

# Future Generation

DO WELL. DO GOOD.

## March 2025 Investment Update

### Dear Fellow Shareholder,

#### Investment portfolio performance in March

- The Future Generation Global (ASX: FGG) investment portfolio decreased 3.5%\* in March, outperforming the MSCI AC World Index (AUD) by 1.0%.
- The Future Generation Australia (ASX: FGX) investment portfolio decreased 3.9%\* in March, while the S&P/ASX All Ordinaries Accumulation Index decreased 3.5%.

#### Fund managers insights

Amid heightened market volatility sparked by recent tariff announcements from US President Donald Trump, experience and conviction matters.

Our Australian and global investment portfolios are diversified, actively managed, and have historically experienced less volatility than the broader market - helping deliver long-term returns to shareholders.

Several of our fund managers joined us for our National Shareholder Presentations over the past fortnight to share their insights. Among them, Yarra Capital's Katie Hudson, Future Generation Founder Geoff Wilson AO, GCQ Funds' Doug Tynan, and L1 Capital's Andrew Levy were featured in [The Australian Financial Review \(AFR\)](#) after speaking at our Melbourne event. They discussed how they are actively capitalising on the current dislocation in markets.

As Katie Hudson noted, "It feels like an opportunity-rich environment". From selectively buying high-quality global stocks like Alphabet (NASDAQ: GOOGL) and Amazon.com (NASDAQ: AMZN) to identifying local gems such as Breville Group (ASX: BRG) and Eagers Automotive (ASX: APE), our leading fund managers are demonstrating the power of active stock selection.

Andrew Levy said, "We're not rushing in and buying the whole market, but taking a sniper-shot approach to stocks that we really like, or we already own and can reinforce that view with bigger positions."

Unlike passive strategies, which simply track the market's ups and downs, active management is built to navigate uncertainty, manage downside risk, and uncover long-term value.

Since inception, Future Generation Australia has outperformed the S&P/ASX All Ordinaries Accumulation Index, increasing 8.7%\* per annum while taking on less risk\*\* than the market. Similarly, the Future Generation Global investment portfolio has increased 9.3%\* per annum, with less risk\*\* than the MSCI AC World Index (AUD).

We are committed to delivering long-term value for shareholders, while also supporting Australian not-for-profits through our unique philanthropic model.

#### Updates

- Please watch our Sydney Shareholder Presentation [here](#), our Sydney AFR panel [here](#), and James Thomson's AFR Chanticleer article featuring Jacob Mitchell, Founder and CIO of Antipodes, one of our pro bono partners [here](#).
- Future Generation proudly championed the 2025 International Women's Day theme: Accelerate Action. Our leading fund managers shared their 5 must-watch stock tips on [Livewire](#). Julia Weng, Portfolio Manager at Paradice Investment Management, also showcased the Future Generation model on [ausbiz](#).
- In our latest episode of [Take Stock](#), Jennifer Westacott AO, Chair of Future Generation Global, discusses the role of social justice as a driving force in her life and the importance of creating vehicles, like the Future Generation model, for everyday individuals to be involved in philanthropy. Read the coverage of the podcast by Damon Kitney, in [The Australian Business Review](#). Read a summary of the episode on page 4.

If you would like to speak to myself or the Future Generation team, please call us on (02) 9247 9202 or email [info@futuregeninvest.com.au](mailto:info@futuregeninvest.com.au).



Caroline Gurney  
CEO, Future Generation

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

\*\*Risk is measured by volatility. Volatility is a statistical measure of the dispersion of returns for a given security or market index. Volatility is measured by standard deviation and can be thought of as an assessment of the risk in the investment portfolio. In most cases, the higher the volatility, the riskier the investment.



# \$87.2m

SOCIAL  
INVESTMENT  
TO 2024



# \$5.4m

Future  
Generation  
Australia  
2024

# \$5.9m

Future  
Generation  
Global  
2024

### 2024 total social investment

# \$11.3m

### 2024 savings on management fees, performance fees and service provider fees forgone

### Total savings on management fees, performance fees and service provider fees forgone since inception to 2024

# \$20.8m

# \$152.1m

## Investment portfolio performance

The below NTA figures are before the fully franked final dividend of 3.7 cents per share due to be paid on 23 May 2025. The shares will trade ex-dividend on 12 May 2025.

