Dear Fellow Shareholder,

Investment portfolio performance
Global equities fell in September as the US Federal Reserve indicated that interest rates will remain high through 2024. This has in turn pushed up bond yields, with the 10-year US Treasury yield reaching 4.7% during the month, its highest level since October 2007. In Australia, annual inflation increased for the first time in four months due to rising oil prices.

The Future Generation Australia (ASX: FGX) investment portfolio decreased 2.5%* for the month, outperforming the S&P/ASX All Ordinaries Accumulation Index which fell 2.8%. The Future Generation Global (ASX: FGG) investment portfolio decreased 4.1%* in September, while the MSCI AC World Index (AUD) fell 3.7%.

Please join the Future Generation Summit - Thursday 26 October 2023
I am excited to invite you to the Future Generation Summit in Sydney, a bespoke event that will feature Australian and global leaders in investing and philanthropy. You will hear industry experts discuss the future of Australia - its economy, artificial intelligence, geopolitics, the cost of living and its impact on youth mental health. We will be hosting several panels including a discussion with Geoff Wilson AO, and humanitarian activist Dan Pallotta, whose TED Talk on philanthropy *The way we think about charity is dead wrong*, has been viewed more than five million times. Places are limited so we encourage you to register. There will also be an option to attend virtually and a recording will be available following the event. Register here.

Missed it? Watch our HY2023 Results Webinar recording
Please enjoy the recording of our Future Generation HY2023 Results Webinar. Our pro bono fund managers, Tom Richardson from Paradice Investment Management and Nick Markiewicz from Lanyon, joined myself and Geoff Wilson AO, Founder and Director of Future Generation, Chairman and Chief Investment Officer of Wilson Asset Management, to discuss the companies' half-year results, their market outlook, high conviction investment ideas and answer shareholder questions. Read The Australian's media coverage of the webinar here.
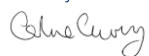
***2fold: Investing for impact* podcast series**
We released our latest episode of *2fold: Investing for impact*, with Mirabel Founder, Jane Rowe OAM. Jane dedicates her life to helping the children left behind in the wake of substance abuse. In this episode, Jane candidly shares her story, Mirabel's mission and how we can unite to bring about positive change. The episode and transcript are available here.

Top fund managers share stock picks
Following on from reporting season, some of Future Generation's pro bono fund managers shared their long-term high conviction investment ideas with James Thomson, Chanticleer columnist at The Australian Financial Review. Read why they are investing in companies such as Domino's Pizza (ASX: DMP), Aussie Broadband (ASX: ABB), and Netflix (NASDAQ: NFLX) in the article here.

For this month's Meet the Manager we spoke with Morry Waked, Managing Director and Head of Investments at Vinva Investment Management, a Future Generation Australia and Future Generation Global pro bono fund manager. Vinva Investment Management specialises in quantitative investing, an approach that uses mathematical models and algorithms to identify investment opportunities. In this interview, Morry discusses the impact of artificial intelligence and machine learning on quantitative investing and how it can be used to enhance investor outcomes.

Thank you and best wishes,

Caroline Gurney
CEO, Future Generation

*Investment portfolio performance is before expenses, fees and taxes to compare to the relevant indexes which are also before expenses, fees and taxes.

$75.9m
SOCIAL INVESTMENT TO 2023

$5.2m
Future Generation Australia 2023

$5.4m
Future Generation Global 2023

2023 total social investment — **$10.6m**

2023 annualised management fees, performance fees and service provider fees forgone

$17.6m

Total annualised management fees, performance fees and service provider fees forgone since inception to 2023

$131.3m

Investment portfolio performance

The below NTA figures are <u>before</u> the interim fully franked dividend of 3.35 cents per share due to be paid on 27 October 2023. The shares traded ex-dividend on 12 October 2023.

Net tangible assets before tax	Gross assets	Dividends paid since inception (per share)
128.87c	**$530.2m**	**39.8c**

Net tangible assets after tax and before tax on unrealised gains	Market capitalisation#	Profits reserve (per share)
129.07c	**$469.0m**	**30.2c**

Net tangible assets after tax	Volatility^	Annualised interim fully franked dividend yield#
126.47c	**11.8%** S&P/ASX All Ordinaries Accumulation Index: 14.4%	**5.8%** Grossed-up dividend yield: 8.3%^^

#Based on the 29 September 2023 share price of $1.155 per share and the FY23 annualised interim fully franked dividend of 6.7 cents per share. Future Generation Australia has 406,064,249 shares on issue.
^Volatility is measured by standard deviation.
^^Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.

