

Dear Fellow Shareholder,

As we welcome the new year, we are pleased to share the 2024 investment portfolio performance of Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG). The Future Generation Australia investment portfolio increased 13.0%, outperforming the S&P/ASX All Ordinaries Accumulation Index by 1.6% for the 12-months ended 31 December 2024. During this period, the Future Generation Global investment portfolio increased 26.7%*.

In December, the Future Generation Australia investment portfolio decreased 3.1%*, in line with the S&P/ASX All Ordinaries Accumulation Index. The Future Generation Global investment portfolio increased 0.8%*, while the MSCI AC World Index (AUD) rose 3.0%.

Since inception, the Future Generation Global investment portfolio has increased 9.7%* per annum and the Future Generation Australia investment portfolio has increased 9.3%* per annum. The investment portfolios' performance have been achieved with less volatility than their respective indexes, as measured by standard deviation.

Strong total shareholder returns and dividends

In 2024, Future Generation Global and Future Generation Australia provided strong total shareholder returns (TSR) of 28.9% and 23.5% for investors respectively, when including the value of franking credits.

In keeping with our objective of delivering both capital growth and a stream of fully franked dividends, we increased our fully franked interim dividends in 2024, taking Future Generation Australia to a grossed-up annualised interim dividend yield of 8.0%[^] and Future Generation Global to 7.4%[^], based on the 31 December 2024 share price of \$1.26 and \$1.42, respectively. The strong investment portfolio performance since inception of both companies, and the profits reserve available through the listed investment company structure, provides investors confidence in the sustainability of future dividends.

Social returns

We donated more than \$11 million this year to support the vital work of non-profit organisations across Australia. This takes our total social investment to \$87.2 million – a number we are immensely proud of – as we continue to create meaningful change for young Australians.

Our fund managers share top stock picks

Looking forward into 2025, several of Future Generation's pro bono fund managers shared their high conviction investment ideas with James Thomson, Chanticleer columnist at The Australian Financial Review. Read why they are investing in tech giants such as Alphabet (NASDAQ: GOOG) and Block (NYSE: SQ, ASX: SQ2) as well as healthcare companies such as ResMed (ASX: RMD) and Paragon Care (ASX: PGC) in the article [here](#).

Looking ahead to 2025

As we move into 2025, the team and I are focused on driving stronger investment performance and social impact. Our National Shareholder Presentations across Australia provide an opportunity to connect with you, our shareholders, and discuss our progress and plans. Keep an eye out for an email announcing the date of the event in your city— we would love to see you there.

Please call or email us if you have any questions on (02) 9247 9202 or info@futuregeninvest.com.au.



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.

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



\$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

Net tangible assets before tax	Assets	Profits reserve (per share)
167.86c	\$673.4m	65.8c
Net tangible assets after tax and before tax on unrealised gains	Market capitalisation [#]	Dividends paid since inception (per share)
164.96c	\$566.6m	30.4c Including the value of franking credits: 43.4c
Net tangible assets after tax	Volatility ^{**}	Grossed-up dividend yield [^]
154.62c	9.8% MSCI AC World Index (AUD): 10.6%	7.4% Annualised fully franked interim dividend yield: 5.2% [#]

[#]Based on the 31 December 2024 share price of \$1.42 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.

^{**}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.