Net tangible assets before tax	Assets	Dividends paid since inception (per share)
<b>166.17c</b>	<b>\$668.0m</b>	<b>30.4c</b> Including the value of franking credits: 43.4c
Net tangible assets after tax and before tax on unrealised gains	Month-end share price (at 31 March 2025)	Profits reserve (per share)
<b>163.47c</b>	<b>\$1.43</b>	<b>69.8c</b>
Net tangible assets after tax	Volatility*	Grossed-up dividend yield <sup>^</sup>
<b>153.49c</b>	<b>9.8%</b> MSCI AC World Index (AUD): 10.6%	<b>7.4%</b> Fully franked dividend yield: 5.2% <sup>^</sup>

\*Volatility is a statistical measure of the dispersion of returns for a given security or market index. Volatility is measured by standard deviation, and can be thought of as an assessment of the risk in the investment portfolio. In most cases, the higher the volatility, the riskier the investment.

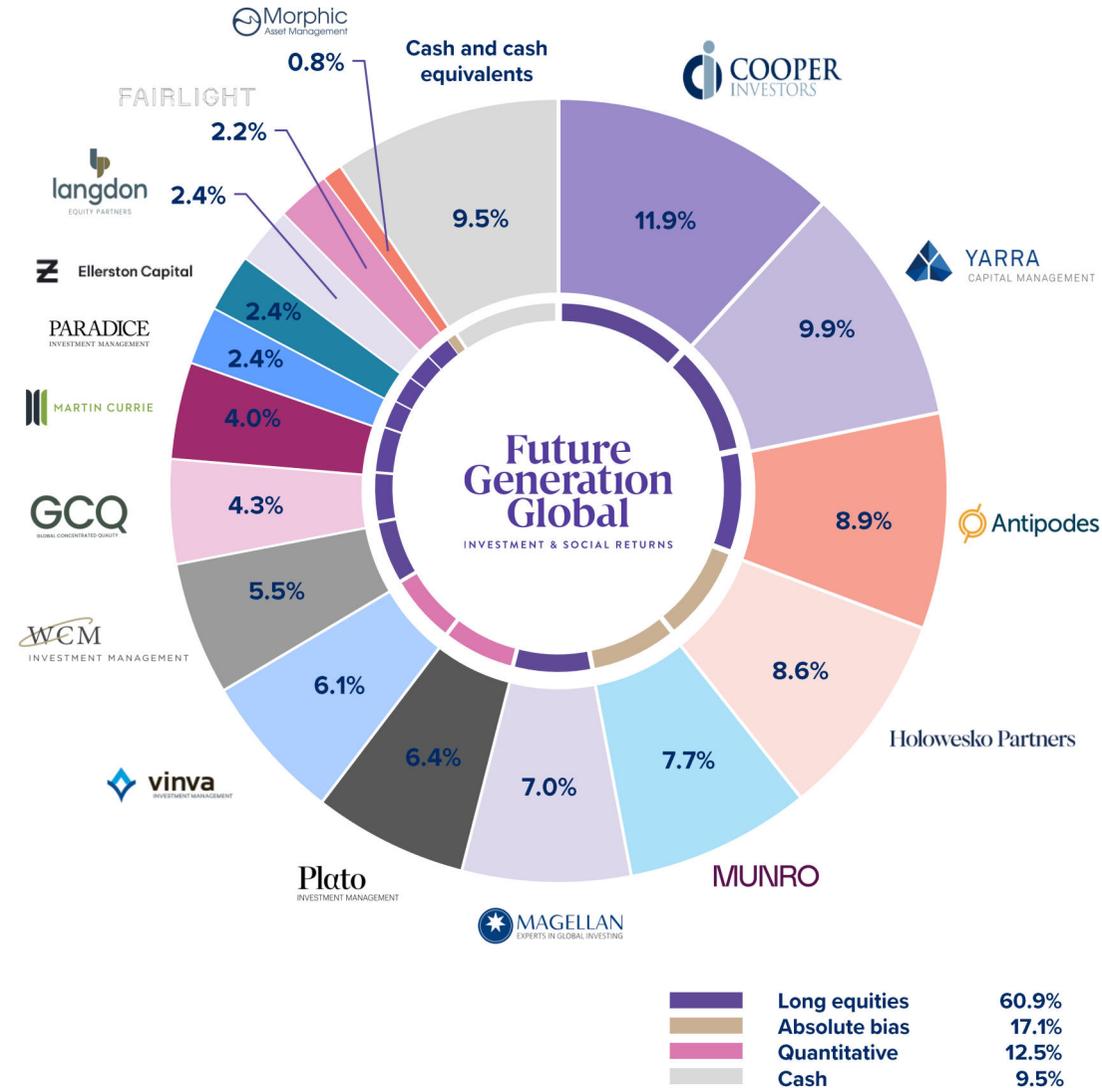
<sup>^</sup>Based on the 31 March 2025 share price and the FY24 fully franked full year dividend of 7.4 cents per share. Grossed-up dividend yield includes the value of franking credits and is based on a tax rate of 30.0%.