Investment portfolio performance at 30 September 2023	1 Mth	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (Sept-14)
Future Generation Australia	-2.5%	6.0%	10.9%	8.4%	6.5%	7.8%	8.4%
S&P/ASX All Ordinaries Accumulation Index	-2.8%	4.0%	13.1%	10.8%	6.8%	8.1%	7.2%

Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes. Future Generation Australia's financial year is from 1 January to 31 December.

Fund manager allocations

0% management fees
0% performance fees
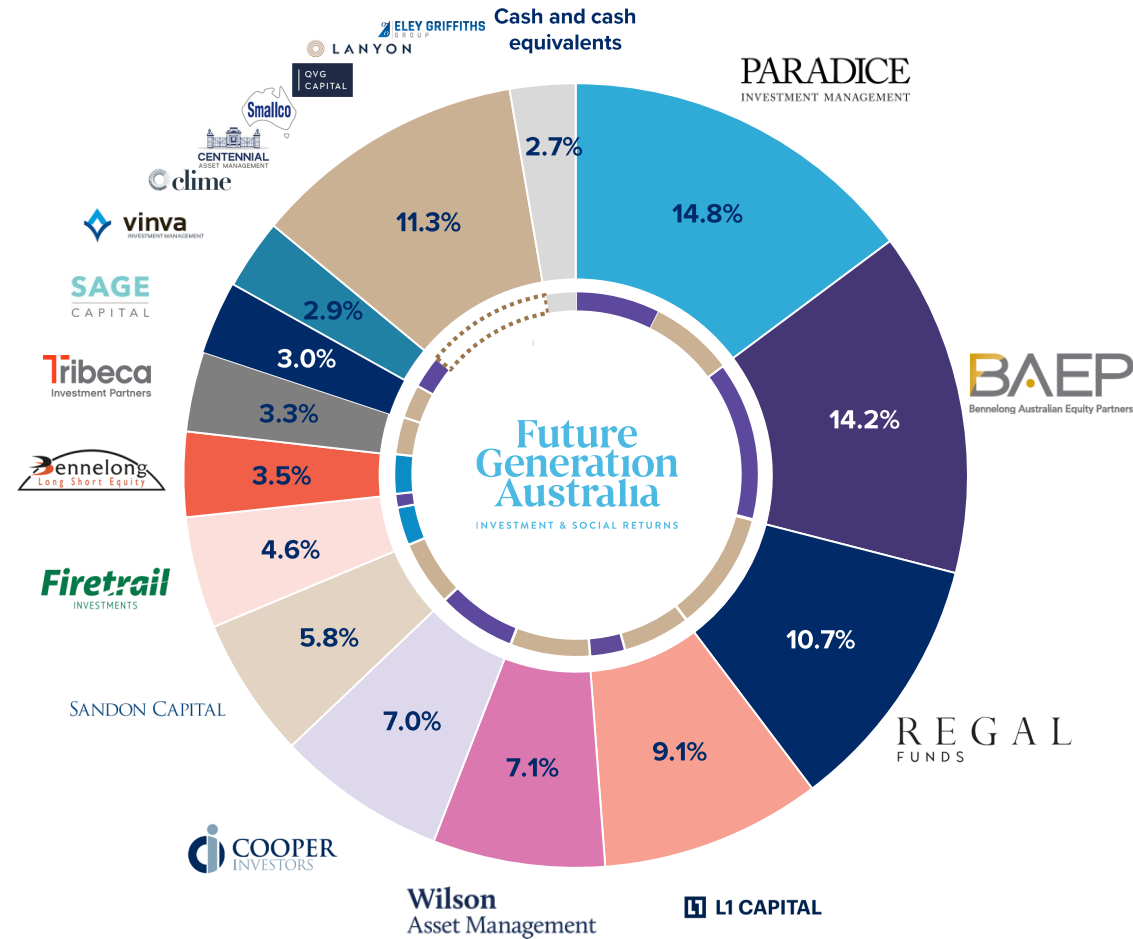
11.3% fund manager breakdown			
Clime Investment Management	2.8%	QVG Capital	1.6%
Centennial Asset Management	2.5%	Lanyon	1.2%
Smallco Investment Manager	2.1%	Eley Griffiths Group	1.1%

