

RELEASED MARCH 2026

Perennial Better Future Impact Statement 2025



Acknowledgement of Country

In the spirit of reconciliation, Perennial acknowledges the Traditional Owners of the Country in which we work, the Gadigal people of the Eora nation, and recognise their continuing connection to land, waters and culture. We pay our respects to their Elders past and present.

About the Better Future Strategy

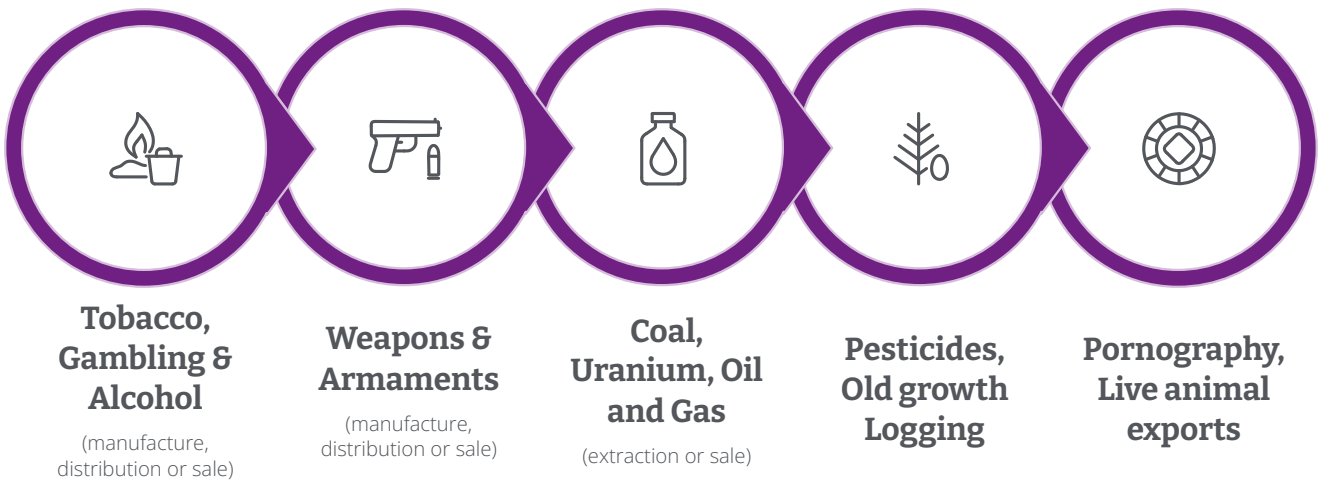
The Perennial Better Future Strategy is focused on authentic Sustainable or Environmental, Social and Governance (ESG) investing. We seek to invest in companies making a positive contribution to society and the environment or otherwise have a focus on delivering ESG-related outcomes.

The Perennial Better Future Trust and Perennial Better Future Fund Active ETF (ASX:IMPQ) are classified **Sustainable Plus** under RIAA's Sustainability Classifications. The funds are **Recommended** by Lonsec and Zenith with the highest sustainability ratings from each; 5 Bees (Lonsec) and Impact (Zenith).

We seek to focus a significant part of of the portfolio on companies deriving the majority of revenues from **Better Future Enabler**¹ operations:

-  **Renewable energy & emissions reduction**
-  **Healthcare & health outcomes**
-  **Education services**
-  **Water treatment & environmental services**
-  **Nature-based solutions & resource efficiency**
-  **Social infrastructure & social welfare**
-  **Leasing to providers of healthcare, education, childcare or social housing.**

The Fund also employs a negative screen with a **zero-revenue threshold**.² We do not invest in companies that receive any revenues from:

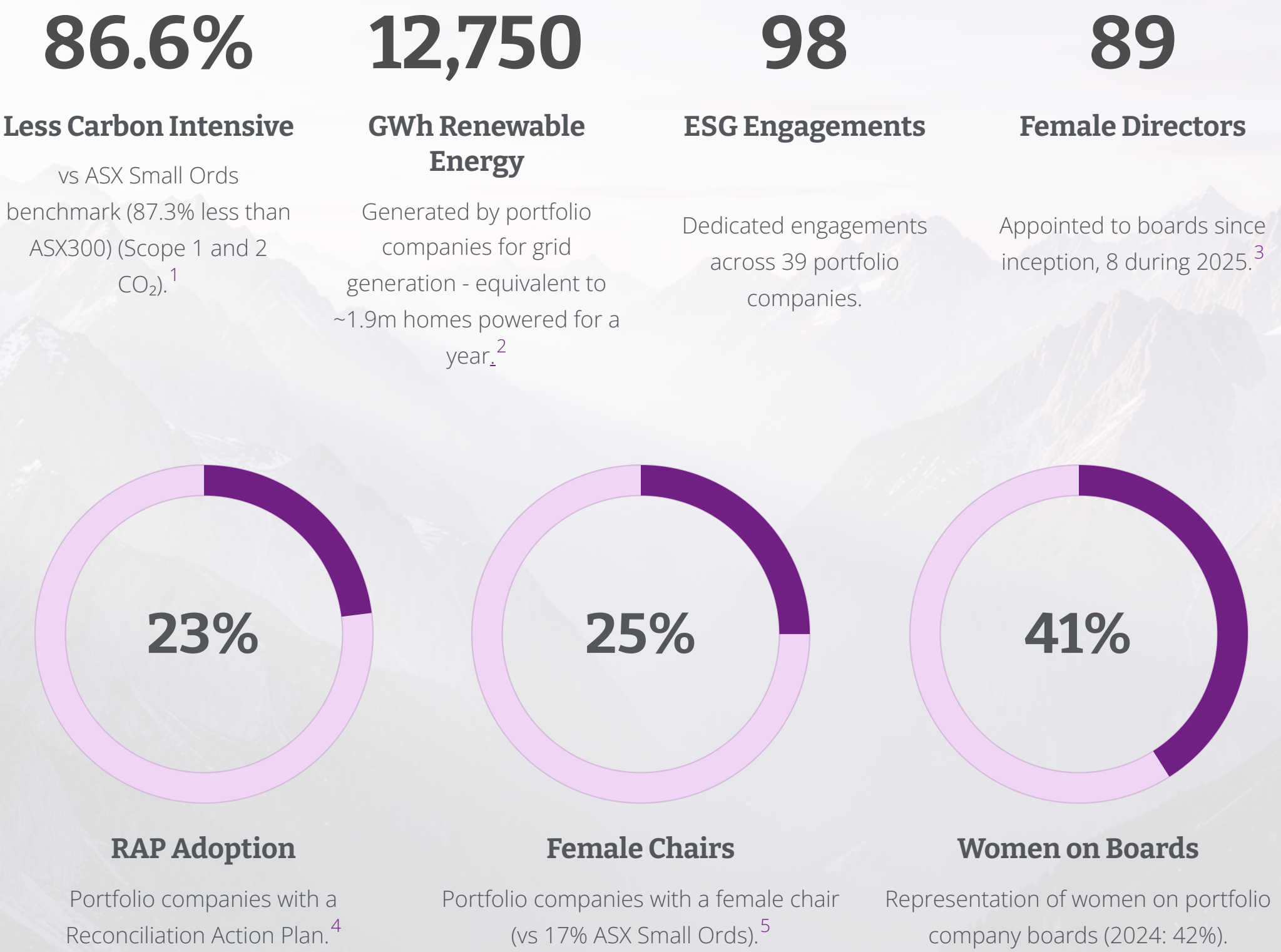


The Perennial Better Future Trust and the Perennial Better Future Active ETF (ASX:IMPQ) have been classified as Sustainable Plus under the new RIAA (Responsible Investment Association Australasia) Sustainability Classifications Initiative. The funds have an investment rating of Recommended from Lonsec and Zenith and also have the highest possible sustainability ratings from each Lonsec (5 Bees) and Zenith (Impact). Perennial Partners has been certified every year by Climate Active since FY21 and has an Innovate Reconciliation Action Plan.



