Future Generation
INVESTMENT & SOCIAL RETURNS

October 2021 Investment Update

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Dear Fellow Shareholder,

Investment portfolio performance

In October, the Future Generation Australia (ASX: FGX) investment portfolio outperformed the S&P/ASX All Ordinaries Accumulation Index by 1.0%. The investment portfolio increased 1.1%* for the month whilst the Index rose 0.1%. The Future Generation Global (ASX: FGG) investment portfolio increased 1.0%* for the month, outperforming the MSCI AC World Index (AUD) which rose 0.9% in October.

Since inception, the FGX investment portfolio has increased 11.4%* per annum and the FGG investment portfolio has increased 11.4%* per annum. The investment portfolios' performance has been achieved with less volatility than their indexes, as measured by standard deviation.

Fully franked dividend dates

On 11 October 2021, Future Generation Global commenced trading ex-dividend and the fully franked June 2021 dividend was paid on 22 October 2021. Future Generation Australia shares will trade ex-dividend on 19 November 2021 and the dividend will be paid on 26 November 2021. The last election date for the Future Generation Australia dividend reinvestment plan (DRP) is 24 November 2021.

A company's share price tends to fall after the dividend ex date by an amount equal to the dividend and sometimes by more than the dividend due to the perceived value of the franking credits.

Insights from one of Australia's leading journalists

Read John Durie's insights on Future Generation Australia including the stock composition of the investment portfolio and its long term outperformance.

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

Social Impact Insights

Released during the month, the latest edition of *Social Impact Insights* shares updates from Lighthouse Foundation, Black Dog Institute, Youth Off The Streets and Orygen, plus resources for mental health month and a spotlight on businesses for purpose.

What is a long equities investment strategy?

The long equities investment strategy invests in a portfolio of equities based on the expectation that the underlying equities will increase in value within a certain time horizon. Each equity represents an ownership claim in an underlying company which is generally listed on a public stock exchange. The long equities portion of the portfolio includes exposure to large-cap, mid-cap and small-cap stocks.

The Future Generation Australia investment portfolio is comprised of a 46.7% allocation to a long equities strategy and the Future Generation Global investment portfolio is comprised of a 67.8% allocation to a long equities strategy.

Thank you to all shareholders who completed our survey in the September 2021 Investment Update, we appreciate your feedback.

Best wishes,

Caroline Gurney
CEO, Future Generation



$52.9m
SOCIAL INVESTMENT TO 2021

$5.3m	$6.4m
Future Generation Australia 2021	Future Generation Global 2021

2021 total social investment **$11.7m**

2021 annualised management fees, performance fees and services forgone	Total annualised fees forgone since inception to 2021
$21.8m	**$95.4m**

Future Generation Australia
INVESTMENT & SOCIAL RETURNS

Investment portfolio performance

The below NTA figures are before the fully franked interim dividend of 3.0 cents per share due to be paid on 26 November 2021. The shares will trade ex-dividend on 19 November 2021.

Net tangible assets before tax **154.94c**	**Gross assets** **$629.6m**	**Profits reserve (per share)** **34.0c**
Net tangible assets after tax and before tax on unrealised gains **153.51c**	**Market capitalisation#** **$574.2m**	**Dividends paid since inception (per share)** **27.3c**
Net tangible assets after tax **143.33c**	**Volatility^** **11.3%** S&P/ASX All Ordinaries Accumulation Index: 14.1%	**2021 annualised fully franked interim dividend** **6.0c**

#Based on the 29 October 2021 share price of $1.43 per share and 401,550,442 shares on issue. During the month, 294,696 options were exercised and allotted under the Bonus Issue of Options. The options are trading under the ASX code FGXO with an exercise price of $1.48 per option and expire on 28 April 2023.
^Volatility is measured by standard deviation.
The above NTA figures are not adjusted for the 400,702,950 options on issue with an exercise price of $1.48 per option.

