

	Month (%)	Quarter (%)	FTYD (%)	1 Year (%)	2 Years (% p.a.)	3 Years (% p.a.)	5 Years (% p.a.)	Since Inception <sup>^</sup> (% p.a.)	Since Inception Cumulative <sup>^</sup> (%)
Perennial Better Future Active ETF	4.2	6.8	4.2	2.5	1.4	2.1	5.9	5.7	40.9
S&P/ASX Small Ordinaries Accumulation Index	2.8	9.7	2.8	11.5	10.4	7.1	7.7	5.3	38.1
<b>Value Added</b>	<b>1.4</b>	<b>-2.9</b>	<b>1.4</b>	<b>-9.0</b>	<b>-9.0</b>	<b>-5.0</b>	<b>-1.8</b>	<b>0.4</b>	<b>2.8</b>

<sup>^</sup>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 July, rising 2.8%. The Fund was up 4.2%, outperforming by 1.4% as a number of portfolio holdings provided positive updates on key stock catalysts.

Positive contributors this month included Australian Ethical (+22.7%), PEXA Group (+16.8%) and Calix (+70.6%).

Negative held contributors this month included G8 Education (-23.7%), Telix Pharmaceuticals (-13.8%) and Meridian Energy (-2.2%).

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

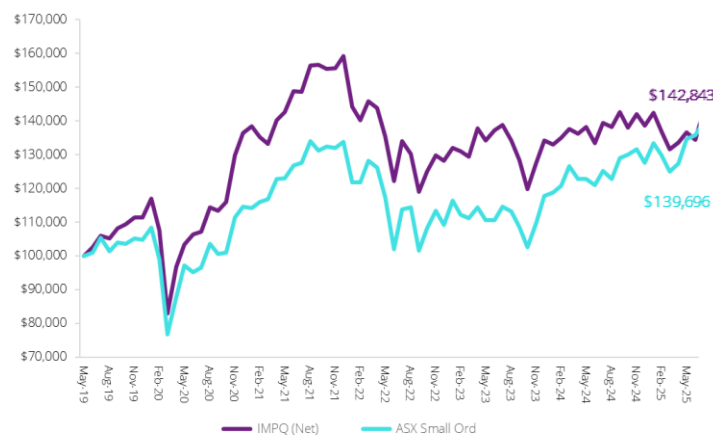
## Better Future Highlight

During July, portfolio holding Sims Ltd announced that it had entered into a Memorandum of Understanding with Alter Steel to supply scrap metal to support Alter's proposed Electric Arc Furnace (EAF) steelmaking facility which will be located near Brisbane. Under the agreement Sims may supply up to 550,000 tonnes of scrap metal annually.

The agreement with Alter follows the supply agreement signed in August 2024 between Sims and BlueScope Steel to support the Glenbrook EAF in New Zealand under which Sims will supply at least 200,000 tonnes of scrap per annum commencing early 2026.

Currently approximately 50 percent of Sims' ANZ volumes are exported and the agreements with Alter and Bluescope will cover the vast majority of these exports. This will enhance Sims' operational efficiency and market resilience while contributing to the onshoring and decarbonisation of steel capacity. The EAF steelmaking process is capable of reducing greenhouse gas emissions by up to 70% compared to traditional blast-furnace steelmaking processes.

## Growth of \$100,000 Since Inception



As at 31 July 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<sup>^</sup>**



**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 July, rising 2.8%. The Fund was up 4.2%, outperforming by 1.4% as a number of Fund holdings provided positive updates on key stock catalysts.

Positive contributors this month included Australian Ethical (+22.7%), PEXA Group (+16.8%) and Calix (+70.6%).

Negative held contributors this month included G8 Education (-23.7%), Telix Pharmaceuticals (-13.8%) and Meridian Energy (-2.2%).

Australian Ethical announced a strong quarterly update and benefitted from improved sentiment towards market-exposed stocks.

PEXA announced that top-tier UK bank NatWest plc had formally committed to use PEXA's UK platform for both remortgage and sale and purchase transactions. This is a significant milestone and puts PEXA in a strong position to sign further customers given the efficiency and competitive benefits of its platform. For instance, a remortgage transaction on the PEXA platform is able to be executed in around 48 hours compared to 4-6 weeks under current processes.

Calix announced that it has received a \$45m grant from federal government agency ARENA to build a 30,000 tonne per annum ZESTY Green Iron Demonstration Plant. The full-scale Plant is designed to process iron ores from a range of producers to support the development of a green iron industry in Australia. The company is in negotiations with a number of parties to finalise the location of the project as part of a competitive process and expects to reach final investment decision for the project later this financial year with operations to commence in 2028.

Other companies to announce key catalysts include Sims (see Better Future Highlight section for more detail), Janison Education which announced an agreement with the New Zealand Ministry of Education for a national assessment tool for Years 3-10 and Micro-X which announced a supply agreement for its nano X-ray product with a large US healthcare group.

Telix Pharmaceuticals delivered a weaker than expect second quarter update and G8 Education was weaker after announcing that a former employee had been charged with offences involving children. We have engaged with the company in relation to the issues raised and the steps the company is taking to strengthen its processes going forward. We had been reducing the Fund's position in the company prior to the announcement and have further reduced the position during the month.

Looking forward, our target price forecasts\* suggest that the Fund 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 Fund held 42 stocks and cash of 7.6%. The weighted average Perennial-derived Environmental, Social, Governance and Engagement ("ESGE") Score of the Fund was 7.3 which is 27% 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:

- Perennial Partners achieved its Climate Active Certification for carbon neutral operations for FY2024.
- Perennial Partners submitted its annual United Nations Principles for Responsible Investment Report for 2025.
- We engaged with Genetic Signatures on their ESG risk management and disclosures, specifically modern slavery, cyber security and mandatory climate reporting.
- We engaged with Fisher and Paykel Healthcare on improving diversity at management level and to demonstrate improvement over time.
- We engaged with G8 Education following the recent allegations and to monitor how the incident is being managed.
- Alpha HPA issued shares to a First Nations group in Gladstone region as part of a broader commitment toward first nations community engagement.

Top 5 Portfolio Positions	IMPQ (%)	Index (%)
Meridian Energy	5.8	0.0
Pexa Group	5.1	0.7
Chorus	5.0	1.2
NIB Holdings	5.0	1.3
AUB Group	4.8	1.4




Portfolio Manager  
Damian Cottier



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