1 Please read the PDS for further details including the full definition of "Better Future Investments" and "Better Future Enabler Investments". **2** Please read the PDS for a full list of exclusions.

2025 Better Future Impact Highlights



¹ Carbon intensity (tCo2e per \$ revenue) based on Scope 1 and 2 CO2 emissions, of Perennial Better Future holdings compared to the ASX Small Ordinaries benchmark and the ASX300 benchmark as at 31 December 2025.

² Meridian Energy company disclosures. Conversion of 0.0072 GWh to power one home, Climate Council Australia.

³ A4N, JAN, IAN, TLX, TLX, GTK, IPH, CXL, SDR.

⁴ AEF, ARF, CHC, COH, GEM, GSS, IPH, IRE, SDF, SIQ.

⁵ 4DX, BEN, COH, CXL, EQT, GSS, IEL, JAN, SDF, SPK, TLX.

Environmental Highlights

Portfolio Emissions

77% of the portfolio have disclosed Scope 1 and 2 emissions and 55% of the portfolio have disclosed Scope 1, 2 and 3 emissions.¹

Renewable Energy Targets

13 companies have targets for use of renewable electricity.²

Green Financing

~A\$5,575m in green financing initiatives by portfolio companies Meridian, Charter Hall, Spark NZ and Arena REIT.³

Renewable Energy Generation

12,750 GWh of renewable energy generated which is the equivalent to ~1.9m homes powered for a year.⁴

Science Based Targets

7 companies have SBTi targets in 2025.⁵

Low Carbon Critical Mineral Supply Chain

Alpha HPA and Calix receive ARENA funding of \$75m and \$45m respectively for green steel and High Purity Alumina.



1 Carbon intensity (tCO₂e per \$ revenue) of Perennial Better Future Holdings compared to ASX Small Ordinaries benchmark. Holdings as at 31 December 2025.

2 A4N, AEF, ARF, BEN, CHC, COH, CQE, HSN, HUB, IDX, MEZ, NHF, SGM.

3 MEZ \$1,495m all debt ex-leases and EKF under Green Finance Program, CHC \$3.35bn Green Loan Facility, Spark NZ, \$300m Sustainability Linked Loans and ARF \$437m Sustainability Linked Loans.

4 Meridian Energy company disclosures. Conversion of 0.0072 GWh to power one home, Climate Council Australia.

5 AEF, BEN, CNU, IRE, MEZ, NRF, SPK.

Social & Governance Highlights

Board Independence

74% of directors on portfolio company boards are independent.¹

40:40 Vision

8 portfolio companies are signatories of the 40:40 Vision in 2025.²

Women in Management

32% representation of women on portfolio company management teams. 25% portfolios companies have a female Chair, compared to 15% of the ASX300 and 17% of the ASX Small Ords.³

Reconciliation Action Plan

23% of portfolio companies have a Reconciliation Action Plan compared to 19% of the ASX300 and 12% of the ASX Small Ords.⁴

Engagement in Action

98 dedicated ESG engagements across 39 companies in 2025. Key topics for engagement included AI Governance, gender pay gaps, board & executive diversity, GHG emissions disclosure, Paris Agreement alignment, and modern slavery & ethical supply chains.

1

Diversity & Gender Pay Gaps

Engaged with all companies required to set Workplace Gender Equality Targets to improve Gender Pay Gaps. 8 female directors were appointed, often following engagement.

2

Modern Slavery & Human Rights

Engaged with portfolio company holdings on improving modern slavery due diligence processes, particularly in the critical mineral supply chain.

3

AI Governance & Worker Rights

Engaged with companies during reporting season on AI integration and responsible use and implementation of AI, including through policy implementation, board skills and training.

4

GHG Emissions & Climate Disclosure

Two portfolio companies improved reporting on physical climate risk following engagement and another two disclosed Scope 1 & 2 emissions following engagement.

1 The majority of the balance is comprised of Managing Directors or relate to founder-led companies.

2 AEF, BEN, CXL, IEL, IRE, SGM, SPK.

3 4DX, BEN, COH, CXL, EQT, GSS, IEL, SDF.

