

	Month (%)	Quarter (%)	FTYD (%)	1 Year (%)	2 Years (% p.a.)	3 Years (% p.a.)	5 Years (% p.a.)	Since Inception [^] (% p.a.)	Since Inception Cumulative [^] (%)
Perennial Better Future Active ETF	0.2	4.1	1.2	1.2	-0.1	3.9	5.2	5.1	35.1
S&P/ASX Small Ordinaries Accumulation Index	0.8	8.6	12.3	12.3	10.8	10.0	7.4	4.9	34.3
Value Added	-0.6	-4.5	-11.1	-11.1	-10.9	-6.1	-2.2	0.2	0.8

[^]Inception date was 23 May 2019. Performance shown above are net of fees. Fund returns are calculated using net asset value per unit at the start and end of the specified period and do not reflect the brokerage or the bid ask spread that investors incur when buying and selling units on the ASX. Past performance is not a reliable indicator of future performance.

Overview

The benchmark extended its gains in June, rising 0.8% and shrugging off ongoing trade tariff uncertainty and escalating conflict in the Middle East. The Fund was up 0.2%, underperforming by 0.6%.

Positive contributors to relative performance during the month included PEXA Group (+7.0%), Australian Ethical (+8.3%) and Meridian Energy (+4.2%).

The main held detractors during the month were IDP Education (-52.9%), Immutep (-15.8%) and Genetic Signatures (-24.0%).

Looking forward, our target price forecasts* suggest that the portfolio is well positioned with a preference for stocks with company-specific drivers that we expect to materialise in the short to medium term and/or are expected to be operationally resilient regardless of the macroeconomic environment.

**Based on Perennial Value Management Forecasts. While due care has been used in the preparation of forecasts information, actual outcomes may vary in materially positive or negative manner.*

Perennial Better Future Active ETF

The aim of IMPQ 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. IMPQ seeks to provide a total return (after fees) that exceeds the S&P/ASX Small Ordinaries Accumulation Index.

Portfolio Manager

Damian Cottier

IMPQ FUM

\$44 million

Distribution Frequency

Annually (if any)

Fees

0.99% p.a. (incl of GST and RITC)
+ Performance fee

Inception Date

23 May 2019

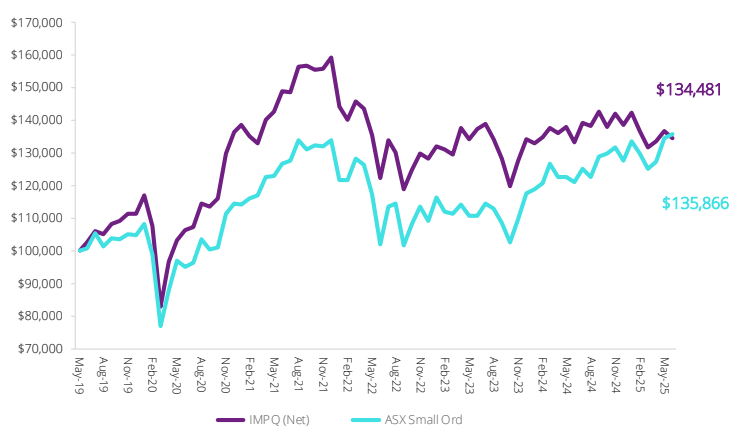
Better Future Highlight

During June, portfolio holding Alpha HPA provided an update on Stage 2 of the company's high purity alumina ("HPA") project including both construction progress and offtake arrangements with clients.

Alpha's unique HPA production process is expected to reduce greenhouse gas emissions by up to 70% versus traditional processes. The process has other advantages including significantly lower levels of impurities than traditional processes and diversifies supply away from jurisdictions such as Russia and China. One of the end uses for Alpha's HPA materials is as a thermal interface material in semiconductor manufacturing where the material is used to manufacture "heat sinks" to improve heat management of semiconductors. A key use is within large data centres, including those required for AI. The HPA material has been demonstrated to improve thermal conductivity by up to 30x compared to existing silica-based products which would significantly reduce the need for cooling in data centres.

Alpha's update suggests that it is making good progress with both client offtake arrangements and construction of the plant in Gladstone, Queensland.

Growth of \$100,000 Since Inception



As at 30 June 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.

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[^]**



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



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



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

Fund Review

The benchmark extended its gains in June, rising 0.8% and shrugging off ongoing trade tariff uncertainty and escalating conflict in the Middle East. The Fund was up 0.2%, underperforming by 0.6%.

Positive contributors to relative performance during the month included PEXA Group (+7.0%), Australian Ethical (+8.3%) and Meridian Energy (+4.2%).

The main held detractors during the month were IDP Education (-52.9%), Immutep (-15.8%) and Genetic Signatures (-24.0%).

IDP Education provided a weaker than expected trading update for the 2025 financial year due to ongoing weakness in the company's English language testing and student placement markets in Canada, Australia and the UK. While the update was weak, in our view the share price has overreacted and we continue to hold a modest position, as we expect conditions to improve, particularly in the UK and Australia. There were no incrementally negative company announcements from Immutep or Genetic Signatures with the companies impacted by generally weaker sentiment towards smaller healthcare stocks.

There were no material company announcements in relation to PEXA, although we met with a number of UK industry participants during the month that provided some incrementally positive insights into PEXA's role in the UK market.

Meridian Energy made two incrementally positive announcements. Firstly, that NZ Windfarms shareholders had approved Meridian's acquisition of the company. Meridian plans to upgrade and repower NZ Windfarms' Te Rere Hau project which is located near Palmerston on the North Island of NZ following which the generation capacity will increase up to 170MW. Meridian also announced that it had agreed to end the demand response agreement it had reached with New Zealand Aluminium Smelter earlier than expected due to improved hydro conditions.

Looking forward, our target price forecasts* suggest that the portfolio is well positioned with a preference for stocks with company-specific drivers that we expect to materialise in the short to medium term and/or are expected to be operationally resilient regardless of the macroeconomic environment.

At month end, the portfolio held 42 stocks and cash of 8.0%. The weighted average Perennial-derived Environmental, Social, Governance and Engagement ("ESGE") Score of the Fund was 7.3 which is 28% higher than the benchmark ESGE Score of 5.7.

**Based on Perennial Value Management Forecasts. While due care has been used in the preparation of forecasts information, actual outcomes may vary in materially positive or negative manner.*

ESG Activity

ESG activity during the month included:

- The ESG team joined Responsible Investment Association Australia's Human Rights Working Group and participated in the 40:40 Vision Working Group that relates to executive-level gender diversity. Perennial also participated in IAST's APAC Knowledge Event on APAC Core Modern Slavery Metrics.
- We engaged with IDP Education to discuss their improved modern slavery due diligence processes, new cyber security operations and chair succession process.
- Perennial's whole of staff undertook ESG Training run by the ESG team. The training consisted of Responsible AI, Mandatory Climate Reporting and how to engage with investee companies on these topics.
- This month Perennial prepared its annual PRI report. Perennial has been a reporting signatory to the PRI since 2009.
- Perennial's Sustainability Working Group met for their quarterly update to discuss key initiatives undertaken within each business unit over the quarter.

Top 5 Portfolio Positions	IMPQ (%)	Index (%)
Meridian Energy	6.1	0.0
AUB Group	5.1	1.5
Pexa Group	5.1	0.6
Chorus	4.9	1.2
NIB Holdings	4.8	1.2



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