

# Perennial Better Future Trust

## About the Trust

The Perennial Better Future Trust (the Trust) is an actively managed portfolio of mainly smaller and mid-cap listed companies.

The Trust seeks to invest in companies that are contributing to a better future. We seek to invest in sustainable themes such as healthcare, education, renewable energy, low carbon technology, water management, environmental services and improving social welfare. We also invest in companies that have an Environmental, Social, Governance and Engagement Score ("ESG&E Score") that is better than the benchmark.

The Trust does not invest in companies that to our knowledge receive any revenue from the manufacture, distribution or mining of tobacco or alcohol products, weapons or armaments, thermal coal, uranium, oil or gas, gambling, pornography, toxic pesticides, old growth forest logging or the live exportation of animals\*.

The investment process is based on our internally generated research in relation to environmental, social and corporate governance ("ESG") considerations, including an ESG&E scoring system.

The ESG&E score is a proprietary scoring system set up and run in-house by the Perennial sustainability team with input and insight from the sector analysts. Each company is given a score for Environment, Social and Governance performance as well as a score for company ESG engagement. Environment, Social and Governance are each weighted 20%, while Engagement has a 40% weighting. This provides a total score out of 10, which is then compared to the benchmark. Our Better Future Trust must have an ESG&E Score that is better than the benchmark.

## Why Invest in the Better Future Trust



### Strong research capabilities

- Team of 19 investment professionals to seek opportunities
- Access to interesting IPO opportunities
- Extensive engagement with corporates on ESG risks and opportunities



### ESG Considerations

- Seek companies which are making a positive contribution to a Better Future
- Invest in themes such as healthcare, education, renewable energy, low carbon technology, water treatment, environmental services and improving social welfare
- Internally developed ESG&E Score
- Zero revenue threshold for our exclusion list in tobacco, alcohol, weapons, thermal coal, oil & gas, gambling, pornography, toxic pesticides, old growth forest logging or live exportation of animals offshore\*

## About Perennial

Perennial is an Australian owned, specialist, active investment management firm. Our sole focus is to deliver excellence in funds management through equity ownership and the alignment of interests between investment management staff and our clients.

## Asset Class and Allocation

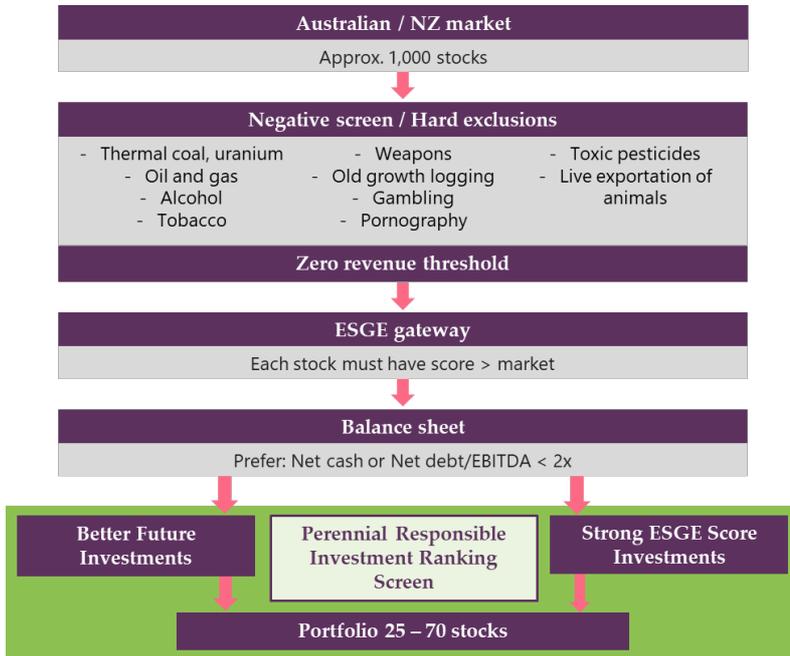
<b>Australian and NZ Shares</b>	90 – 100%
<b>Cash and Derivatives</b>	0 – 10%

## Fund Characteristics

<b>Fund objective</b>	To outperform the benchmark over the long term after fees and expenses, by investing in a diversified portfolio of mainly smaller and mid-cap companies that are Better Future Investments (as detailed overleaf).
<b>Benchmark</b>	S&P / ASX Small Ordinaries Accumulation Index
<b>Inception Date</b>	February 2018
<b>Number of stocks</b>	25 – 70 stocks
<b>Minimum initial investment</b>	\$25,000
<b>Fees (PA)</b>	1.20% + performance fees (15% over the benchmark)
<b>Liquidity</b>	Daily
<b>Risk/Return profile</b>	High
<b>Distribution</b>	Half yearly (if any)
<b>APIR Code</b>	WPC5600AU

\* See full exclusions overleaf

## Investment Process



Better Future Investments are defined as companies that at the time of acquisition:

- Conduct businesses that are making a positive contribution to creating a better future, defined as deriving more than 50% of their revenue from business operations that:
  - are generating renewable energy, improving energy efficiency or seeking to reduce greenhouse gas emissions; or
  - are involved in water treatment or remediation; or
  - are focused on providing environmental services or otherwise focused on environmental outcomes; or
  - contribute to social welfare outcomes, including improving the safety, health or well-being of workers; or
  - relate to health outcomes, including health products and health services; or
  - support education outcomes; or
  - have strong governance frameworks including a diverse and independent board; OR
- Have a Perennial-derived ESG&E Score that exceeds the ESG&E score of the benchmark index.

The Trust does not invest in companies that to our knowledge receive any revenue from:

- the manufacture, distribution or sale of tobacco or alcohol products;
- the manufacture, distribution or sale of weapons or armaments;
- extraction or sale of thermal coal, uranium, oil or gas (other than recycled oil);
- gambling or betting operations;
- the production, sale or distribution of pornography;
- the manufacture or distribution of toxic pesticides;
- old growth forest logging; or
- operations or transportation associated with the live exportation of animals offshore.

## Investment Team



**Damian Cottier**

Portfolio Manager and Senior Equities Analyst

Years in Perennial: 16  
Years in the industry: 16



**Emilie O'Neill**

ESG and Equities Analyst

Years in Perennial: 2  
Years in the industry: 6

## Certifications



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 [www.responsiblereturns.com.au](http://www.responsiblereturns.com.au) for details.<sup>1</sup>

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.

## Contact us



Level 27, 88 Phillip Street, Sydney NSW 2000



[invest@perennial.net.au](mailto:invest@perennial.net.au)



[www.perennial.net.au](http://www.perennial.net.au)



1300 730 032