Absolute bias	**47.0%**
Long equities	**43.4%**
Market neutral	**6.9%**
Cash	**2.7%**

Investment portfolio performance

The below NTA figures are <u>before</u> the interim fully franked dividend of 3.6 cents per share due to be paid on 20 October 2023. The shares traded ex-dividend on 5 October 2023.

Net tangible assets before tax **141.51c**	**Gross assets** **$568.1m**	**Profits reserve (per share)** **52.7c**
Net tangible assets after tax and before tax on unrealised gains **141.62c**	**Market capitalisation#** **$475.6m**	**Annualised interim fully franked dividend yield#** **6.0%** Grossed-up dividend yield: 8.6%^
Net tangible assets after tax **137.36c**	**Volatility*** **9.8%** MSCI AC World Index (AUD): 10.8%	**ESG aware^^** (of the portfolio) **98.3%**

#Based on the 29 September 2023 share price of $1.20 per share and the FY23 annualised interim fully franked dividend of 7.2 cents per share. Future Generation Global has 396,293,447 shares on issue.
^Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.
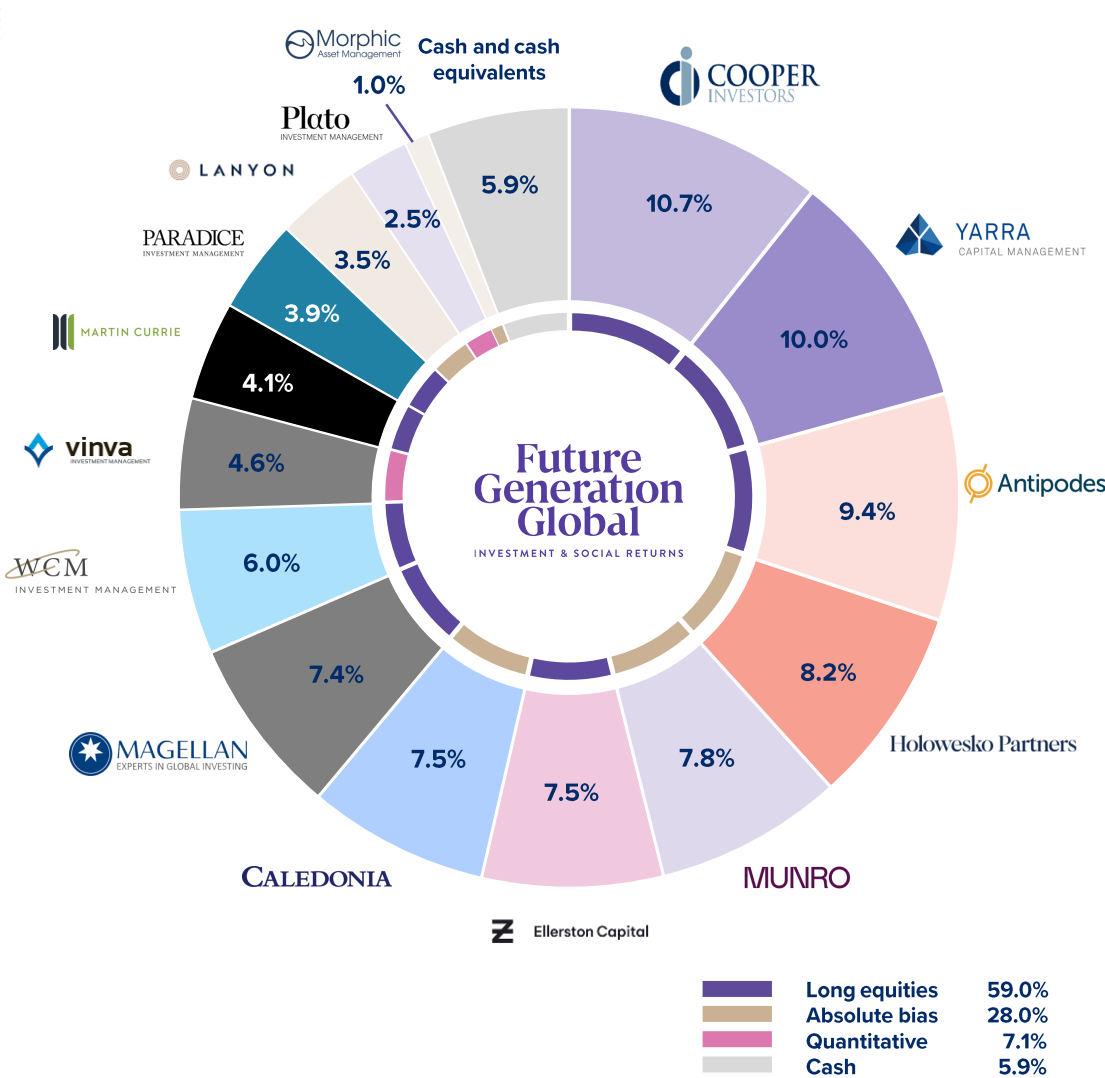*Volatility is measured by standard deviation.
^^As reported in the 2022 Annual Report.