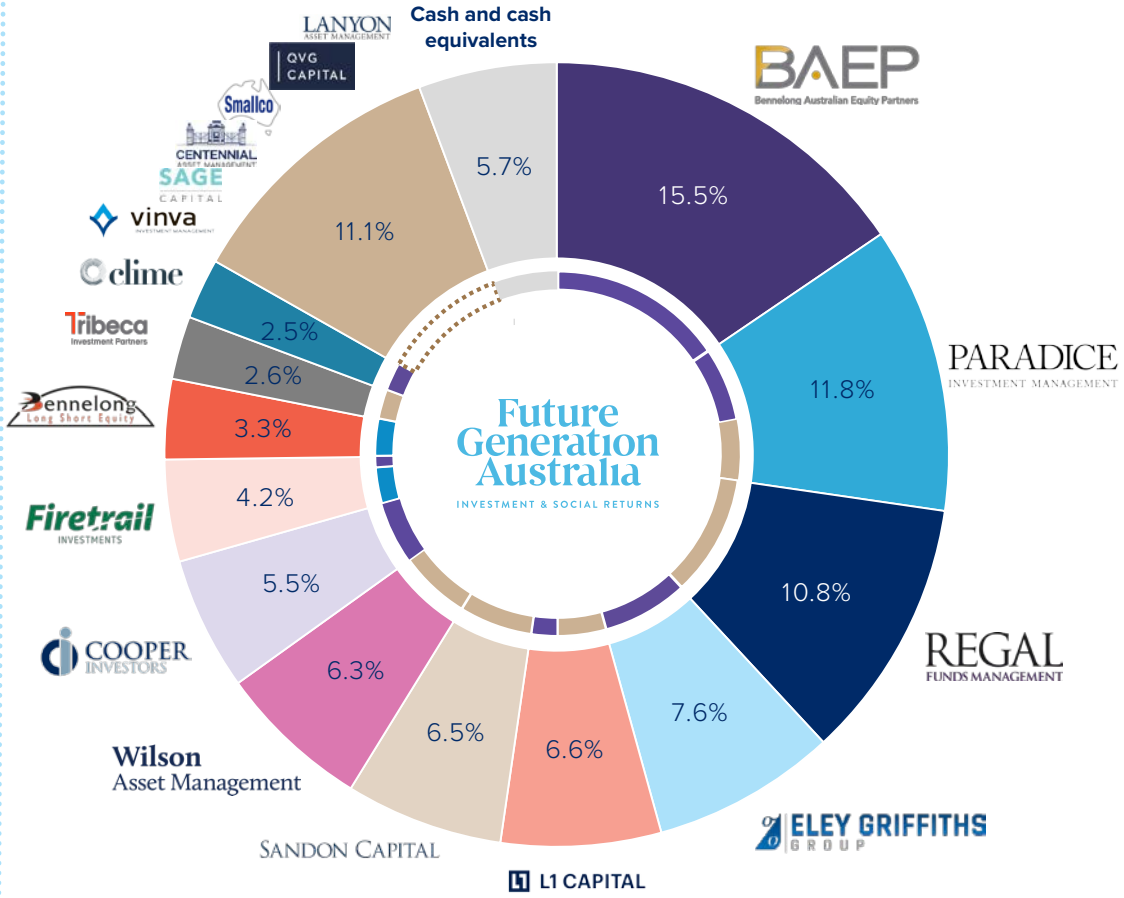
Investment portfolio performance at 31 October 2021	1 mth	6 mths	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	Since inception %pa (Sept-14)
Future Generation Australia	1.1%	11.1%	21.0%	31.2%	15.5%	12.4%	11.4%
S&P/ASX All Ordinaries Accumulation Index	0.1%	6.9%	15.1%	29.0%	12.9%	11.4%	8.7%

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 Investment Company Limited (ASX: FGX) ABN: 97 063 935 553

Fund manager allocations

0% management fees
0% performance fees



11.1% fund manager breakdown

Vinva Investment Management	2.4%	Smallco Investment Manager	1.8%
Sage Capital	2.2%	QVG Capital	1.6%
Centennial Asset Management	2.1%	Lanyon Asset Management	1.0%

Long equities	46.7%
Absolute bias	41.1%
Market neutral	6.5%
Cash	5.7%

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Future Generation Australia Options

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INVESTMENT & SOCIAL RETURNS

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ASX: FGXO

Future Generation Australia (ASX: FGX) announced a one-for-one Bonus Issue of Options in September 2021, to all shareholders of the Company, at no additional cost.

Exercise price per Option:	Expiry date:	Last date to exercise to be entitled to receive the fully franked interim dividend:
$1.48	28 Apr 2023	17 Nov 2021

View and download the factsheet

The Future Generation Australia Bonus Issue of Options provides shareholders with the opportunity, but not the obligation, to purchase one additional Future Generation Australia share for $1.48 per Option, without paying brokerage fees.

About Future Generation Australia

Future Generation Australia gives investors the opportunity to gain unprecedented access to a group of prominent Australian fund managers in a single investment vehicle while supporting Australian charities focused on children and youth at risk. The Company's investment objectives are to provide shareholders with a growing stream of fully franked dividends, achieve long-term capital growth and preserve shareholder capital.