4 AEF, ARF, CHC, COH, GEM, GSS, IPH, IRE, SDF, SIQ.

Engagement Outcomes

Key topics discussed in 2025 included: Governance, Gender Pay Gaps, Gender Diversity (board and executive), Greenhouse Gas emissions disclosures, Paris Agreement alignment, and Modern Slavery & Ethical Supply Chain. The following case studies illustrate specific outcomes achieved through our engagement efforts on these key topics:



Calix (CXL)

After engaging with Calix on diversity on multiple occasions, the company became a signatory to the 40:40 Vision Initiative in FY25, an investor-led initiative seeking to achieve gender balance in executive leadership.



Polynovo (PNV)

After multiple engagement with company and a vote against the Chair, Non-Executive Director Leon Hoare is appointed to Chair role, which we believe position's the company well for it's next growth phase.



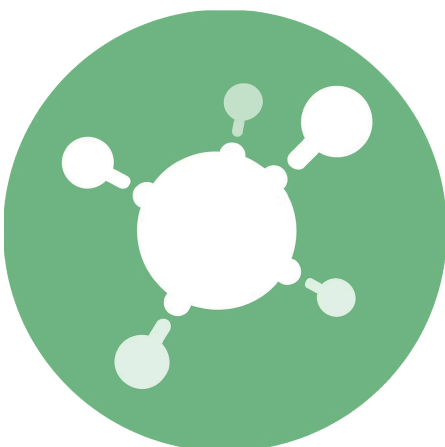
IPH Ltd (IPH)

Following our engagement on gender pay gap, the company has produced a gender pay gap statement and adopted a 40:40:20 gender balance target for the board.



Charter Hall (CHC)

Following our engagement with CHC on emerging modern slavery risk in the renewable technology supply chain, CHC has since improved disclosures outlining how this risk and due diligence is addressed at the group level.



Immutep (IMM)

Following engagement with Immutep, the company started disclosing Scope 1 and 2 GHG emissions.



Netwealth (NWL)

Following engagement with Immutep, the company started disclosing Scope 1 and 2 GHG emissions.

Deep Dive: Key Engagement Topics & Outcomes

Our targeted engagement strategy focuses on critical ESG themes, driving meaningful change and improved performance within our portfolio companies. Below are the key topics we addressed in 2025 and the tangible outcomes achieved through our collaborative efforts.



Gender Pay Gaps

Engaged with portfolio companies reporting gender pay gaps above the 21.1% Australian average to encourage equitable remuneration practices and transparent reporting. AUB and IPH have subsequently introduced measures or reporting following engagement.



Gender Diversity: Board

Active engagement led to the appointment of 8 additional female directors across portfolio company boards in 2025, significantly enhancing board diversity and expertise. 89 female directors have been appointed to portfolio companies since inception.



Greenhouse Gas Emissions

In 2025 77% portfolio companies have reported Scope 1 & 2 disclosure and 55% Scope 1, 2 & 3 disclosure. Our previous targets have been superseded by the introduction of AASB S2 Standards which we now advocate for.¹

¹ Our previous targets were portfolio company reporting of Scope 1 and 2 CO₂ emissions by end of 2024 and portfolio company adoption of Science Based Targets in line with the Paris Agreement by the end of 2025.



Gender Diversity: Management

Supported the 40:40 Vision initiative, with 8 portfolio companies now signatories, promoting gender-balanced leadership teams and fostering inclusive management cultures.



Modern Slavery & Ethical Supply Chains

Engaged with companies, including Arena and Charter Hall to improve transparency and due diligence to address emerging modern slavery risk in the renewable technology supply chain.



Governance & Transparency

Focused engagements on strengthening board independence and refining remuneration policies to align with best practice, ensuring accountability and long-term value creation.

Better Future Enablers

Below is a selection of portfolio companies contributing to a better future through their core business operations. Companies demonstrate innovative solutions and services across healthcare, education, and renewable energy, which we believe to contribute positively to society and the environment through their core operations and revenues.