Investment portfolio performance at 30 September 2023	1 mth	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (Sept-15)
Future Generation Global	-4.1%	11.9%	17.7%	3.0%	5.5%	8.7%	7.5%
MSCI AC World Index (AUD)	-3.7%	16.5%	20.6%	10.8%	9.0%	11.3%	9.8%

Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes. Future Generation Global's financial year is from 1 January to 31 December.

Future Generation Global Limited (ASX: FGG)   ABN: 52 606 110 838

Fund manager allocations

0% management fees
0% performance fees

Morphic Asset Management 1.0%
Plato Investment Management
Cash and cash equivalents 5.9%
LANYON 2.5%
COOPER INVESTORS 10.7%
PARADICE Investment Management 3.5%
YARRA CAPITAL MANAGEMENT 10.0%
MARTIN CURRIE 3.9%
Antipodes 9.4%
4.1%
vinva INVESTMENT MANAGEMENT 4.6%
Holowesko Partners 8.2%
WCM INVESTMENT MANAGEMENT 6.0%
MAGELLAN EXPERTS IN GLOBAL INVESTING 7.4%
CALEDONIA 7.5%
Ellerston Capital 7.5%
MUNRO 7.8%

■ Long equities	59.0%
■ Absolute bias	28.0%
■ Quantitative	7.1%
■ Cash	5.9%

Future Generation Australia
INVESTMENT & SOCIAL RETURNS

Morry Waked

Managing Director and Head of Investments at Vinva Investment Management

vinva INVESTMENT MANAGEMENT

You are one of the few quantitative investors in our Future Generation investment portfolios. Do you mind explaining what quantitative investing is?
Quantitative or systematic investing is an approach that uses advanced models to make and implement investment decisions. At Vinva we use vast amounts of data and develop models and algorithms that allow us to forecast relative stock price returns (i.e. stock ranking models). These return forecasts are then combined with our risk and transaction cost models to build efficient portfolios for our clients.

Like all good investment managers, our biggest asset is our people. We are an intellectual capital firm and it is the insights and ideas from our people that are key to our models. From our perspective, the advantage of systematic investing is that it creates discipline and removes emotion from the investment process.

You've been a Future Generation Australia pro bono fund manager for years, but you recently began managing money on behalf of Future Generation Global too. As a quantitative fund manager, what do you bring to each portfolio for shareholders?
The Future Generation Australia and Future Generation Global portfolios have exposure to some very well credentialed fund managers and the Vinva team is incredibly proud to be a pro bono fund manager for Future Generation in both the Australian and global equity portfolios. Our portfolios are actively managed whereby we take small, yet deliberate positions in a large number of stocks. This is complementary to the other styles of managers in the Future Generation Australia and Future Generation Global investment portfolios and therefore enhances the portfolio's risk-return profile.

Why do you think your style of investment strategy works?
The success of our investment strategies ultimately depends on the quality of our team and the investment insights generated. It is our people who develop the models and the insights that allow us to adapt to dynamic market conditions to continually innovate and stay ahead.