Exercise your options

The Options can be exercised at any time until they expire on Friday 28 April 2023. Shareholders who exercise their options by 17 November 2021 are eligible to receive the fully franked interim dividend of 3.0 cents per share, provided they continue to hold the shares on the dividend record date of 22 November 2021.

The annualised fully franked interim dividend represents a fully franked dividend yield of 4.1%, and a grossed-up dividend yield of 5.8%*, on the exercise price of $1.48 per Option.

Refer to your Option Exercise Form for instructions on how to exercise your Options. Should you require a replacement form, please contact Future Generation Australia's share registry, Boardroom Pty Limited, on 1300 737 769 or email enquires@boardroom.com.au.

*Grossed-up dividend yield includes the benefits of franking credits and is based on a tax rate of 30.0%.

Future Generation Global
INVESTMENT & SOCIAL RETURNS

Investment portfolio performance

The below NTA figures are after the fully franked dividend of 3.0 cents per share that was paid on 22 October 2021. The shares traded ex-dividend on 11 October2021.

Net tangible assets before tax cum dividend **179.15c**	**Net tangible assets before tax** ex dividend **176.15c**	**Profits reserve** (per share) **48.3c**
Net tangible assets after tax and before tax on unrealised gains **171.94c**	**Gross assets** **$702.1m**	**June 2021 fully franked dividend** **3.0c**
Net tangible assets after tax **159.85c**	**Market capitalisation#** **$618.0m**	**ESG aware^** (of the portfolio) **98.8%**

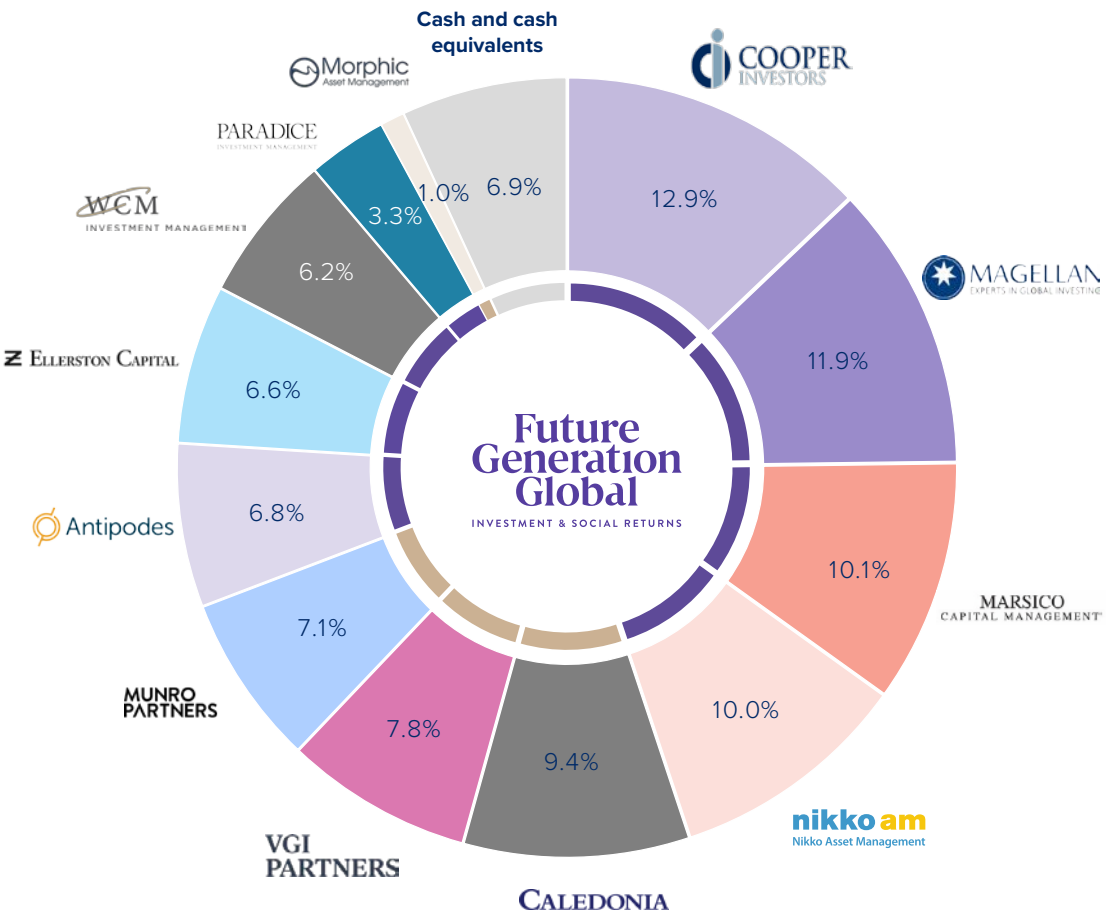
#Based on the 29 October 2021 share price of $1.57 per share and 393,612,280 shares on issue. During the month, 665,174 shares were issued under the Dividend Reinvestment Plan for the June 2021 dividend.
^Based on the 2020 Annual Report.

