

Dear Fellow Shareholder,

### Investment portfolio performance

We are pleased to share the October Future Generation Global (ASX: FGG) and Future Generation Australia (ASX: FGX) investment portfolio performance:

- The Future Generation Global investment portfolio increased 2.5%, while the MSCI AC World Index (AUD) rose 3.3% in October. The investment portfolio has increased 18.3%\* during the calendar year to date.
- The Future Generation Australia investment portfolio outperformed the S&P/ASX All Ordinaries Accumulation Index in October by 0.8%, decreasing 0.5% during the month. The investment portfolio has increased 13.2%\* during the calendar year to date, outperforming the Index by 2.3%.

This month we spoke to Ryan Quinn, Portfolio Manager at WCM Investment Management, one of our Future Generation Global fund managers, who shared insight into WCM's strong performance over the past 12 months, including their growth focused investment style, stock picking, and analysis of the correlation between a company's culture and long-term performance.

When speaking about the recent US Election, Ryan says, "Historically elections will create some volatility. Sometimes it creates a buying opportunity for businesses that maybe in the short-term having some sort of knee jerk reaction to what seems like a large change but generally elections - especially in the developed world like the US - don't really impact our investment thesis very often."

[Listen](#) to the full episode to hear more. Listen time: 24 minutes, access the transcript [here](#).

### Hear from our leading pro-bono fund managers

To celebrate Future Generation's 10-year anniversary this November, Nadine Blayney, Head of Content at ausbiz, is running a special interview series featuring some of our incredible fund managers who have supported us through the years. During these short interviews, our featured pro-bono Fund Managers share why they manage shareholders capital on behalf of Future Generation, their outlook for equity markets along with a few stock picks.

Watch the interviews with; [Jun Bei Liu](#) from Tribeca Investment Partners, [Jona Daly](#) from Bennelong Funds Management, [Nikki Thomas](#) from Magellan Financial Group and [Ryan Quinn](#) from WCM Investment Management.

### Future Generation Australia opens for partnership with Australian non-profit organisations

From 11 November until 9 December 2024, we are running an Expression of Interest (EOI) process to establish partnerships with non-profits to build on our social investment in children and youth at risk.

Since inception 10 years ago, Future Generation Australia has invested more than \$43 million in Australian non-profits focusing on Australia children and youth at risk. We are extremely proud of what we have achieved alongside you and our impact partners, all of which work tirelessly to support Australian children and youth at risk.

As Future Generation Australia enters its second decade, we must ensure that our giving continues to create a significant impact and remains fit for the current circumstances facing young Australians. That is why we are looking to build on this social investment and are running an EOI process to establish partnerships with non-profits.

We urge you to share this information with any organisations that may be interested. For full details on our strategy and funding guidelines, please visit our [website](#).

Read the coverage of the EOI by Damon Kitney, in *The Australian Business Review*, '[Unfair and wrong: Ex-RBA boss Philip Lowe vows to fight childhood trauma.](#)'

As always, please call or email us if you have any questions on (02) 9247 9202 or [info@futuregeninvest.com.au](mailto:info@futuregeninvest.com.au).

Thank you,



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.



## \$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 annualised  
savings on management  
fees, performance fees  
and service provider  
fees forgone

## \$17.8m

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

## \$149.1m

## Investment portfolio performance

The below NTA figures are after the fully franked interim dividend of 3.7 cents per share paid on 30 October 2024. The shares traded ex-dividend on 17 October 2024.

Net tangible assets before tax cum-dividend	Net tangible assets before tax ex-dividend	Profits reserve (per share)
<b>160.63c</b>	<b>156.93c</b>	<b>58.2c</b>
Net tangible assets after tax and before tax on unrealised gains	Assets	Dividends paid since inception (per share)
<b>154.97c</b>	<b>\$634.5m</b>	<b>30.4c</b> Including the value of franking credits: 43.4c
Net tangible assets after tax	Market capitalisation <sup>#</sup>	Grossed-up dividend yield <sup>^</sup>
<b>146.98c</b>	<b>\$544.6m</b>	<b>7.7%</b> Annualised fully franked interim dividend yield: 5.4% <sup>#</sup>

<sup>#</sup>Based on the 31 October 2024 share price of \$1.365 per share and the annualised FY24 fully franked interim dividend of 7.4 cents per share. Future Generation Global has 398,982,760 shares on issue. During the month, 821,276 shares were issued under the Dividend Reinvestment Plan for the interim dividend.