Investment portfolio performance at 31 March 2025	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (Sept-15)
Future Generation Global	-0.7%	11.2%	11.5%	10.3%	9.6%	9.3%

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

## Fund manager allocations

0% management fees  
0% performance fees



## Investment portfolio performance

The below NTA figures are before the fully franked final dividend of 3.5 cents per share due to be paid on 21 May 2025. The shares will trade ex-dividend on 8 May 2025.

Net tangible assets before tax	Assets	Dividends paid since inception (per share)
<b>134.56c</b>	<b>\$555.0m</b>	<b>50.0c</b> Including the value of franking credits: 71.4c
Net tangible assets after tax and before tax on unrealised gains	Month-end share price (at 31 March 2025)	Profits reserve (per share)
<b>131.74c</b>	<b>\$1.22</b>	<b>41.5c</b>
Net tangible assets after tax	Volatility*	Grossed-up dividend yield <sup>^</sup>
<b>129.99c</b>	<b>11.7%</b> S&P/ASX All Ordinaries Accumulation Index: 14.0%	<b>8.1%</b> Fully franked dividend yield: 5.7% <sup>^</sup>

\*Volatility is a statistical measure of the dispersion of returns for a given security or market index. Volatility is measured by standard deviation, and can be thought of as an assessment of the risk in the investment portfolio. In most cases, the higher the volatility, the riskier the investment.

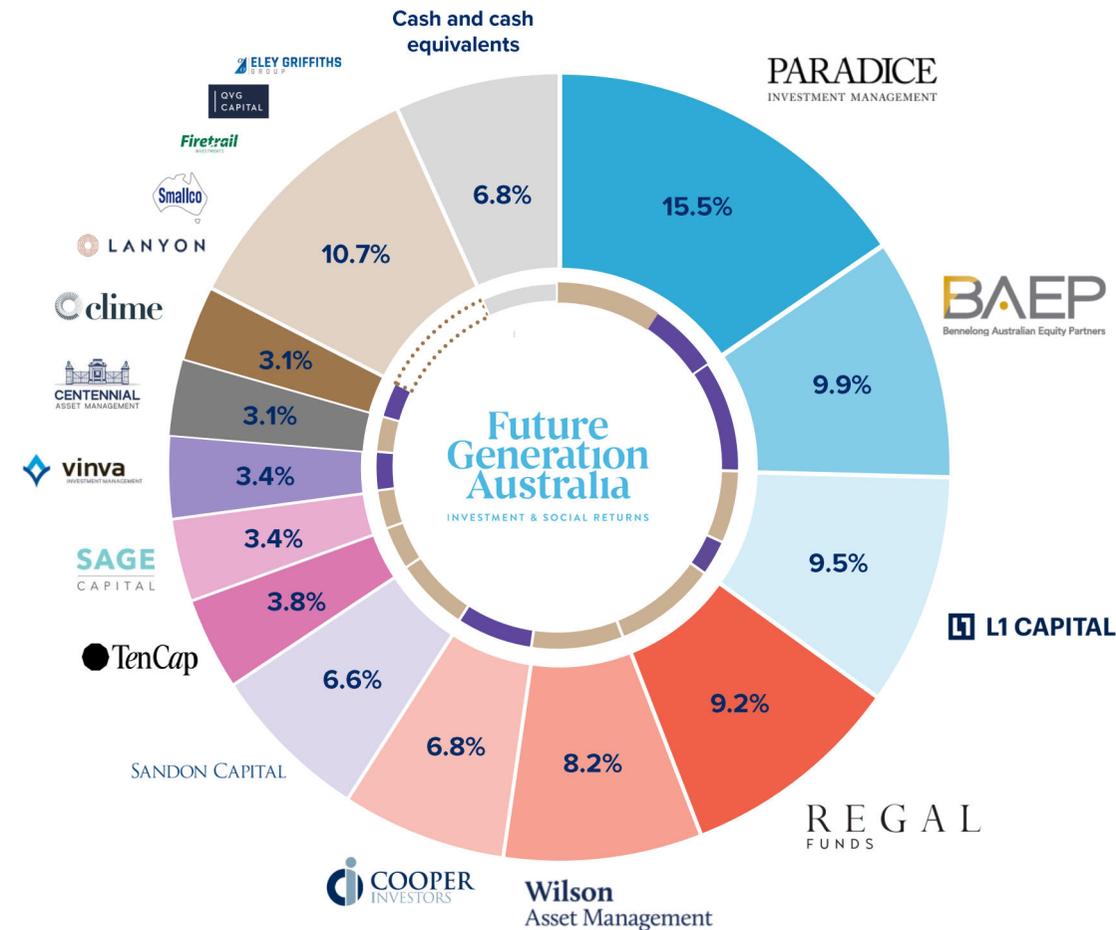
<sup>^</sup>Based on the 31 March 2025 share price and the FY24 fully franked full year dividend of 7.0 cents per share. Grossed-up dividend yield includes the value of franking credits and is based on a tax rate of 30.0%.