Alpha HPA

Alpha HPA is a chemical engineering company that can produce ultrahigh purity alumina products with dramatically less emissions and waste. The Company's technology is expected to reduce greenhouse gas emissions by up to 70% versus traditional processes. The alumina is able to be used in the manufacturing of semiconductors to reduce heat generated and make the semiconductors more efficient as well as reducing the cooling needs of data centres.



PolyNovo

PolyNovo is a medical technology company that has developed the NovoSorb biodegradable polymer matrix that is being used by over 900 hospitals globally to improve patient outcomes for burns and complex wounds. The product is available in over 46 countries and has been used in over 70,000 patients. The product organises a large wound into a series of small wounds that the body is more easily able to heal. NovoSorb is synthetic compared to existing competitive "biologic" products that are animal based and carry greater risk of infection.



Meridian

New Zealand's largest electricity generator, producing 100% renewable energy from hydro stations and wind farms, leading the transition to a sustainable energy future.



4D Medical

4D Medical has developed software that is used with traditional X-ray or CT scanning that provides more sophisticated data on lung function. This enables physicians to understand regional airflow in the lungs and identify respiratory deficiencies earlier and with greater sensitivity.



Cochlear

Global leader in implantable hearing solutions — 750,000+ devices provided.



Arena REIT

Social infrastructure provider of 276 social infrastructure properties across early learning centres, healthcare properties and disability accommodation.



Calix

Calix is an environmental technology company that has several businesses focused on solving global challenges. These include its Joint Venture with RIO for the Zero Emissions Steel Technology ("ZESTY") process; partnership with Norsk Hydro for the Zero Emissions Alumina ("ZEAL") process and the wastewater business in the US and Australia.



Sims

Sims is a global metal recycling company and provides circular solutions for technology, including recycling computer chips from data centres. Recycling aluminium saves up to 90% of GHG emissions produced in the primary production process with up to 80% saved for copper. Using scrap metal as part of an electric-arc furnace can reduce emissions in steel production by approximately 50%.



3P Learning

3P Learning is a provider of educational software and eBooks to schools and parents of school-aged students globally. The company's key products are the Mathletics, Math Seeds, Reading Eggs and Writing Legends platforms. 3PL's other products include the Brightpath Progress assessment product which measures student progress in writing and mathematics.



Telix

Telix's prostate imaging product, Illucix, has been a game-changer for helping urologists detect and manage prostate cancer with approximately 100,000 scans conducted in the United States and 28 other countries, including Australia, during 2025. Telix is also developing a prostate cancer therapeutic product and the Zircon renal cancer imaging product.

Better Future Enablers



Charter Hall Social Infrastructure

Charter Hall Social Infrastructure REIT is a real estate investment company that invests in social infrastructure properties, consisting of 347 properties delivering essential services across childcare, education, healthcare, transport and government services.



Clarity Pharmaceuticals

A pharmaceutical company with a mission to develop next-generation imaging and therapeutic products that improve treatment outcomes for patients. The company's Targeted Copper Theranostic (TCT) platform of products are designed to enable superior imaging and improved therapeutic outcomes.



Fisher & Paykel Healthcare

A leading designer, manufacturer, and marketer of products and systems for use in respiratory care, acute care, and the treatment of obstructive sleep apnea.



Genetic Signatures

Develops and commercialises molecular diagnostic products for the rapid detection of infectious diseases, improving patient outcomes and public health.



IDP Education

A global leader in international education services, helping students study abroad and offering English language testing, facilitating access to quality education worldwide.



Integral Diagnostics

Provides comprehensive medical imaging services in both regional and metropolitan areas in Australia and NZ. Diagnostic imaging is key to the early detection and prevention of many health issues.



Janison Education

Janison provides online learning assessment platforms that are used by organizations globally to deliver exams, including the NAPLAN tests in Australia. This is more efficient than traditional "pen and paper" exams and the platform can be used to improve educational outcomes. Janison delivered 7m digital assessments in 2025.



