

5 years of Better Future Impact

Pursuing strong, consistent returns while shaping a better future

Perennial
Better Future

\$A251M in Strategy Funds Under Management ¹

+7.7% returns delivered p.a., outperforming the benchmark by 4.6% p.a. ²

115 companies invested in since inception

>300 ESG engagements with portfolio companies

68 female directors appointed to the board of portfolio companies, typically following our engagement

87.0% less carbon intensive than the ASX Small Ords benchmark ³

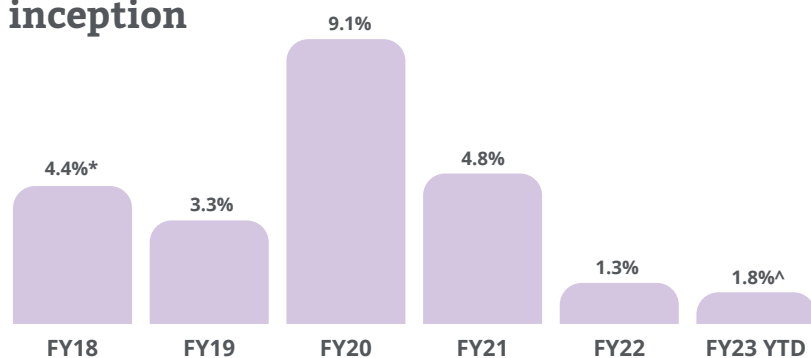
>1,000 company meetings with portfolio companies

9 IPO participations

Over the past 5 years, the Better Future team has demonstrated its thought leadership in the ESG investing landscape, through industry participation, including presenting on educational webinars & panels, conducting surveys and collaboration with industry groups RIAA, PRI, Climate Action 100+ and IAST-APAC.

(1) Strategy FUM refers to money managed by Perennial Better Future Pty Limited as at 31 May 2023. (2) Net of fees performance of BFT since inception on 1 Feb 2018 to 31 May 2023. Benchmark is the S&P/ASX Small Ordinaries Accumulation Index. (3) Carbon intensity (tCO2e per \$ revenue) of Perennial Better Future Investments compared to S&P/ASX Small Ordinaries Accumulation Index. Holdings as at 31 March 2023.

Consistent net outperformance since inception



Note: All figures reflect the Perennial Better Future Trust (BFT) unless stated otherwise. BFT inception date is 1 February 2018. Past performance is not reliable indicator of future performance. Net of fees outperformance versus ASX Small Ords benchmark per financial year.

Awards & Achievements



CERTIFIED BY RIAA



- Perennial Better Future Trust ('BFT') awarded Winner of Sustainable and Responsible Investments – Growth 2022 by Zenith Investment Partners
- Perennial was recognised as a Responsible Investment Leader for the 3rd consecutive year by RIAA in 2022. Perennial ranked among the top 10 leaders
- BFT was awarded with a 5 Bees sustainability score by Lonsec - the highest sustainability rating
- BFT achieved Top quartile rating in the Evergreen Responsible Investment Grading Index
- IMPQ awarded Green ETF of the Year 2021 by Finder
- BFT has achieved RIAA certification since 2021 ⁴

(4) It confirms we meet the strict operational and disclosure practices, distinguishing quality, responsible, and ethical investment standard.

Corporate ESG highlights



Perennial achieved Climate Active certification for its FY22 operational emissions

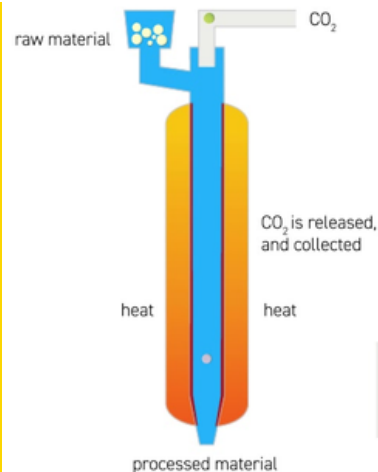


Perennial released its inaugural Reflect RAP in 2022

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Case study: Calix (ASX:CXL)

We have held CXL since 2018 and during that time have worked with executives to improve ESG & Sustainability in the business. Since our engagement, CXL has released two sustainability reports (FY21 & FY22), appointed its first two female NEDs to the board and made female executive appointments including the CTO and General Manager of Engineering for the Leilac business.



Using Calix's LEILAC technology, the released CO₂ is not contaminated. This carbon capture process does not require additional energy or chemicals.

Calix is an industrial solutions business focused on improving sustainability outcomes globally. These include a "LEILAC" technology to separate carbon dioxide from the cement production process to be used or stored. In FY22, CXL announced the use of its technology to produce zero emissions iron and steel. CXL's Zero Emissions Steel Technology ("ZESTY") has the potential to drive electrification and hydrogen reduction in the processing of iron ore, providing new pathways to green steel.

Case study: KMD Brands (ASX:KMD)

We have focused our engagement efforts with KMD on sustainability messaging, modern slavery & supply chain management and gender diversity. We have participated in an ESG materiality study to assist their ESG strategy. Since holding KMD, the Company has made two female NED appointments to the board, appointed a female to CEO position of the Rip Curl business and gained groupwide B Corp certification. The Company has also improved the sustainability credentials of its products.



KMD Brands is a global outdoor apparel retailer with diversified earnings and growth options. It is home to a global house of brands with a focus on functional outdoor products including Kathmandu, Rip Curl and Oboz. It places sustainability at the core of its business, reflected in its B Corp certification at the group level. Other initiatives include Oboz planting a tree with every sale and the use of sustainable materials in their products including old fishing nets and plastic bottles.

Lonsec disclaimer

The rating issued 03/2023 WPC5600AU (Sustainability Report), is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2023 Lonsec. All rights reserved.

Evergreen disclaimer

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RIAA disclaimer

RIAA's RI Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that the Perennial Better Future Trust adheres to the strict operational and disclosure practices required under the Responsible Investment Certification Program for the category of Product. The Certification Symbol is a Registered Trademark of the Responsible Investment Association Australasia (RIAA). Detailed information about RIAA, the Symbol and Perennial Better Future Trust's methodology, performance and stock holdings can be found at www.responsibleinvestments.com.au, together with details about other responsible investment products certified by RIAA.⁵

(5) 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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