Investment portfolio performance at 31 October 2021	1 mth	6 mths	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	Since inception %pa (Sept-15)	Volatility*
Future Generation Global	1.0%	4.8%	11.7%	17.8%	14.1%	14.5%	11.4%	8.8%
MSCI AC World Index (AUD)	0.9%	9.9%	19.6%	28.3%	15.1%	15.0%	12.0%	10.3%

Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.
*Volatility is measured by standard deviation.

Fund manager allocations

0% management fees
0% performance fees



Long equities	67.8%
Absolute bias	25.3%
Cash	6.9%

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INVESTMENT & SOCIAL RETURNS

Fund manager in focus:

Tribeca Investment Partners

About Tribeca Investment Partners

Tribeca is a specialist, active investment, and advisory firm.

Leveraging its multi-asset class expertise across equities, credit and natural resources, Tribeca has demonstrated a track record of investment innovation. It offers bespoke access to investment strategies and opportunities not available to all market participants.

Its active management style allows for targeted opportunism and a nimble approach to identifying value in areas of the market which are less understood or researched.

With key staff located in Sydney, Melbourne and Singapore, Tribeca has deep connectivity across the Asia-Pacific region which it is able to leverage on behalf of its asset management, wealth management and corporate advisory clients.

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Tribeca Investment Partners

Investment style

The Tribeca Alpha Plus Fund has been managed by Portfolio Manager Jun Bei Liu since 2019 and offers investors an actively managed long/short investment approach to Australian equities. The fund leverages off the strengths of both quantitative and fundamental styles of investing. Quantitative investing brings breadth and objectivity to the process by exploiting behavioural biases in the market. Fundamental investing gives depth of insight and conviction by identifying high quality businesses with strong fundamentals. The Fund has delivered strong absolute and relative performance outcomes since inception.

High-conviction holding

A structural growth company with a dominant market position in Australia and a number of fast growth markets offshore, Seek (ASX: SEK) has had an incredible track record of delivering strong revenue growth within the domestic market despite its maturity and market penetration. Its domestic Australian business is expected to grow by at least 15% for the next three years, driven by volume and premium product penetration, and Tribeca expect to see incremental improvement in its South-East Asian business. An investment in Seek currently also includes an 84.5% investment in its highly sought after growth fund which has a strong track record investing in early stage businesses.

Market outlook

Tribeca remains positive as the equity market is underpinned by a strong earnings recovery from corporates and a continued accommodative rates environment. The recent reporting season has shown incredible earnings growth, beating even the most bullish expectations. Despite labour shortages and supply chain disruptions, reopening economies continue to gather momentum and Tribeca expects high single digit earnings growth into 2023. Tribeca believes that corporate mergers and actions will continue to be a feature for the next 12 months which will also provide buoyant sentiment towards the end of the year.

Tribeca are of the view that inflation is transitory at this stage, though it has lasted longer than most expected. Tribeca expect that the Reserve Bank of Australia and other central banks will look through the current heightened level of inflation with the aim to return to a normal level of liquidity support for the economy (i.e. reducing coronavirus emergency liquidity support, while maintaining lower rates). Tribeca believe that there will be an alleviation of supply side disruptions in the next six to 12 months and that there have already been encouraging comments from corporates on the reopening of warehouses in the emerging markets.

Tribeca Alpha Plus Fund

Performance at 31 October 2021	1 yr	3 yrs %pa	5 yrs %pa	10 yrs %pa	Since inception %pa (Sep-06)
Tribeca Alpha Plus Fund	33.0%	16.4%	12.1%	12.6%	9.9%
S&P/ASX 200 Accumulation Index	28.0%	11.9%	10.9%	10.0%	6.9%
Outperformance	+5.0%	+4.5%	+1.2%	+2.6%	+3.0%

Investment portfolio performance returns are net of fees and before tax.