Investment portfolio performance at 31 March 2025	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (Sept-14)
Future Generation Australia	-3.6%	2.3%	4.3%	13.4%	8.2%	8.7%

Investment portfolio performance is 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



### 10.7% fund manager breakdown

Fund Manager	Allocation (%)	Category	Percentage
Lanyon Asset Management	2.9%	Absolute bias	52.9%
Smallco Investment Manager	2.3%	Long equities	40.3%
Firetrail Investments	2.3%	Long equities	40.3%
QVG Capital	1.8%	Cash	6.8%
Eley Griffiths Group	1.4%	Cash	6.8%

# Investing for Impact with Jennifer Westacott

## Jennifer Westacott, AO



In our latest [2fold: Investing for Impact episode](#), we speak with Jennifer Westacott, Chair of Future Generation Global.

**As the Business Council of Australia's longest-serving Chief Executive, Jennifer advocated for a stronger and fairer society through achieving a faster growing, more diverse and internationally competitive economy. She is also a patron of Mental Health Australia. In 2018, Jennifer was made an Officer (AO) in the General Division of the Order of Australia. Read the full transcript [here](#).**

### Why did you take on the Chair of Future Generation Global, and how does this align with you?

It is that twofold approach – what I call the double dividend. We are running an investment fund that creates great returns for its shareholders, and at the same time, we have this unique model of this 1% plough back into mental health programs and young people. We never lose sight of those two objectives.

### What is your personal twofold?

I think the first big driving force in my life is social justice. Ever since I was a young person, I was very committed to doing things that are good for society, that particularly look after disadvantaged people, as I came from a very disadvantaged background. The second thing is wanting to be part of the big conversations and the big changes in the country. Hence my time at the Business Council, where I was a part of the big national shaping debates, that is a great privilege to do that.

### How can more people get involved in the philanthropic sector?

A lot of people I think, feel helpless. They see these things on the news, they don't know how they can help. And they think philanthropy is for billionaires and millionaires. They don't think that public service can be achieved by everybody in small ways. And so, I think what we are doing at Future Generation allows people to, even if they buy just a few shares, they are still making that contribution, as well as putting their money into a good investment. I think we have to create more vehicles for people to do that.

**The Australian Federal Police Commissioner recently said that there has been an escalation of anti-Semitism in Australia. What do you think is fuelling this rise? And how should we as a society, and as individuals respond to this challenge?**

I think things are changing and not for the good. I am very concerned about the spate and the increasing level of violence associated with these anti-Semitic attacks. And I think Australians should be deeply worried about it. Of course, it is not a Jewish problem. It is an Australian problem. It goes against our democracy. It goes against our freedom. It goes against our way of life. It goes against our stability and social cohesion.