Micro-X

Develops innovative cold cathode X-ray technology for next-generation portable X-ray and CT devices, enhancing medical imaging accessibility and efficiency. Micro-X is developing a ground-breaking Head CT for stroke detection and is developing a mobile full body CT for use in regional communities.



Nanosonics

Nanosonic's technology prevents the transmission of infections. The company's Trophon product is a global leader in high level disinfection for ultrasound devices. The company has recently received US Food & Drug Administration for the company's Corus device which is to be used in the disinfection of endoscopes.



Neuren Pharmaceuticals

Neuren is developing new therapies for neurodevelopmental disorders, addressing significant unmet medical needs. Over 1,000 Rett Syndrome patients in the US are taking Neuren's DAYBUE, the only FDA approved treatment for Rett Syndrome.



nib

A leading health insurance provider, offering cover for health and medical insurance to over 1.7 million Australian and NZ residents and to over 180,000 international students and workers in Australia.



Immutep

Immutep is a biotechnology company that develops immunotherapies for the treatment of cancer and autoimmune diseases. Its lead product "efti" is designed to improve the effectiveness of existing cancer treatments. "Efti" stimulates the immune system and when used in conjunction with other cancer therapies has been shown to improve patient outcomes.

Better Future Monthly Highlights

January — Meridian Energy

Agreement to build the 150MW Tauhei **Solar Farm** in Waikato. Will be NZ's largest farm generating 280 GWh, ~35,000 homes per year.

March — Nanosonics

US Food and Drug Administration grants de novo clearance for company's CORIS system, a novel **technology to reduce infection risk** and enhance safety disinfection in ultrasound devices for endoscopes and colonoscopes.

May — Immutept

Announced positive immunotherapy results of cold tumour patients using "Efti" together with Keytruda. Also announced positive data in its **immunotherapy treatment** of non-small cell lung cancer using "Efti".

February — Meridian Energy

Meridian purchases NZ Windfarms Ltd to increase generation capacity by 170 MW. Company also received consent for 80MW Mt Munro **Wind Farm** and 120 MW Ruakaka **Solar Farm**.

April — PEXA Group

UK's Financial Conduct Authority approved PEXA to become an Authorised Payment Institution, a key milestone for launch of Sale & Purchase digital conveyancing platform in the UK in 2025, a process of **digitising a paper based process** of property transfer settlements.

June — Alpha HPA

The company is constructing Stage 2 of the company's high purity alumina production process, reducing GHG emissions by up to 70% and diversifies **critical mineral supply chain** away from traditional sources such as Russia and China.

Better Future Monthly Highlights

July — Sims Ltd

Agreement to supply Alter Steel's Electric Arc Furnace steelmaking facility with up to 550,000 tonnes scrap metal annually. This process is capable of **reducing GHG emissions** by up to 50% annually compared to traditional processes.

September — Micro-X

Received a \$3.3m order for portable X-ray units to supply Malaysian Ministry of Health. It was also awarded \$4.4m grant by Aus Gov Industry Growth Program to build **world-first stroke capable ambulance** using the Micro-X Head CT device.

November — Sims Ltd

Guidance upgraded due to strong performance of the Sims Lifecycle Services business (SLS) which reuses and redeploys used electronics including **recycling computer chips used in data centres**. Allows customers, including hyperscalers to improve sustainability in operations.

August — Cochlear

Announced the release of its next generation cochlear implant Nexa, which is a smart device, **offering improved hearing outcomes** and allowing for easy upgrading of firmware.

October — Janison Education

Contract awarded with Western Australian School Curriculum and Standards Authority to provide **online assessment** for literacy and numeracy assessments of students in Years 9-12, reducing paper based processes.

December — Calix

Contract executed to supply up to \$10m p.a. magnesium hydroxide water treatment products to a new customer in the US to **minimise hazardous chemical release into water systems**. The Calix solution is both more sustainable and cost effective than caustic soda, which has traditionally been used.



Driving Change Beyond the Portfolio

RIAA Recognition

Recognised as a Responsible Investment Leader for the 5th consecutive year. Funds classified 'Sustainable Plus' — the highest possible RIAA classification.