<sup>^</sup>Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.

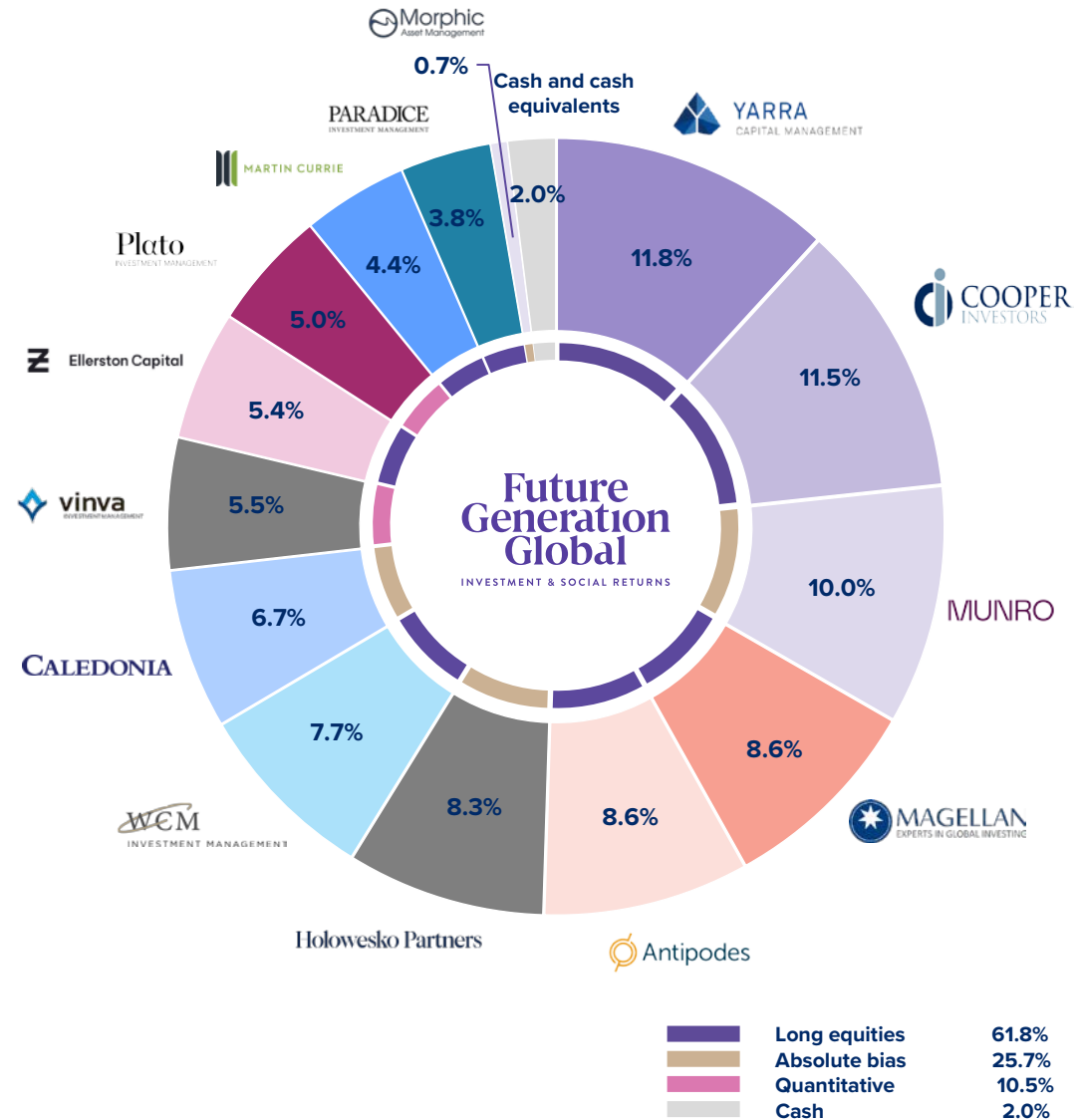
Investment portfolio performance at 31 October 2024	Fin YTD	1 yr	3 yrs	5 yrs	7 yrs	Since inception %pa (Sept-15)	Volatility <sup>**</sup>
Future Generation Global	18.3%	25.6%	4.4%	8.9%	9.4%	9.0%	9.7%

