

Dear Fellow Shareholder,

Investment Portfolio Performance

In October, the Future Generation Global (ASX: FGG) investment portfolio outperformed the MSCI AC World Index (AUD), with the investment portfolio increasing 0.5%* during the month while the Index fell 0.3%. The Future Generation Australia (ASX: FGX) investment portfolio increased 1.2%* and the S&P/ASX All Ordinaries Accumulation Index rose 2.1% for the month. In the financial year to date, the FGX investment portfolio has outperformed by 9.0%* and the FGG investment portfolio has outperformed by 9.3%*.

Since inception, FGX's investment portfolio has increased 8.5%* per annum and FGG's investment portfolio has increased 10.2%* per annum, outperforming their respective benchmarks. This investment portfolio outperformance has been achieved with less volatility than their indexes, as measured by standard deviation.

Virtual Investment Forum

We launched the second Future Generation [Virtual Investment Forum](#) on 15 October to great success, with Forum content viewed over 50,000 times in the first week.

In case you missed it, [watch](#) Future Generation Global Chairman Belinda Hutchinson AC in conversation with former Macquarie Group Chief Executive Officer Nicholas Moore. Belinda and Nicholas' conversation was covered by [The Australian](#) and [Sydney Morning Herald](#).

[Watch](#) a panel discussion with Wilson Asset Management's Geoff Wilson AO, Eley Griffiths' Ben Griffiths and Antipodes' Jacob Mitchell, and [read](#) 22 high conviction investment ideas from our FGX and FGG fund managers. The [panel](#) and [investment ideas](#) were covered by the Australian Financial Review.

Livewire covered Belinda and Nicholas' [interview](#), the [panel discussion](#) and [investment ideas](#).

Conversations with Future Generation podcast

I look forward to sharing with you episode eight of Conversations with Future Generation next week with Mark Nelson, Chairman at Caledonia Investments.

[Listen](#) to episode seven where I spoke with Grok Ventures Global Equities Portfolio Manager Armina Rosenberg. We discussed Armina's career journey, technology valuations and the companies she is watching closely such as Zoom (NASDAQ: ZM) and Slack (NYSE: WORK). Our discussion was covered by the [Australian Financial Review](#).

Conversations with Future Generation is available on [Spotify](#), [Apple Podcast](#), [Google Podcast](#) and [Podbean](#).

In the media

During the month I spoke with Gemma Dale for the nabtrade [Your Wealth](#) podcast series, discussing Future Generation's unique model, impact and ethical investing, and the impact of donations in the non-profit sector.

Kind regards,



Louise Walsh
Chief Executive Officer



*Investment portfolio performance and Index returns are before expenses, fees and taxes.

\$41.2m

SOCIAL
INVESTMENT
TO 2020



\$4.8m

Future
Generation
Australia 2020

\$5.7m

Future
Generation
Global 2020

2020 total social
investment

\$10.5m

2020 annualised
management fees,
performance fees
and services forgone

\$13.1m

Total annualised
fees forgone
since inception to
2020

\$69.6m

Investment portfolio performance

The below NTA figures are after the fully franked interim dividend of 2.6 cents per share that was paid on 30 October 2020. The shares traded ex-dividend on 19 October 2020.

Net tangible assets before tax cum dividend	Net tangible assets before tax ex dividend	Investment portfolio performance (pa since Sept 2014)
124.86c	122.26c	8.5%
Net tangible assets after tax and before tax on unrealised gains	Gross assets	Annualised fully franked interim dividend yield*
122.11c	\$496.0m	4.5%
Net tangible assets after tax	Market capitalisation*	Dividends paid since inception (per share)
119.70c	\$460.4m	24.7c

Based on the 30 October 2020 share price of \$1.15 per share and the annualised fully franked interim dividend of 5.2 cents per share. Future Generation Australia has 400,343,988 shares on issue. During the month, 922,471 shares were issued under the Dividend Reinvestment Plan for the interim dividend.