If you turn a blind eye to one form of hatred, you open the door to many others. You open the door to homophobia, to Islamophobia, to racism more generally. And these things come about through history where people “let one through to the keeper”, to use our Australian expression. And I think this is one where we have to stop doing that, because we will create an environment where people think it is ok to say anything about anybody, or worse, do things to people. That is not how we want to lead as a country. It is a very, very dangerous force. But there is no doubt this is a long-standing hatred and people feel it deeply. I do not understand it. I have never understood it. And to think that it does not take very much to un-seed that hatred again, I am very depressed by that. As a society, we must do something about this.

### How do you feel about the balance between protecting free speech and curbing hate speech?

I think people can see hate speech. It is designed to intimidate, belittle, and humiliate people. It is designed to threaten people. And so, I think when people denigrate, when they intimidate, when they humiliate, that is not free speech. Obviously, there is a contest of ideas, but I do not accept that it is super grey. We just can not allow people to think that saying these things about people in these very cruel and very intimidating ways is not hate speech. It is. And as a society, we should just say no, we will not put up with this.

### Let's turn to another issue that you have tackled in your career, and that is mental health. What is the case for prevention in mental health?

The work we are doing at Future Generation is really about getting young people to be on the right path to lead those fulfilling lives.

I think a mental health system that is characterised by endless admissions to emergency departments, albeit those people do a fantastic job in supporting people, that is not a high performing mental health system. That is a system where people have slipped through the net and they have ended up in a very, very serious situation. What we are doing at Future Generation is making sure that the next generation of people coming through are recovering, we are preventing it, and we are minimising the terrible damage it does to people who live with mental illness. We are part of turning that around and I am really proud of the work we are doing.

### In your view, how crucial is it for women to have financial autonomy for their personal empowerment, but also for broader societal change?

This is a really important topic, and I think we have not done enough work on it as a society. We kind of forget that women are still participating in an economic system which has two ways of generating wealth. You either work and earn a wage or run a business and get profits, and you accumulate savings through either buying a house or through saving. And I think we ought to be asking ourselves how hard is that for women to actually accumulate their savings, to have access to finance? And what is the financial literacy we are giving young people, not just women, about the sort of things they should do?

I think financial literacy at school, making the products more flexible for people, making it easy to move in and out of products, but fundamentally this culture of wealth accumulation and savings. The whole concept of savings and independence has to be ingrained in us as young people around financial literacy.



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

## Future Generation Australia fund managers

PARADICE  
INVESTMENT MANAGEMENT

REGAL  
FUNDS

BAEP  
Bennelong Australian Equity Partners

L1 CAPITAL

Wilson  
Asset Management

COOPER  
INVESTORS

SANDON CAPITAL

TenCap

SAGE  
CAPITAL

vinva  
INVESTMENT MANAGEMENT

CENTENNIAL  
ASSET MANAGEMENT

clime

LANYON

Smallco

Firetrail  
INVESTMENTS

QVG  
CAPITAL

ELEY GRIFFITHS  
GROUP

## Future Generation Global fund managers

YARRA  
CAPITAL MANAGEMENT

COOPER  
INVESTORS

MAGELLAN  
EXPERTS IN GLOBAL INVESTING

Antipodes

WCM  
INVESTMENT MANAGEMENT

MUNRO

Holowesko Partners

Plato  
INVESTMENT MANAGEMENT

vinva  
INVESTMENT MANAGEMENT

Ellerston Capital

langdon  
EQUITY PARTNERS

MARTIN CURRIE

FAIRLIGHT

GCCQ  
GLOBAL CONCENTRATED QUALITY

Morphic  
Asset Management

PARADICE  
INVESTMENT MANAGEMENT

# Future Generation

DO WELL. DO GOOD.

**The Government's \$1 billion pledge in mental health support sounds like a significant investment, but the real question is: how will it be spent?**

The Australian government spends around 99% of its mental health funding on treatment and just 1% on prevention. Against this backdrop, mental ill-health rates among young people increased by 50% between 2007 and 2022, and two in five young Australians face a mental health condition every year.

"While there have been recent mental health funding commitments made by our major parties, children are still missing out and we are underinvesting in prevention", says Sarah La Roche, CEO of Smiling Mind, one of our 14 Future Generation Global social impact partners.

That's why Future Generation Global is prioritising prevention.

Our partners are tackling mental health from the ground up, reaching more than five million young Australians through their programs each year. The goal? To show governments and stakeholders that prevention works - saving lives and reducing long-term costs.