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

<sup>\*\*</sup>Volatility shows the degree to which the returns of the portfolio move around from their long-run average. It can be thought of as a measure of the risk in the investment portfolio. Volatility is measured by standard deviation, a statistical measurement.

## Fund manager allocations

0% management fees  
0% performance fees



## Investment portfolio performance

The below NTA figures are after the fully franked interim dividend of 3.5 cents per share paid on 29 October 2024. The shares traded ex-dividend on 16 October 2024.

<b>Net tangible assets before tax cum-dividend</b>  <b>144.00c</b>	<b>Net tangible assets before tax ex-dividend</b>  <b>140.50c</b>	<b>Dividends paid since inception (per share)</b>  <b>50.0c</b> <small>Including the value of franking credits: 71.4c</small>
<b>Net tangible assets after tax and before tax on unrealised gains</b>  <b>137.47c</b>	<b>Assets</b>  <b>\$582.6m</b>	<b>Profits reserve (per share)</b>  <b>35.6c</b>
<b>Net tangible assets after tax</b>  <b>133.81c</b>	<b>Market capitalisation<sup>#</sup></b>  <b>\$501.2m</b>	<b>Grossed-up dividend yield<sup>*</sup></b>  <b>8.1%</b> <small>Annualised fully franked interim dividend yield: 5.7%<sup>#</sup></small>

<sup>#</sup>Based on the 31 October 2024 share price of \$1.225 per share and the annualised FY24 fully franked interim dividend of 7.0 cents per share. Future Generation Australia has 409,116,676 shares on issue. During the month, 960,072 shares were issued under the Dividend Reinvestment Plan for the interim dividend.

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

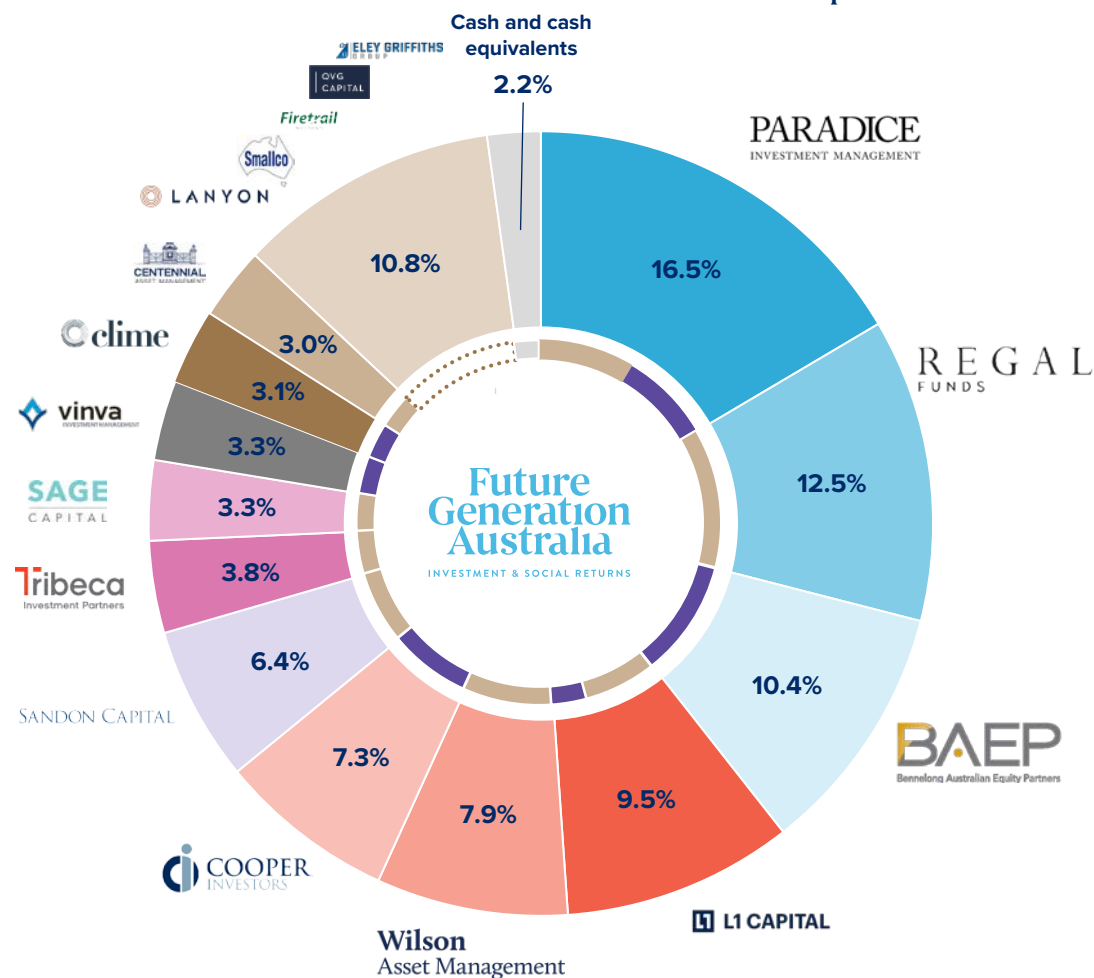
Investment portfolio performance at 31 October 2024	Fin YTD	1 yr	3 yrs	5 yrs	7 yrs	Since inception %pa (Sept-14)	Volatility <sup>**</sup>
Future Generation Australia	13.2%	25.7%	5.0%	9.4%	9.4%	9.5%	11.6%