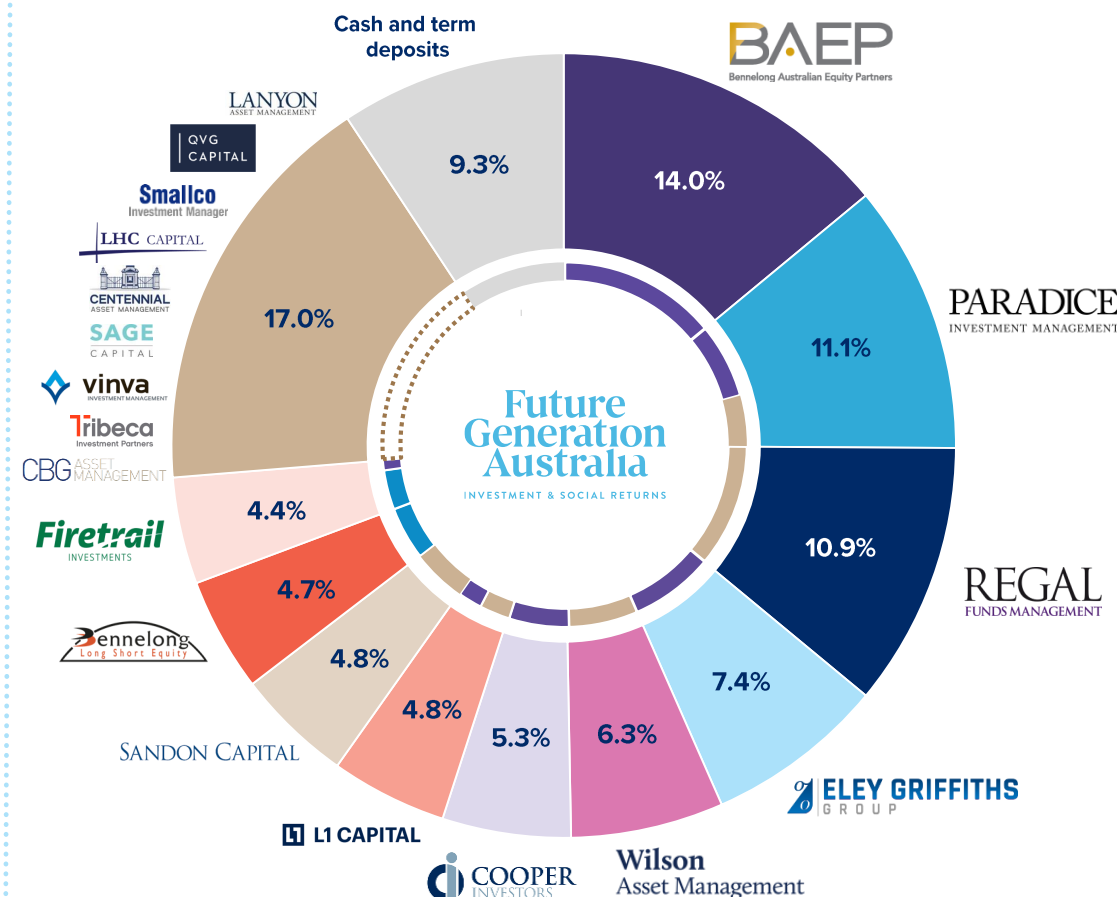
Investment portfolio performance at 31 October 2020	1 mth	6 mths	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	Since inception %pa (Sept-14)	Volatility*
Future Generation Australia	1.2%	17.6%	1.5%	3.0%	7.2%	8.3%	8.5%	11.7%
S&P/ASX All Ordinaries Accumulation Index	2.1%	10.9%	-7.5%	-6.5%	4.8%	7.2%	5.7%	14.6%

Investment performance and Index returns are before expenses, fees and taxes.

*Volatility is measured by standard deviation.

Fund manager allocations

0% management fees
0% performance fees



17.0% fund manager breakdown

CBG Asset Management	2.6%
Tribeca Investment Partners	2.4%
Vinva Investment Management	2.3%
Sage Capital	2.1%
Centennial Asset Management	2.0%

LHC Capital	1.7%
Smallco Investment Manager	1.6%
QVG Capital	1.3%
Lanyon Asset Management	1.0%

Long equities	44.1%
Absolute bias	38.4%
Market neutral	8.2%
Cash	9.3%

Investment portfolio performance

The below NTA figures are after the fully franked dividend of 2.0 cents per share that was paid on 23 October 2020. The shares traded ex-dividend on 12 October 2020.