On average, emotion detracts from investment performance. Having a disciplined and data-driven approach to investment decision-making removes emotion and knee-jerk reactions from decision-making. This leads to consistent outperformance over time throughout market cycles.

A big advantage of our style is that we can process huge amounts of real-time data, identifying patterns, trends, and mispricing that may not be necessarily apparent to other investors. This data-driven approach leads to more informed, timely investment decisions and portfolios that take a large number of active bets rather than a concentrated number of large active bets.

How do you think artificial intelligence (AI) will impact your style of investing?
The Vinva team has been at the forefront of artificial and machine learning and language processing techniques since 2006, extracting valuable information from numerous sources of written text to measure changes in sentiment amongst other things. We have developed a leading-edge, proprietary investment platform that processes large quantities of information quickly and allows us to implement decisions into our portfolios very quickly.

The emergence of AI has seen an increasing focus on how investors can use these tools to enhance performance outcomes for clients. Financial markets are very noisy and a large amount of data is unstructured. We have been using AI for many years now. The key is knowing how to use it and on which types of data. Implemented in the right way, AI can be used effectively to enhance and supplement existing models to enhance investor outcomes.

We are incredibly grateful that you are one of our pro bono fund managers. Why do you do it?
I speak for the whole Vinva team in saying that we are very proud to be managing money on behalf of Future Generation Australia and Future Generation Global shareholders.

As a firm, we feel we are very much aligned with Future Generation's objective of making a positive impact for tomorrow's generations. The focus on children at risk and youth mental health are issues very close to our hearts and where we can contribute to the great work of Future Generation, we are very happy to. Coming back to the importance of culture within our firm, supporting initiatives such as Future Generation is ingrained in the ethos of our business and our people who demonstrate the awareness and importance of giving back to society.

What are the two key lessons you've learned from your time in the market?
There are plenty of things I have learned over the years and I am still learning. Two things that come to mind are:

Firstly, to know what you don't know. Stock markets are dynamic and the information flow globally is huge. The signal-to-noise ratio is low, i.e. a lot of the day-to-day volatility in stock price moves is driven by noise rather than information. Therefore, in addition to "knowing what you know", it is arguably more important to "know what you don't know". Markets can be quite humbling so it is important to understand that there is a lot going on that we cannot explain accurately. Hence, when constructing portfolios, we need to control risks and avoid inadvertent exposures.

Secondly, successful active management requires great people first and foremost, as well as leading investment insights and world-class research. These are necessary ingredients, but not sufficient on their own. It also requires a strong investment philosophy and a culture of discipline and patience. Even more so in this modern day of technology, with easy access to data and trading platforms, there is a greater propensity for relative mispricing to develop and stay for prolonged periods.

You can access the full interview on our website.

Future Generation

INVESTMENT & SOCIAL RETURNS

The Future Generation companies provide exposure to leading Australian and global fund managers

Future Generation Australia fund managers

- BAEP — Bennelong Australian Equity Partners
- REGAL FUNDS
- PARADICE INVESTMENT MANAGEMENT
- COOPER INVESTORS
- ELEY GRIFFITHS GROUP
- Wilson Asset Management
- L1 CAPITAL
- SANDON CAPITAL
- Firetrail INVESTMENTS
- VINVA INVESTMENT MANAGEMENT
- Bennelong Long Short Equity
- clime
- SAGE CAPITAL
- CENTENNIAL ASSET MANAGEMENT
- Tribeca Investment Partners
- QVG CAPITAL
- Smallco
- LANYON

Future Generation Global fund managers

- MAGELLAN EXPERTS IN GLOBAL INVESTING
- COOPER INVESTORS
- Antipodes
- LANYON
- Morphic Asset Management
- CALEDONIA
- YARRA CAPITAL MANAGEMENT
- Plato INVESTMENT MANAGEMENT
- Ellerston Capital
- MUNRO
- WCM INVESTMENT MANAGEMENT
- PARADICE INVESTMENT MANAGEMENT
- VINVA INVESTMENT MANAGEMENT
- Holowesko Partners
- MARTIN CURRIE

Future Generation Australia
INVESTMENT & SOCIAL RETURNS

Social impact partner in focus:

the mirabel foundation

Jane Rowe OAM, Founder and CEO of the Mirabel Foundation

Listen to our _2fold: investing for impact episode_ with Jane OAM, Founder and CEO of the Mirabel Foundation.