Australia has proven that by investing in both treatment and prevention, we can reduce the burden of health issues, such as skin cancer, diabetes, and heart disease. It is time we apply the same logic to mental health, giving young people the tools to thrive before they need help.

## Our social impact partners



## Our pro bono service providers



**Fund manager  
allocation and  
investments at  
market value as at  
31 March 2025**

<b>Fund Manager</b>	<b>Investment</b>	<b>Strategy</b>	<b>% of Gross Assets</b>
Cooper Investors	Cooper Investors Global Equities Fund (Unhedged)	Long equities	11.9%
Yarra Capital Management	Yarra Global Share Fund	Long equities	9.9%
Antipodes Partners	Antipodes Global Fund - Long	Long equities	8.9%
Holowesko Partners	Holowesko Global Fund Limited	Absolute bias	8.6%
Munro Partners	Munro Global Growth Fund	Absolute bias	7.7%
Magellan Asset Management	Magellan Global Fund	Long equities	7.0%
Plato Investment Management	Plato Global Alpha Fund - Class Z	Quantitative	6.4%
Vinva Investment Management	Vinva International Equity Fund	Quantitative	6.1%
WCM Investment Management	WCM Quality Global Growth Managed Fund	Long equities	5.5%
GCQ Funds Management	GCQ Flagship Fund - A	Long equities	4.3%
Martin Currie Investment Management	Martin Currie Global Long-term Unconstrained Fund	Long equities	4.0%
Paradice Investment Management	Paradice Global Small Mid Cap Fund Unhedged	Long equities	2.4%
Ellerston Capital	Ellerston Global Investments Wholesale Fund	Long equities	2.4%
Langdon Equity Partners	Langdon Global Smaller Companies Fund - Class Z	Long equities	2.4%
Fairlight Asset Management	Fairlight Global Small & Mid Cap (SMID) Fund	Long equities	2.2%
Morphic Asset Management	Morphic Ethical Equities Fund Limited	Absolute bias	0.8%
	Cash and Term Deposits		9.5%

**Fund manager  
allocation and  
investments at  
market value as at  
31 March 2025**

Fund Manager	Investment	Strategy	% of Gross Assets
	<b>Equity Alpha Plus/Mid Cap Funds (split out below)</b>		<b>15.5%</b>
Paradice Investment Management	Paradice Equity Alpha Plus Fund	Absolute bias	9.3%
	Paradice Australian Mid Cap Fund	Long equities	6.2%
Bennelong Australian Equities Partners	Bennelong Australian Equities Fund	Long equities	9.9%
	<b>Long Short/Catalyst Funds (split out below)</b>		<b>9.5%</b>
L1 Capital	L1 Capital Long Short Fund	Absolute bias	6.4%
	L1 Capital Catalyst Fund	Long equities	3.1%
Regal Funds Management	Regal Australian Long Short Equity Fund	Absolute bias	9.2%
	<b>Equity/Leaders Funds (split out below)</b>		<b>8.2%</b>
Wilson Asset Management	Wilson Asset Management Equity Fund	Absolute bias	4.5%
	Wilson Asset Management Leaders Fund	Absolute bias	3.7%
Cooper Investors	Cooper Investors Australian Equities Fund	Long equities	6.8%
Sandon Capital	Sandon Capital Activist Fund	Absolute bias	6.6%
Ten Cap Investment Management	Ten Cap Alpha Plus Fund	Absolute bias	3.8%
Sage Capital	Sage Capital Equity Plus Fund	Absolute bias	3.4%
Vinva Investment Management	Vinva Australian Equities Fund	Long equities	3.4%
Centennial Asset Management	The Level 18 Fund	Absolute bias	3.1%
Clime Investment Management	Clime All Cap Australian Equities Fund	Long equities	3.1%
Lanyon	Lanyon Investment Fund	Absolute bias	2.9%
Smallco Investment Manager	Smallco Broadcap Fund	Long equities	2.3%
Firetrail Investments	Firetrail High Conviction Fund	Long equities	2.3%
QVG Capital	QVG Opportunities Fund	Long equities	1.8%
Eley Griffiths Group	Eley Griffiths Group Small Companies Fund	Long equities	1.4%
	Cash and cash equivalents		6.8%