Net tangible assets before tax cum dividend	Net tangible assets before tax ex dividend	Investment portfolio performance (pa since Sept 2015)
158.10c	156.10c	10.2%
Net tangible assets after tax and before tax on unrealised gains	Gross assets	2020 fully franked dividend
154.67c	\$621.2m	2.0c
Net tangible assets after tax	Market capitalisation [#]	ESG aware [^] (of the portfolio)
144.68c	\$528.5m	98.8%

[#]Based on the 30 October 2020 share price of \$1.345 per share and 392,947,106 shares on issue. During the month, 492,094 shares were issued under the Dividend Reinvestment Plan for the June 2020 dividend.

[^]Based on the 2019 Annual Report.

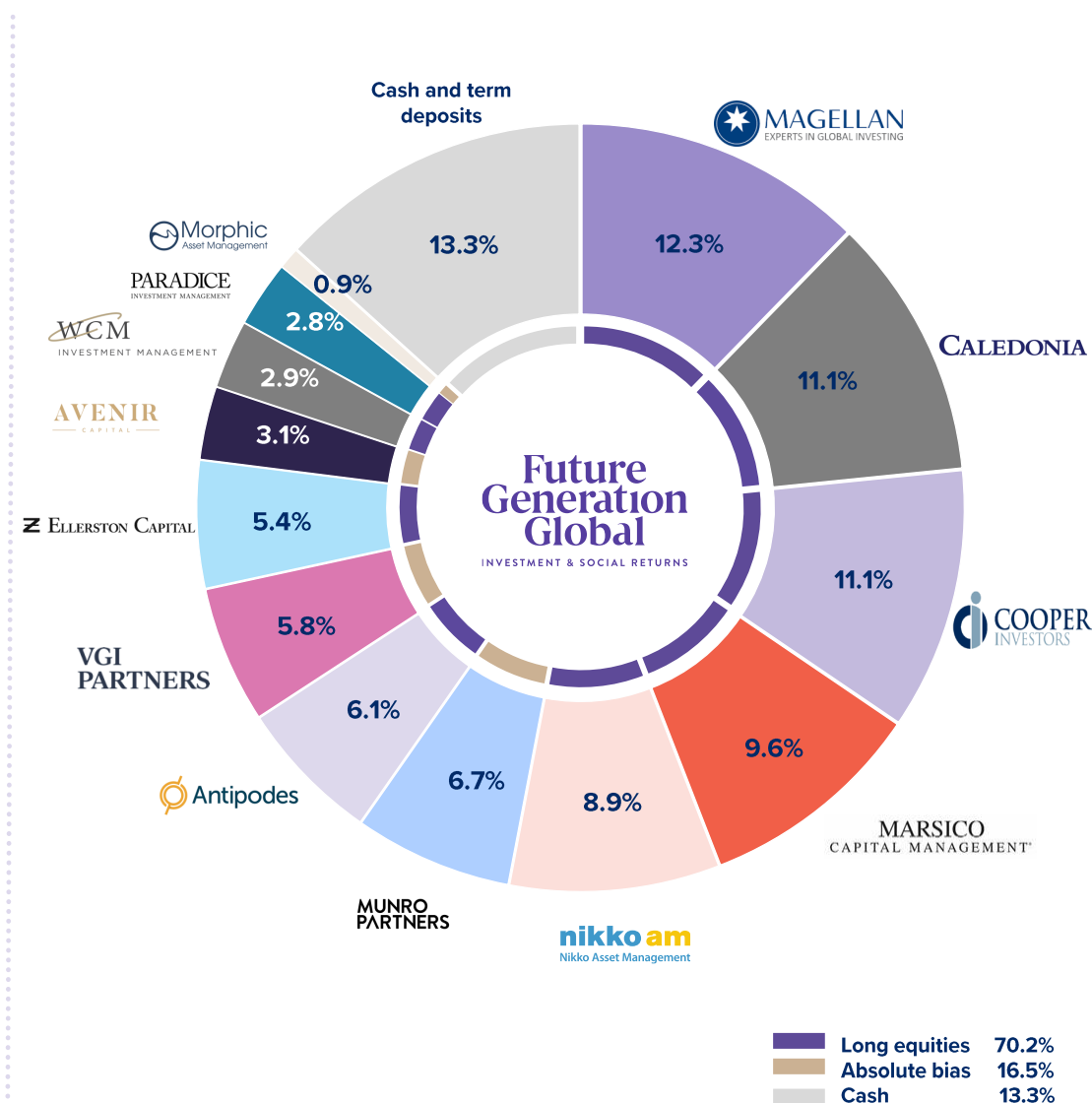
Investment portfolio performance at 31 October 2020	1 mth	6 mths	Fin YTD	1 yr	3 yrs %pa	Since inception %pa (Sept-15)	Volatility [^]
Future Generation Global	0.5%	11.4%	8.3%	14.4%	12.0%	10.2%	9.1%
MSCI AC World Index (AUD)	-0.3%	5.6%	-1.0%	2.9%	8.6%	9.1%	10.5%

Investment performance and index returns are before expenses, fees and taxes.