"We can make a difference. We can fix this. Don't get overwhelmed. Working together we can absolutely make a difference and turn people's lives around."

The Mirabel Foundation helps children who have been orphaned or abandoned due to their parents' drug abuse and are now in the care of extended family.

For more information, visit www.mirabelfoundation.org.au

Our social impact partners

Our pro bono service providers

Fund manager allocation and investments at market value as at 30 September 2023

Fund Manager	Investment	Strategy	% of Gross Assets
	Mid Cap/Equity Alpha Plus Funds (split out below)		14.8%
Paradice Investment Management	Paradice Australian Mid Cap Fund	Long equities	7.4%
	Paradice Equity Alpha Plus Fund	Absolute bias	7.4%
Bennelong Australian Equities Partners	Bennelong Australian Equities Fund	Long equities	14.2%
Regal Funds Management	Regal Australian Long Short Equity Fund	Absolute bias	10.7%
	Long Short/Catalyst Funds (split out below)		9.1%
L1 Capital	L1 Capital Long Short Fund	Absolute bias	6.0%
	L1 Capital Catalyst Fund	Long equities	3.1%
Wilson Asset Management	Wilson Asset Management Equity Fund	Absolute bias	7.1%
Cooper Investors	Cooper Investors Australian Equities Fund	Long equities	7.0%
Sandon Capital	Sandon Capital Activist Fund	Absolute bias	5.8%
	Absolute Return/High Conviction Funds (split out below)		4.6%
Firetrail Investments	Firetrail Absolute Return Fund	Market neutral	3.4%
	Firetrail High Conviction Fund	Long equities	1.2%
Bennelong Long Short Equity Management	Bennelong Long Short Equity Fund	Market neutral	3.5%
Tribeca Investment Partners	Tribeca Alpha Plus Fund	Absolute bias	3.3%
Sage Capital	Sage Capital Equity Plus Fund	Absolute bias	3.0%
Vinva Investment Management	Vinva Australian Equities Fund	Long equities	2.9%
Clime Investment Management	Clime Australian Equities Fund	Long equities	2.8%
Centennial Asset Management	The Level 18 Fund	Absolute bias	2.5%
Smallco Investment Manager	Smallco Broadcap Fund	Long equities	2.1%
QVG Capital	QVG Opportunities Fund	Long equities	1.6%
Lanyon	Lanyon Australian Value Fund	Absolute bias	1.2%
Eley Griffiths Group	Eley Griffiths Group Small Companies Fund	Long equities	1.1%
	Cash and cash equivalents		2.7%

Future Generation Global
INVESTMENT & SOCIAL RETURNS

Fund manager allocation and investments at market value as at 30 September 2023

Fund Manager	Investment	Strategy	% of Gross Assets
Cooper Investors	Cooper Investors Global Equities Fund (Unhedged)	Long equities	10.7%
Yarra Capital Management	Yarra Global Share Fund	Long equities	10.0%
Antipodes Partners	Antipodes Global Fund - Long	Long equities	9.4%
Holowesko Partners	Holowesko Global Fund Limited - Class A	Absolute bias	8.2%
Munro Partners	Munro Global Growth Fund	Absolute bias	7.8%
Ellerston Capital	Ellerston Global Mid Small Cap Fund	Long equities	7.5%
Caledonia	Caledonia Global Fund	Absolute bias	7.5%
Magellan Asset Management	Magellan Global Fund	Long equities	7.4%
WCM Investment Management	WCM Quality Global Growth Fund (Hedged)	Long equities	6.0%
Vinva Investment Management	Vinva International Equity Fund	Quantitative	4.6%
Martin Currie Investment Management	Martin Currie Global Long-term Unconstrained Fund	Long equities	4.1%
Paradice Investment Management	Paradice Global Small Mid Cap Fund (Unhedged)	Long equities	3.9%
Lanyon Asset Management	Lanyon Global Value Fund	Absolute bias	3.5%
Plato Investment Management	Plato Global Alpha Fund – Class Z	Quantitative	2.5%
Morphic Asset Management	Morphic Ethical Equities Fund Limited	Absolute bias	1.0%
	Cash and cash equivalents		5.9%