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

<sup>\*\*</sup>Volatility shows the degree to which the returns of the portfolio move around from their long-run average. It can be thought of as a measure of the risk in the investment portfolio. Volatility is measured by standard deviation, a statistical measurement.

## Fund manager allocations

0% management fees  
0% performance fees



### 10.8% fund manager breakdown

Manager	Allocation (%)	Category	Percentage
Lanyon Asset Management	3.0%	Absolute bias	54.8%
Smallco Investment Manager	2.5%	Long equities	43.0%
Firetrail Investments	2.2%	Cash	2.2%
QVG Capital	1.8%		
Eley Griffiths Group	1.3%		

# Take Stock with Ryan Quinn

## Ryan Quinn Portfolio Manager

We hope you enjoy this episode of **Take Stock**, a podcast series by Future Generation. The episode is available [here](#) and below is an edited summary.

**WCM Investment Management is a pro bono fund manager for Future Generation Global (ASX: FGG).**



**You are based in California and are currently travelling in Australia seeing investors. What are they asking you and what they are worried about?**

There are several themes in the market that investors are concerned about including rate cuts in the United States, the importance and durability of the artificial intelligence theme, as well as geopolitical questions, such as what our exposure is to China. The other big question we are being asked is what are we most excited about and where are we looking to generate returns.

**Speaking of portfolio performance, over the past 12 months, your WCM Quality Growth Global Fund(Hedged) has performed incredibly well for Future Generation Global. Perhaps you can describe your investment style because it is slightly different to many other fund managers, and it has really paid dividends over the past year.**

We are growth equity investors, so we typically favour the growth areas of the market defined as healthcare, technology, the consumer more broadly and some industrial businesses. We are very much underweight areas like utilities and real estate, which are sort of the classic non-growth areas of the marketplace. We take that universe, and we screen it for our favourite characteristics and end up getting to a portfolio of 35 to 40 stocks.

We hold ourselves accountable to finding the 35 or 40 best ideas we can find in the world and then we apply our unique philosophy and process.

For us at WCM, once we get to a pool of quality opportunities, we will then try to find businesses that are growing their competitive advantage versus their peers over time. As long as we can identify the drivers of that competitive advantage, then those stocks will be eligible for the portfolio. Beyond that, we have a team of four dedicated business culture analysts that will only do work on the business culture.