[^]Volatility is measured by standard deviation.

Fund manager allocations

0% management fees
0% performance fees



Long equities 70.2%
Absolute bias 16.5%
Cash 13.3%

During the month, Future Generation Global exited its holdings in the Morpheic Global Opportunities Fund and the Antipodes Global Fund, and made an investment in the Antipodes Global Fund – Long.

Fund manager in focus:



About us

Driven by a passion for uncovering future quality investments, Nikko Asset Management (Nikko AM) builds concentrated global equity portfolios that aim to deliver a strong track record of outperformance. The global equity team comprises seven investment professionals, with an average 22 years' industry experience. The team's size, culture and flat structure fosters discussion of ideas and themes.

Top 10 holdings at 30 September 2020 (in alphabetical order)

accenture	Adobe	amazon	Hello FRESH	LabCorp
ACN US	ADBE US	AMZN US	HFG GR	LH US
LHC GROUP	Microsoft	PROGRESSIVE	SONY	Tencent 腾讯
LHCG US	MSFT US	PGR US	6758 JP	700 HK

Nikko Asset Management Global Share Fund

Our investment style

The Global Equity strategy seeks to achieve long-term capital appreciation by investing in future quality companies with sustainable growth characteristics at attractive valuations which, the investment team believes, will lead to outperformance over the full market cycle. It is a fundamental, bottom-up research strategy; sector and country allocations are a function of stock selection. It is a concentrated, high-conviction portfolio comprised of 40 to 50 stocks.

Our market outlook

Dealing with coronavirus has accelerated changes that were already taking place; the migration of data to the Cloud, the enabling of more flexible working or the shift of healthcare into patients' own homes and out of hospitals. Nikko AM believes that these changes address major societal shifts that will persist long after the development of a vaccine.

Nikko AM has taken profit in some stocks in recognition of them pulling forward of demand and has been investing the proceeds to increase positions in

companies that have been negatively impacted by the coronavirus, but hold strong long-term Future Quality credentials. Compass Group (LON: CPG) and HDFC Bank (NYSE: HDB) are good examples.

September saw a marked increase in share price volatility in stocks deemed most insulated from the adverse impacts of the coronavirus. Nikko AM suspects that this volatility will persist for some time as the real strengths of economies are revealed. With other asset classes looking more expensively valued than equities, Nikko AM remains constructive on markets.

Why we support Future Generation

Nikko AM strongly believes that considering environmental, social and governance (ESG) factors is inherent to long-term corporate value creation, and contributes to the realisation of the company's sustainable growth. Supporting Future Generation Global aligns with Nikko AM's core company values and the United Nations' sustainable development goals. Nikko AM believes that giving back to society is a key function of a fiduciary and ensures a bright future for the next generation.

Nikko Asset Management Global Share Fund

Performance at 30 September 2020	1 yr	3 yrs	5 yrs	10 yrs	Since inception %pa (Nov-95)
Nikko AM Global Share Fund*	15.3%	18.0%	14.3%	15.5%	8.4%
MSCI AC World Index (AUD)	3.9%	10.4%	9.8%	12.7%	6.8%
Outperformance	+11.4%	+7.6%	+4.5%	+2.8%	+1.6%

*Investment portfolio performance is before fees and taxes, and assumes reinvestment of distributions.

For more information, visit nikkoam.com.au

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

Future Generation Australia fund managers



Future Generation Global fund managers



Charity in focus:



About Lighthouse Foundation

Lighthouse Foundation provides young people who are homeless and from backgrounds of long-term neglect and abuse with a home, a sense of family and around-the-clock therapeutic care that is individually tailored, trauma informed and proven to work. For over 30 years, Lighthouse has successfully supported over 1,000 young people to break the cycle of homelessness, move into employment and educational opportunities, and heal from their trauma. Read a Q&A with Founder of Lighthouse Foundation, Susan Barton AM [here](#).