Policy Stewardship

Undertaking Policy Stewardship by engaging with Treasury and collaborative investor initiatives on policy consultations such as Sustainable Product Labelling.

Climate Active Certification

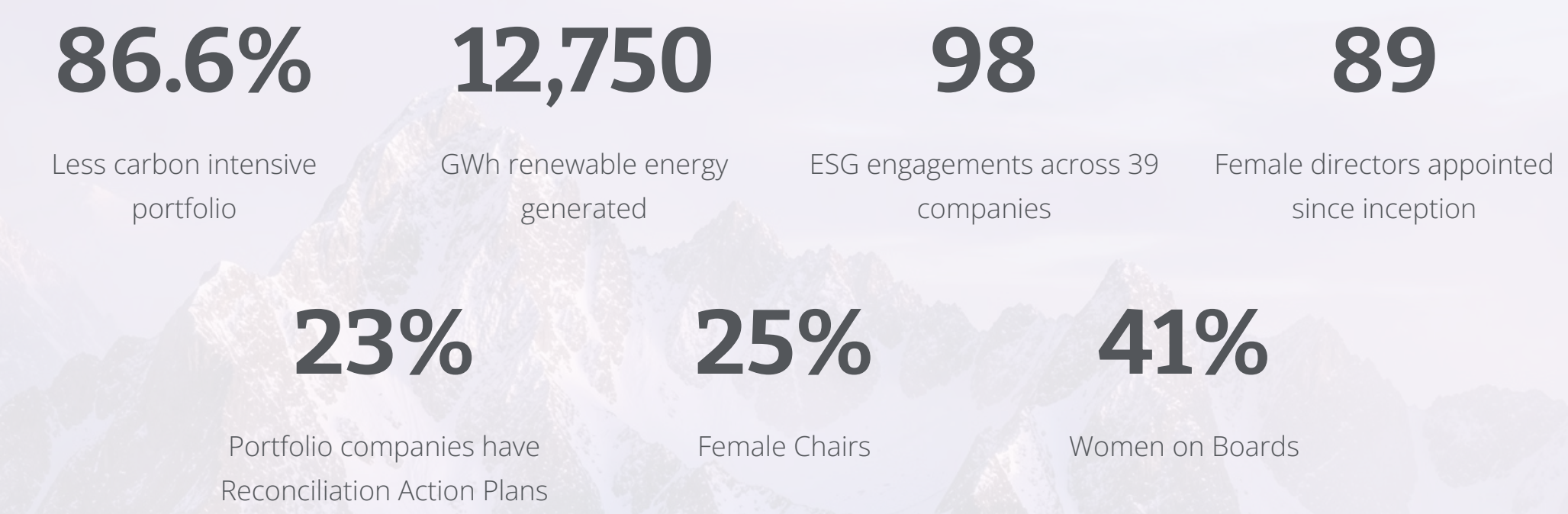
Carbon neutral for business operations since FY21. Carbon offsets via Tasman Environmental Markets New Leaf Carbon Projects in Tasmania.

Reconciliation Action Plan

Completed our Reflect Reconciliation Action Plan in 2023. Now progressing to Innovate Reconciliation Action Plan. Partnered with the Aurora Foundation to host a university intern, providing hands-on experience in sustainable investing.

2025 Impact Summary

The year 2025 marked significant progress for **Perennial's Better Future Strategy**, demonstrating our unwavering commitment to authentic sustainable investing. Our efforts have yielded tangible, measurable impact across environmental, social, and governance dimensions, reinforcing our position as a leader in responsible investment.



These achievements reflect our dedication to driving positive change for society and the environment, proving that impactful investing is not only possible but essential for a better future. We remain committed to fostering innovation and accountability within our portfolio companies, ensuring long-term value creation that benefits all stakeholder.

The Perennial Better Future Trust and the Perennial Better Future Active ETF (ASX:IMPQ) have been certified by the Responsible Investment Association Australasia according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. See www.responsiblereturns.com.au for details. 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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