-party arrangements that exist between the parent company and the trustee. The company does not expect that this review will have a significant impact given existing governance arrangements.

At month end, the portfolio held 43 stocks and cash of 9.2%. 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

ESG activity during the month included:

- This month Perennial released its annual ESG and Engagement Report for FY25 outlining key stewardship activities across the Perennial group.
- The Better Future team undertook a site tour of portfolio company Alpha HPA's manufacturing facility in Gladstone where it produces ultra high purity and low carbon alumina.
- As part of AGM season, we engaged with a number of portfolio companies on governance, remuneration and other board matters, including Pexa, IDP Education, Janison, Netwealth and Arena REIT.
- The broader Perennial group undertook AI training for internal implementation and governance of AI.

Top 5 Active Positions	Trust (%)	Index (%)
Meridian Energy	5.8%	0.0%
PEXA Group	5.1%	0.6%
NIB Holdings	5.5%	1.1%
AUB	5.5%	1.4%
Smartgroup	4.4%	0.4%



Portfolio Manager:
Damian Cottier



Senior ESG Analyst
Aoife McCarthy

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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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