

Future Generation Global announces 16.7% increase in fully franked full-year dividend

**28 February 2023
ASX announcement
and media release**

+16.7%

**Increase in fully franked
full-year dividend**

5.9%*

**FY2022 fully franked
dividend yield**

8.4%**

**FY2022 fully franked
grossed-up dividend
yield**

\$6.4m

**2022 investment in our
social impact partners
with a focus on youth
mental health**

The Future Generation Global (ASX: FGG) Board of Directors has declared a fully franked final dividend of 3.5 cents per share, bringing the fully franked full-year dividend to 7.0 cents per share, a 16.7% increase on the previous year.

The FY2022 fully franked full-year dividend of 7.0 cents per share represents a fully franked dividend yield of 5.9%* and a grossed-up dividend yield of 8.4%** . The increase in the fully franked full-year dividend was made possible by the listed investment company (LIC) structure and the profits reserves available and is consistent with the Company's objective of paying a stream of fully franked dividends to shareholders.

Future Generation Global Acting Chair Geoff Wilson AO said, "The Board is pleased to provide shareholders with an increased fully franked dividend yield, which is greater than the average global equity market yield of 2.3%# and the average US equity market yield of 1.8%##."

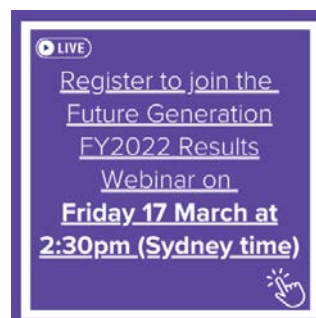
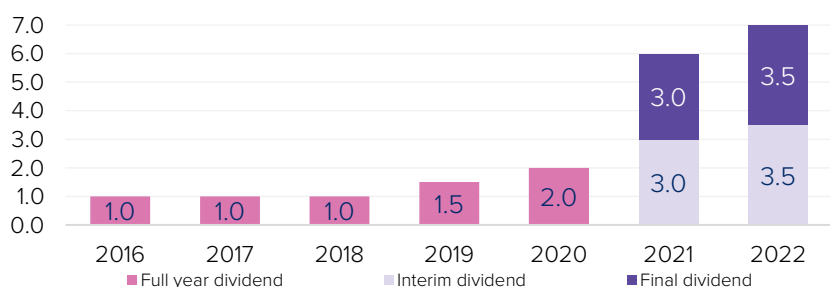
The Company is pleased to continue to provide shareholders with both an interim and final fully franked dividend in FY2022. As at 31 December 2022, the Company had 41.6 cents per share available in its profits reserve. Pleasingly, in January 2023, the investment portfolio increased 4.6%[^], outperforming the MSCI AC World Index (AUD) by 0.9%, bringing the profits reserve to 45.7 cents per share. The profits reserve available as at 31 January 2023 represents 6.5 years of dividend coverage for shareholders, before the payment of the fully franked final dividend of 3.5 cents per share. After the payment of the fully franked final dividend on 21 April 2023, Future Generation Global will have paid 19.5 cents per share in fully franked dividends to shareholders since inception.

Future Generation CEO Caroline Gurney said, "2022 proved to be a challenging year for global equity markets as investor sentiment weakened around geopolitical uncertainty, rising interest rates and inflation. As we head into 2023, we are positive on the outlook for the investment portfolio and we remain confident that we can generate robust returns over the medium-to-long term, given the proven track records of our pro bono fund managers."

Early last year, Future Generation Global's pro bono Investment Committee embarked on an extensive review of the investment portfolio to ensure it had the right mix of fund managers and investment styles to achieve its investment objectives for shareholders over the medium-to-long term. Following this rigorous process, the Company welcomed leading global fund managers Holowesko Partners, Vinva Investment Management, Martin Currie Investment Management, Lanyon Asset Management and Plato Investment Management into the Future Generation Global investment portfolio. Pleasingly, following these changes, the investment portfolio increased by 4.2%[^] over the six-months to 31 December 2022, outperforming the Index by 0.53%.

The Future Generation Global investment portfolio decreased 17.7%[^] for the year ended 31 December 2022, while the MSCI AC World Index (AUD) fell 12.9%. Since inception, the investment portfolio has increased 6.6%[^] per annum. The investment portfolio's performance has been achieved with less volatility as measured by standard deviation, 9.9% versus the Index's 11.0%. The movement in the investment portfolio over the 12 months to 31 December 2022 led to an operating loss before tax of \$127.5 million and an operating loss after tax of \$89.1 million.

Fully franked dividends since inception (cents per share)



*Based on the 27 February 2023 closing share price of \$1.185 per share.

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

#Based on the MSCI World Index dividend yield as at 31 December 2022.