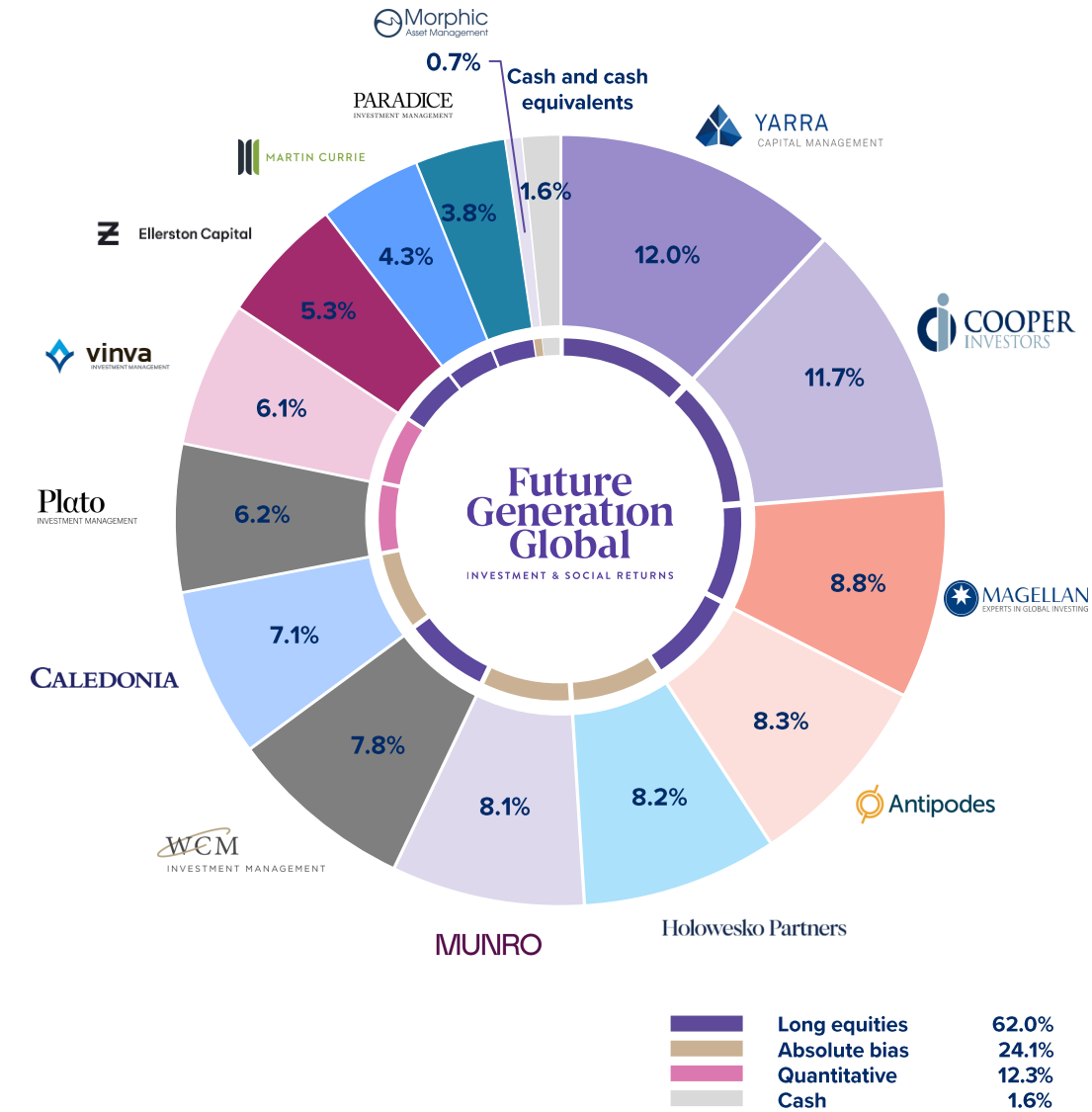
[^]Grossed-up dividend yield includes the value of franking credits and is based on a tax rate of 30.0%.

Investment portfolio performance at 31 December 2024	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (Sept-15)
Future Generation Global	26.7%	6.7%	9.2%	10.4%	9.7%

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

Net tangible assets before tax	Assets	Dividends paid since inception (per share)
140.06c	\$576.4m	50.0c Including the value of franking credits: 71.4c
Net tangible assets after tax and before tax on unrealised gains	Market capitalisation [#]	Profits reserve (per share)
136.59c	\$515.5m	37.9c
Net tangible assets after tax	Volatility ^{**}	Grossed-up dividend yield [^]
133.51c	11.6% S&P/ASX All Ordinaries Accumulation Index: 14.0%	8.0% Annualised fully franked interim dividend yield: 5.6% [#]

[#]Based on the 31 December 2024 share price of \$1.26 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.

^{**}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.