They will purely be exercising our framework that we developed over time to try to take that qualitative information and help us make quantitative decisions beyond it.

**One of the things I really love about what you do is your culture analysis. Talk us through that. How do you measure it?**

It is hard to do because it is not about numbers. Cultural analysis is a qualitative endeavor. What we learned very early on is that it is not good enough to just say, is this a cool culture? Would I like to work at this company?

Because when you own diverse businesses such as railroads, life science businesses, or high tech, semiconductor related businesses, there is not one culture that is good or bad for any of those individual companies. Instead, we developed a framework to apply to any business, regardless of its sector or region of the world. It starts with the alignment. We believe that a company's culture will define employee behaviour and employee behaviour will define outcomes. So, if your corporate culture is aligned with what makes your competitive advantage grow, then that is going to be important to the longevity of the company.

Second is strength or breadth of the culture. We want to make sure that everyone across the firm understands exactly what is important to the corporate culture in that company.

We do that through interviewing the existing C-suite of executives, but also utilising expert networks to find former employees that have left on good terms. As long as we get answers that rhyme or that seem related to each other, we deem that culture as being strong and very broadly held.

The last piece is adaptability. We are buying businesses that we expect to grow. With growth comes not only internal challenges, but also external ones as competitors move in to seize the market opportunity. As a result, the corporate culture must be able to adapt to both internal changes and external shifts in the environment.

By having a team that is dedicated to that, we can really commit resources to something that we think helps us make differentiated decisions. The cultural analysis is really dedicated and done hand in hand with the fundamental analysis.

**We are incredibly grateful for the work you do for Future Generation Global. Why, as an American fund manager, do you manage our money pro bono?**

It comes back to the core values that drive WCM. The three core values we have are; fund, gratitude and serve others. We recognise that we are blessed to be in what is an incredibly growing industry that can change lives, not just employees lives, but the people we serve which is our investor base. So, when we got introduced to Future Generation through some of our friends in Australia, it was a no brainer for us. It fit our values.



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

**Future Generation Australia fund managers**

**Future Generation Global fund managers**

**PARADICE**  
INVESTMENT MANAGEMENT

**REGAL**  
FUNDS

**BAEP**  
Bennelong Australian Equity Partners

**YARRA**  
CAPITAL MANAGEMENT

**COOPER**  
INVESTORS

**MUNRO**

**L1 CAPITAL**

**Wilson**  
Asset Management

**COOPER**  
INVESTORS

**MAGELLAN**  
EXPERTS IN GLOBAL INVESTING

Holwesko Partners

**Antipodes**

SANDON CAPITAL

**Tribeca**  
Investment Partners

**SAGE**  
CAPITAL

**WCM**  
INVESTMENT MANAGEMENT

**CALEDONIA**

**vinva**  
INVESTMENT MANAGEMENT

**vinva**  
INVESTMENT MANAGEMENT

**clime**

**LANYON**

**Z** Ellerston Capital

**Plato**  
INVESTMENT MANAGEMENT

**MARTIN CURRIE**

**CENTENNIAL**  
ASSET MANAGEMENT

**Smallco**

**Firetrail**  
INVESTMENTS

**PARADICE**  
INVESTMENT MANAGEMENT

**Morphic**  
Asset Management

**QVG**  
CAPITAL

**ELEY GRIFFITHS**  
GROUP



## Building on our first ten years of social investment

From 11 November until 9 December 2024, we are running an Expression of Interest (EOI) process to establish partnerships with non-profits to build on our social investment in children and youth at risk.

In our first decade, we have proudly invested more than \$43 million in Australian non-profits. As Future Generation Australia enters its second decade, we must ensure that our giving continues to create a significant impact and remains fit for the current circumstances facing young Australians.

We are enormously grateful to our shareholders, pro bono fund managers and service providers for their contribution to, and enthusiasm for, our social investment. In refining our giving strategy, we remain dedicated to children at risk in Australia and to striving for the best outcomes for those children.