For more information, visit tribecaip.com

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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 MANAGEMENT
- 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 ASSET MANAGEMENT

Future Generation Global fund managers

- MAGELLAN EXPERTS IN GLOBAL INVESTING
- COOPER INVESTORS
- Antipodes
- MARSICO CAPITAL MANAGEMENT
- Morphic Asset Management
- CALEDONIA
- nikko am Nikko Asset Management
- VGI PARTNERS
- ELLERSTON CAPITAL
- MUNRO
- WCM INVESTMENT MANAGEMENT
- PARADICE INVESTMENT MANAGEMENT

Future Generation Australia
INVESTMENT & SOCIAL RETURNS

Charity in focus:

Diabetes Kids Fund

Diabetes Kids Fund was established by Diabetes NSW to provide crucial support services for children living with non-preventable type 1 diabetes, their families and carers.

"Many children may never meet someone else with type 1 diabetes, until they attend a DiaBuddies event! At a recent face-to-face event in Queensland a family drove hours from the small town of Ayr, South of Townsville so their family could meet and connect with others for the first time."

Read a Q&A with Edina Atanasovski, Project Officer at Diabuddies here.

For more information, visit diabetesnsw.com.au

Our designated charities

Our pro bono service providers

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INVESTMENT & SOCIAL RETURNS

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Fund manager allocation and investments at market value as at 31 October 2021

Fund Manager	Investment	Strategy	% of Gross Assets
Bennelong Australian Equities Partners	Bennelong Australian Equities Fund	Long equities	15.5%
	Mid Cap/Equity Alpha Plus Funds (split out below)		**11.8%**
Paradice Investment Management	Paradice Australian Mid Cap Fund	Long equities	6.5%
	Paradice Equity Alpha Plus Fund	Absolute bias	5.3%
Regal Funds Management	Regal Australian Long Short Equity Fund	Absolute bias	10.8%
	Small/Emerging Companies Funds (split out below)		**7.6%**
Eley Griffiths Group	Eley Griffiths Group Small Companies Fund	Long equities	6.2%
	Eley Griffiths Group Emerging Companies Fund	Long equities	1.4%
	Long Short/Australian Equities Funds (split out below)		**6.6%**
L1 Capital	L1 Capital Long Short Fund	Absolute bias	4.3%
	L1 Capital Australian Equities Fund	Long equities	2.3%
Sandon Capital	Sandon Capital Activist Fund	Absolute bias	6.5%
Wilson Asset Management	Wilson Asset Management Equity Fund	Absolute bias	6.3%
Cooper Investors	Cooper Investors Australian Equities Fund	Long equities	5.5%
	Absolute Return/High Conviction Funds (split out below)		**4.2%**
Firetrail Investments	Firetrail Absolute Return Fund	Market neutral	3.2%
	Firetrail High Conviction Fund	Long equities	1.0%
Bennelong Long Short Equity Management	Bennelong Long Short Equity Fund	Market neutral	3.3%
Tribeca Investment Partners	Tribeca Alpha Plus Fund	Absolute bias	2.6%
Clime Asset Management	Clime Australian Equities Fund	Long equities	2.5%
Vinva Investment Management	Vinva Australian Equities Fund	Long equities	2.4%
Sage Capital	Sage Capital Equity Plus Fund	Absolute bias	2.2%
Centennial Asset Management	The Level 18 Fund	Absolute bias	2.1%
Smallco Investment Manager	Smallco Broadcap Fund	Long equities	1.8%
QVG Capital	QVG Opportunities Fund	Long equities	1.6%
Lanyon Asset Management	Lanyon Australian Value Fund	Absolute bias	1.0%
	Cash and cash equivalents		5.7%

Future Generation Global

INVESTMENT & SOCIAL RETURNS

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Fund manager allocation and investments at market value as at 31 October 2021

Fund Manager	Investment	Strategy	% of Gross Assets
Cooper Investors	Cooper Investors Global Equities Fund (Unhedged)	Long equities	12.9%
Magellan Asset Management	Magellan Global Fund	Long equities	11.9%
Marsico Capital Management	Marsico Global Fund	Long equities	10.1%
Nikko Asset Management Australia	Nikko AM Global Share Fund	Long equities	10.0%
Caledonia	Caledonia Global Fund	Absolute bias	9.4%
VGI Partners	VGI Partners Funds	Absolute bias	7.8%
Munro Partners	Munro Global Growth Fund	Absolute bias	7.1%
Antipodes Partners	Antipodes Global Fund - Long	Long equities	6.8%
Ellerston Capital	Ellerston Global Mid Small Cap Fund	Long equities	6.6%
WCM Investment Management	WCM Quality Global Growth Fund (Hedged)	Long equities	6.2%
Paradice Investment Management	Paradice Global Small Mid Cap Fund (Unhedged)	Long equities	3.3%
Morphic Asset Management	Morphic Ethical Equities Fund Limited	Absolute bias	1.0%
	Cash and cash equivalents		6.9%