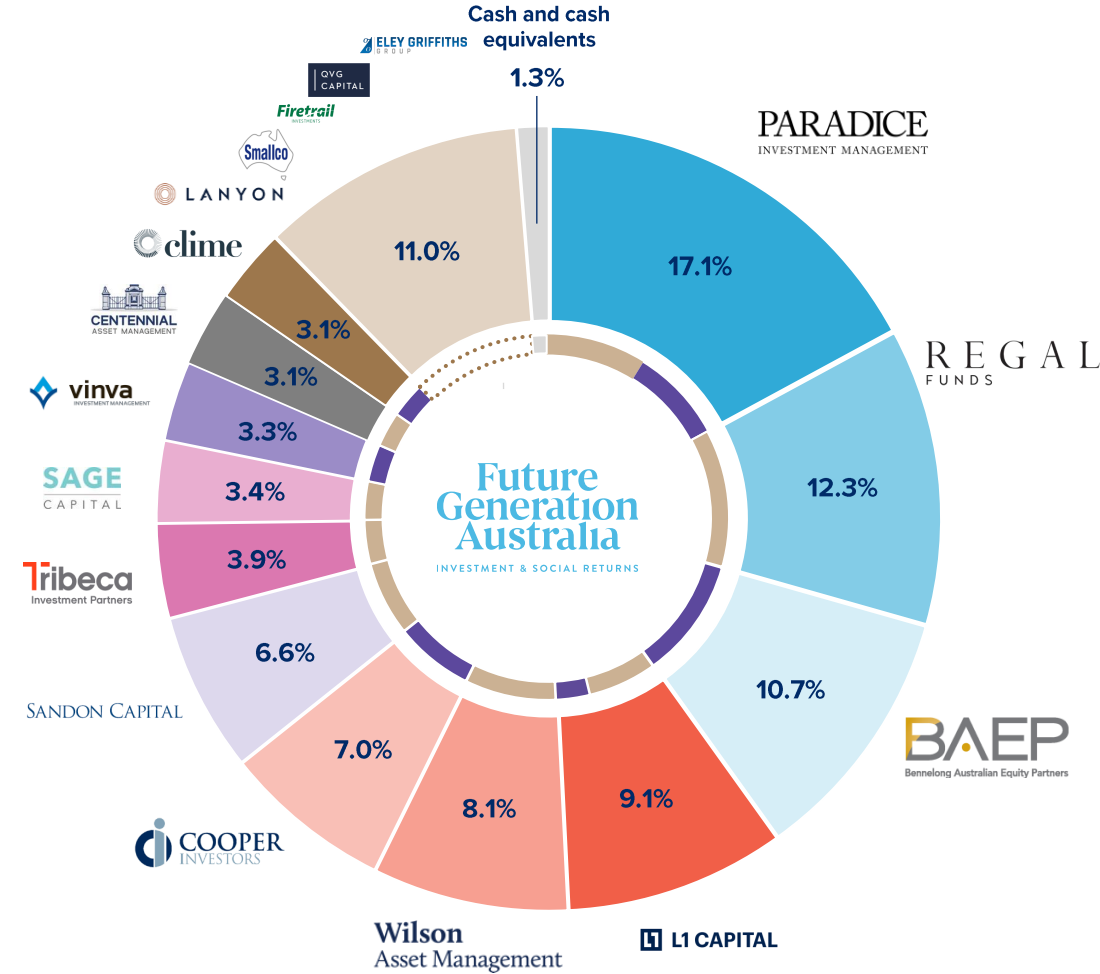
[^]Grossed-up dividend yield includes the value of franking credits and is based on a tax rate of 30.0%.

Investment portfolio performance at 31 December 2024	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (Sept-14)
Future Generation Australia	13.0%	4.7%	9.0%	8.7%	9.3%

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



11.0% fund manager breakdown

Lanyon Asset Management	3.0%	QVG Capital	1.9%	Absolute bias	55.3%
Smallco Investment Manager	2.5%	Eley Griffiths Group	1.3%	Long equities	43.4%
Firetrail Investments	2.3%			Cash	1.3%

Please enjoy a summary of our latest podcast episodes.

Future Generation's podcast series *2Fold: Investing for impact* explores the world of investing, philanthropy, mental health, and supporting children and youth at risk, with generous people who are leading the way.

The podcast series *Take Stock*, provides a backstage pass into the minds of our leading pro bono fund managers and Investment Committee members – and work out how (and why) they make the stock choices they do.

Holiday listening – Future Generation's podcast series



Ryan Quinn, Portfolio Manager at WCM Investment Management, joined us from the USA, to share his expertise on the fund's notable performance and his market outlook. [Listen here](#)



Tom Richardson, Portfolio Manager at Paradise Investment Management, discusses his views on China, mining stocks, and small-cap companies. [Listen here](#)



Mark Holowesko, Founding Partner and CEO of Holowesko Partners discusses his investment philosophy, US debt, potential threats to equity markets, and his views on the US election. [Listen here](#)



Nikki Thomas, Portfolio Manager at Magellan, shares her market outlook and discusses opportunities and challenges in China's market and her investment process. [Listen here](#)



Dr Ian Langford, served in Afghanistan, Iraq, Israel and Syria and discusses his career in the Defence Force, military ethics and the future of warfare. [Listen here](#)



Matthew Kidman, Principle and Portfolio Manager at Centennial Asset Management discusses how global conflicts are impacting markets and his views on Artificial Intelligence and investment opportunities in China. [Listen here](#)