##Based on the S&P 500 Index dividend yield as at 31 December 2022.

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

41.6cps[^]

Profits reserve as at
31 December 2022

5.9 years[^]

Dividend coverage

5.9%*

Fully franked dividend yield
Grossed-up dividend yield: 8.4%**

16.0cps

Dividends paid since
inception

Dividend dates

Ex-dividend date	11 April 2023
Dividend record date (7:00pm Sydney time)	12 April 2023
Last election date for DRP	14 April 2023
Fully franked final dividend payment date	21 April 2023

[^]Profits reserve and dividend coverage are before the payment of the FY2022 fully franked final dividend of 3.5 cents per share.

^{*}Based on the 27 February 2023 share price of \$1.185 per share.

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

Investment portfolio performance

Performance at 31 December 2022	6 mths	1 yr	3 yrs % pa	5 yrs % pa	7 yrs % pa	Since inception % pa (Sept-15)	Volatility since inception (% standard deviation)
Future Generation Global investment portfolio	4.2%	-17.7%	1.7%	6.2%	7.2%	6.6%	9.9%
MSCI AC World Index (AUD)	3.7%	-12.9%	5.0%	8.1%	9.1%	8.6%	11.0%
Outperformance	+0.5%	-4.8%	-3.3%	-1.9%	-1.9%	-2.0%	

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

Significant social investment in the promotion of wellbeing and prevention of mental ill-health in young Australians

In November 2022, Future Generation Global delivered its seventh annual investment of \$6.4 million to its social impact partners and other not-for-profit organisations with a focus on promoting wellbeing and preventing mental ill-health in young Australians. This takes the Company's total social investment since inception to \$32.6 million and has been made possible by the incredible generosity and support of our leading pro bono fund managers and service providers.

Future Generation Global estimates the value of management and performance fees generously forgone by its pro bono fund managers, service providers, the Board and Investment Committee to be approximately \$8.3 million per annum, or around 1.6% of the net assets of the Company. These savings to shareholders exceed the annual investment to our social impact partners each year.

Future Generation Global concluded a strategic review of its social investment in 2021, with the Board of Directors approving a refined focus for its social investment from 2022 onwards. It was determined that the Company's investment would be most impactful by promoting wellbeing and preventing the onset of mental ill-health in young Australians.

In August 2022, Future Generation Global was delighted to announce our new social impact partners: BackTrack, Big hART, Happy Paws Happy Hearts, Human Nature, I CAN Network, Mind Blank, Prevention United, Project ROCKIT, ReachOut, Smiling Mind, WANTA, The Westerman Jilya Institute for Indigenous Mental Health, Youth Live4Life and Youth Opportunities.

Future Generation Global CEO Caroline Gurney said, "We are excited to work with these new partners to transform the mental health and wellbeing of young Australians and to track our impact in this endeavor. I would like to acknowledge the generosity of our pro bono fund managers and service providers, who make this possible."

\$50.0m

Savings on management fees, performance fees & service provider fees forgone since inception

\$32.6m

Investment in our social impact partners with a focus on youth mental health since inception

\$8.3m

2022 savings on management fees, performance fees & services forgone

\$6.4m

2022 investment to social impact partners

About Future Generation Global

Listed in 2015, Future Generation Global Investment Company Limited (ASX: FGG) provides:



Shareholders with exposure to leading fund managers without paying management or performance fees.



Social impact partners primarily focused youth mental health with a reliable stream of annual income.



Fund managers with a unique opportunity to make a positive difference to Australia's future generations.

All major platforms provide access to Future Generation Global, including AMP North, BT Panorama, Colonial First State Wrap, Netwealth, Macquarie Wrap and Hub 24. Future Generation Global receives coverage from independent research provider Lonsec.



This announcement has been authorised by the Board of Future Generation Global Investment Company Limited.

**Future
Generation
Global
7 Years Listed**



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About Future Generation

The Future Generation companies, Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG), are Australia's first listed investment companies to provide investment and social returns.

Future Generation provides shareholders with exposure to leading Australian and global fund managers, with the aim of delivering long-term capital growth, a stream of fully franked dividends and preserving shareholder capital. This group of leading fund managers manage more than \$1 billion in assets on a pro bono basis, waiving their management and performance fees, which allows the Future Generation companies to invest 1% of their average net tangible assets each year in our social impact partners and other not-for-profit organisations.

Shareholders are able to decide which social impact partner or other not-for-profit organisation will receive the investment, whether it's supporting children and youth at risk (FGX) or investing in the promotion of wellbeing and prevention of mental ill-health (FGG). By 2030, Future Generation aims to have invested more than \$100 million, and we are on track, having invested \$65.2 million since inception.