Dr Philip Lowe, Chair of Future Generation Australia and former Governor of the Reserve Bank of Australia, says: *“Childhood is the foundation for life and really affects a persons future trajectory. At Future Generation, we believe that every Australian child deserves the opportunity that a safe and positive childhood offers – and I know our shareholders do too.”*

We are looking to partner with organisations that support children facing adversity to flourish through the development of healthy relationships, resilience and a positive sense of self.

The EOI is an online form which can be accessed [here](#) from 11 November.

If you have questions, please call (02) 9247 9202 to speak to a member of the Future Generation team or email [eoifuturegeninvest.com.au](mailto:eoifuturegeninvest.com.au).

## Our social impact partners



## Our pro bono service providers



## Fund manager allocation and investments at market value as at 31 October 2024

Fund Manager	Investment	Strategy	% of Gross Assets
Yarra Capital Management	Yarra Global Share Fund	Long equities	11.8%
Cooper Investors	Cooper Investors Global Equities Fund (Unhedged)	Long equities	11.5%
Munro Partners	Munro Global Growth Fund	Absolute bias	10.0%
Magellan Asset Management	Magellan Global Fund	Long equities	8.6%
Antipodes Partners	Antipodes Global Fund – Long	Long equities	8.6%
Holowesko Partners	Holowesko Global Fund Limited - Class A	Absolute bias	8.3%
WCM Investment Management	WCM Quality Global Growth Fund (Hedged)	Long equities	7.7%
Caledonia	Caledonia Global Fund	Absolute bias	6.7%
Vinva Investment Management	Vinva International Equity Fund	Quantitative	5.5%
Ellerston Capital	Ellerston Global Mid Small Cap Fund	Long equities	5.4%
Plato Investment Management	Plato Global Alpha Fund – Class Z	Quantitative	5.0%
Martin Currie Investment Management	Martin Currie Global Long-Term Unconstrained Fund	Long equities	4.4%
Paradice Investment Management	Paradice Global Small Cap Fund	Long equities	3.8%
Morphic Asset Management	Morphic Ethical Equities Fund Limited	Absolute bias	0.7%
	Cash and cash equivalents		2.0%

**Fund manager  
allocation and  
investments at  
market value as at  
31 October 2024**

Fund Manager	Investment	Strategy	% of Gross Assets
	<b>Equity Alpha Plus/Mid Cap Funds (split out below)</b>		<b>16.5%</b>
Paradice Investment Management	Paradice Equity Alpha Plus Fund	Absolute bias	8.5%
	Paradice Australian Mid Cap Fund	Long equities	8.0%
Regal Funds Management	Regal Australian Long Short Equity Fund	Absolute bias	12.5%
Bennelong Australian Equities Partners	Bennelong Australian Equities Fund	Long equities	10.4%
	<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%
	<b>Equity/Leaders Funds (split out below)</b>		<b>7.9%</b>
Wilson Asset Management	Wilson Asset Management Equity Fund	Absolute bias	4.2%
	Wilson Asset Management Leaders Fund	Absolute bias	3.7%
Cooper Investors	Cooper Investors Australian Equities Fund	Long equities	7.3%
Sandon Capital	Sandon Capital Activist Fund	Absolute bias	6.4%
Tribeca Investment Partners	Tribeca Alpha Plus Fund	Absolute bias	3.8%
Sage Capital	Sage Capital Equity Plus Fund	Absolute bias	3.3%
Vinva Investment Management	Vinva Australian Equities Fund	Long equities	3.3%
Clime Investment Management	Clime All Cap Australian Equities Fund	Long equities	3.1%
Centennial Asset Management	The Level 18 Fund	Absolute bias	3.0%
Lanyon	Lanyon Investment Fund	Absolute bias	3.0%
Smallco Investment Manager	Smallco Broadcap Fund	Long equities	2.5%
Firetrail Investments	Firetrail High Conviction Fund	Long equities	2.2%
QVG Capital	QVG Opportunities Fund	Long equities	1.8%
Eley Griffiths Group	Eley Griffiths Group Small Companies Fund	Long equities	1.3%
	Cash and cash equivalents		2.2%