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

Future Generation Australia fund managers

PARADICE
INVESTMENT MANAGEMENT

R E G A L
F U N D S

BAEP
Bennelong Australian Equity Partners

L1 CAPITAL

Wilson
Asset Management

COOPER
INVESTORS

SANDON CAPITAL

Tribeca
Investment Partners

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

CALEDONIA

vinva
INVESTMENT MANAGEMENT

Z **Ellerston Capital**

Plato
INVESTMENT MANAGEMENT

MARTIN CURRIE

PARADICE
INVESTMENT MANAGEMENT

Morphic
Asset Management

Social investment summary

2024 has been one of bold steps and solid progress at Future Generation. We have stayed true to our mission of delivering investment and social returns, and are pleased to share our top three social investment achievements with you:

- In August, Future Generation Global launched its inaugural [Impact Measurement Initiative](#), quantifying the collective social impact of our not-for-profits in an Australian first. The initiative – which revealed that our 14 impact partners had more than 5.3 million participants in their programs and services in 2023 – won the Collaboration Award in the Australian Philanthropy Awards 2024 and was hailed by philanthropic heavyweights David Gonski and Michael Traill. Read the media coverage in [The Australian](#).
- In November, Future Generation Australia opened its books to new non-profit partners for the first time. We have received almost 330 expressions of interest from non-profits that are working with children facing adversity. We look forward to introducing our chosen partners to you towards the middle of next year. Read Damon Kitney's media coverage in [The Australian](#).
- This year, we donated more than \$11 million to support the vital work of non-profit organisations across Australia. This takes our total social investment to \$87.2 million – a number we are immensely proud of – as we continue to create meaningful change for young Australians. Thank you for being part of this journey with us.

Our social impact partners



Our pro bono service providers



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

Fund Manager	Investment	Strategy	% of Gross Assets
Yarra Capital Management	Yarra Global Share Fund	Long equities	12.0%
Cooper Investors	Cooper Investors Global Equities Fund (Unhedged)	Long equities	11.7%
Magellan Asset Management	Magellan Global Fund	Long equities	8.8%
Antipodes Partners	Antipodes Global Value Fund	Long equities	8.3%
Holowesko Partners	Holowesko Global Fund Limited - Class A	Absolute bias	8.2%
Munro Partners	Munro Global Growth Fund	Absolute bias	8.1%
WCM Investment Management	WCM Quality Global Growth Fund (Hedged)	Long equities	7.8%
Caledonia	Caledonia Global Fund	Absolute bias	7.1%
Plato Investment Management	Plato Global Alpha Fund – Class Z	Quantitative	6.2%
Vinva Investment Management	Vinva International Equity Fund	Quantitative	6.1%
Ellerston Capital	Ellerston Global Mid Small Cap Fund	Long equities	5.3%
Martin Currie Investment Management	Martin Currie Global Long-Term Unconstrained Fund	Long equities	4.3%
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		1.6%

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

Fund Manager	Investment	Strategy	% of Gross Assets
	Equity Alpha Plus/Mid Cap Funds (split out below)		17.1%
Paradice Investment Management	Paradice Equity Alpha Plus Fund	Absolute bias	8.8%
	Paradice Australian Mid Cap Fund	Long equities	8.3%
Regal Funds Management	Regal Australian Long Short Equity Fund	Absolute bias	12.3%
Bennelong Australian Equities Partners	Bennelong Australian Equities Fund	Long equities	10.7%
	Long Short/Catalyst Funds (split out below)		9.1%
L1 Capital	L1 Capital Long Short Fund	Absolute bias	6.1%
	L1 Capital Catalyst Fund	Long equities	3.0%
	Equity/Leaders Funds (split out below)		8.1%
Wilson Asset Management	Wilson Asset Management Equity Fund	Absolute bias	4.4%
	Wilson Asset Management Leaders Fund	Absolute bias	3.7%
Cooper Investors	Cooper Investors Australian Equities Fund	Long equities	7.0%
Sandon Capital	Sandon Capital Activist Fund	Absolute bias	6.6%
Tribeca Investment Partners	Tribeca Alpha Plus Fund	Absolute bias	3.9%
Sage Capital	Sage Capital Equity Plus Fund	Absolute bias	3.4%
Vinva Investment Management	Vinva Australian Equities Fund	Long equities	3.3%
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	3.0%
Smallco Investment Manager	Smallco Broadcap Fund	Long equities	2.5%
Firetrail Investments	Firetrail High Conviction Fund	Long equities	2.3%
QVG Capital	QVG Opportunities Fund	Long equities	1.9%
Eley Griffiths Group	Eley Griffiths Group Small Companies Fund	Long equities	1.3%
	Cash and cash equivalents		1.3%