Lighthouse Foundation and Future Generation

Future Generation's investment in Lighthouse secures the operations of four of the 10 Lighthouse homes. Over 100 vulnerable young people have permanently ended their state of homelessness with Future Generation's support. The support also enabled Lighthouse to pilot innovations to combat homelessness among high-risk groups.

For more information, visit lighthousefoundation.org.au

Our designated charities



Our pro bono service providers



Future Generation Australia

INVESTMENT & SOCIAL RETURNS

Fund manager
allocation and
investments at
market value as
at 31 October
2020

Fund Manager	Investment	Strategy	% of Gross Assets
Bennelong Australian Equities Partners	Bennelong Australian Equities Fund	Long equities	14.0%
	Mid Cap/Long Short Equities Funds (split out below)		11.1%
Paradice Investment Management	Paradice Australian Mid Cap Fund	Long equities	6.6%
	Paradice Long Short Australian Equities Fund	Absolute bias	4.5%
Regal Funds Management	Regal Australian Long Short Equity Fund	Absolute bias	10.9%
	Small/Emerging Companies Funds (split out below)		7.4%
Eley Griffiths Group	Eley Griffiths Group Small Companies Fund	Long equities	6.1%
	Eley Griffiths Group Emerging Companies Fund	Long equities	1.3%
Wilson Asset Management	Wilson Asset Management Equity Fund	Absolute bias	6.3%
Cooper Investors	Cooper Investors Australian Equities Fund	Long equities	5.3%
	Long Short/Australian Equities Funds (split out below)		4.8%
L1 Capital	L1 Capital Long Short Fund	Absolute bias	2.7%
	L1 Capital Australian Equities Fund	Long equities	2.1%
Sandon Capital	Sandon Capital Activist Fund	Absolute bias	4.8%
Bennelong Long Short Equity Management	Bennelong Long Short Equity Fund	Market neutral	4.7%
	Absolute Return/High Conviction Funds (split out below)		4.4%
Firetrail Investments	Firetrail Absolute Return Fund	Market neutral	3.5%
	Firetrail High Conviction Fund	Long equities	0.9%
CBG Asset Management	CBG Asset Australian Equities Fund	Long equities	2.6%
Tribeca Investment Partners	Tribeca Alpha Plus Fund	Absolute bias	2.4%
Vinva Investment Management	Vinva Australian Equities Fund	Long equities	2.3%
Sage Capital	Sage Capital Equity Plus Fund	Absolute bias	2.1%
Centennial Asset Management	The Level 18 Fund	Absolute bias	2.0%
LHC Capital	LHC Capital Australia High Conviction Fund	Absolute bias	1.7%
Smallco Investment Manager	Smallco Broadcap Fund	Long equities	1.6%
QVG Capital	QVG Opportunities Fund	Long equities	1.3%
Lanyon Asset Management	Lanyon Australian Value Fund	Absolute bias	1.0%
	Cash and term deposits		9.3%

Future Generation Global

INVESTMENT & SOCIAL RETURNS

Fund manager allocation and investments at market value as at 31 October 2020

Fund manager	Investment	Strategy	% of Gross Assets
Magellan Asset Management	Magellan Global Fund	Long equities	12.3%
Caledonia	Caledonia Fund	Long equities	11.1%
Cooper Investors	Cooper Investors Global Equities Fund (Unhedged)	Long equities	11.1%
Marsico Capital Management	Marsico Global Fund	Long equities	9.6%
Nikko Asset Management Australia	Nikko AM Global Share Fund	Long equities	8.9%
Munro Partners	Munro Global Growth Fund	Absolute bias	6.7%
Antipodes Partners	Antipodes Global Fund - Long	Long equities	6.1%
VGI Partners	VGI Partners Funds	Absolute bias	5.8%
Ellerston Capital	Ellerston Global Mid Small Cap Fund	Long equities	5.4%
Avenir Capital	Avenir Global Fund	Absolute bias	3.1%
WCM Investment Management	WCM Quality Global Growth Fund (Hedged)	Long equities	2.9%
Paradice Investment Management	Paradice Global Small Mid Cap Fund (Unhedged)	Long equities	2.8%
Morphic Asset Management	Morphic Ethical Equities Fund Limited	Absolute bias	0.9%
	Cash and term deposits		13.3%