

Dear Fellow Shareholder,

Investment portfolio performance

We are pleased to see both the Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG) investment portfolios perform strongly during September:

- The Future Generation Global investment portfolio outperformed the MSCI AC World Index (AUD) by 0.6% in September. The investment portfolio has increased 15.4% during the calendar year to date.
- The Future Generation Australia investment portfolio outperformed the S&P/ASX All Ordinaries Accumulation Index by 0.2% in September. The investment portfolio has increased 13.8% during the calendar year to date, outperforming the Index by 1.4%.

2fold: Take Stock podcast

This month we spoke to Tom Richardson, Lead Portfolio Manager at Paradise Investment Management, who shared why investors are reconsidering the “anything but China” trade strategy following China’s recently announced stimulus package.

“Anything but China” means exactly what it says: Too much risk and too much downside as the world’s second-biggest economy undergoes a shuddering slowdown. In our latest *Take Stock* episode, Tom discusses the scale of China’s recently announced stimulus package – and why it caught many unaware.

“This was a very large stimulus package; something that we had not seen for a number of years from China,” he said.

[Listen](#) to the episode to learn more about what the stimulus package means for Australia, Tom’s outlook for Australian small caps and his stock picks. Listen time 18 minutes, access the transcript [here](#).

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

In the media

You can read Eric Johnston’s coverage of the *Take Stock* episode in *The Australian Business Review*, [Why global money is rethinking ‘anything but China’ trade](#).

Future Generation was featured in the Institute of Community Directors, [Innovative investment is paying off for youth charities](#), and showcased BackTrack, one of Future Generation Global’s social impact partners and the incredible work they are doing with young people. Founded in Armidale, NSW, BackTrack’s mission is to do “whatever it takes, for as long as it takes” to keep vulnerable kids alive, out of jail and with a chance of chasing their dreams.

Australian Shareholders’ Association (ASA) Engage event

We presented the Future Generation model at the ASA Engage event to more than 700 attendees, alongside nine expert speakers including the CFO of Coles, Charlie Elias and CFO of BHP, Vandita Pant. The session drove home the importance of doing well whilst doing good. You can register to watch the full recording or skip to the Future Generation presentation at 3:34:00 minutes [here](#).

Register for Regional Shareholder Presentations

We are travelling to the Gold Coast, Newcastle, Toowoomba and Noosa with several of our leading fund managers and social impact partners for the Future Generation and Wilson Asset Management Regional Shareholder Presentations. The presentations will begin at 10:00am, arrive anytime from 9:30am for tea and coffee with the team. Places are limited, so register [here](#) today.

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

Thank you,



Caroline Gurney
CEO, Future Generation



\$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 before the fully franked interim dividend of 3.5 cents per share payable on 29 October 2024. The shares will trade ex-dividend on 16 October 2024.

Net tangible assets before tax	Assets	Dividends paid since inception (per share)
144.94c	\$598.8m	46.5c Including the value of franking credits: 66.4c
Net tangible assets after tax and before tax on unrealised gains	Market capitalisation [#]	Profits reserve (per share)
142.08c	\$518.4m	39.2c
Net tangible assets after tax	Volatility [^]	Grossed-up dividend yield [*]
137.96c	11.6% S&P/ASX All Ordinaries Accumulation Index: 14.1%	7.9% Annualised fully franked interim dividend yield: 5.5% [#]

[#]Based on the 30 September 2024 share price of \$1.27 per share and the annualised FY24 fully franked interim dividend of 7.0 cents per share. Future Generation Australia has 408,156,604 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.

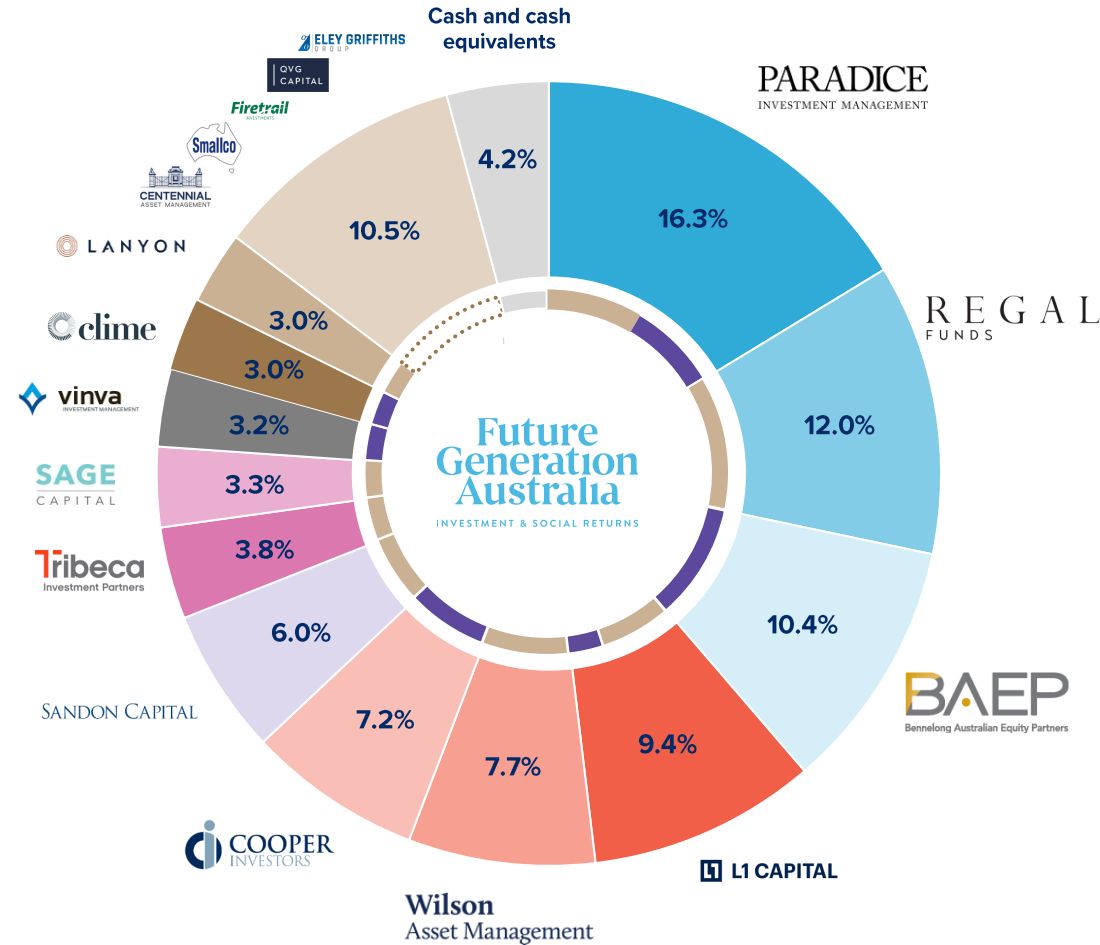
^{*}Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.

Investment portfolio performance at 30 September 2024	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (Sept-14)
Future Generation Australia	13.8%	21.4%	5.6%	9.6%	9.9%	9.6%

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



10.5% fund manager breakdown

Centennial Asset Management	2.9%	QVG Capital	1.7%	Absolute bias	53.5%
Smallco Investment Manager	2.4%	Eley Griffiths Group	1.3%	Long equities	42.3%
Firetrail Investments	2.2%			Cash	4.2%

Investment portfolio performance

The below NTA figures are before the fully franked interim dividend of 3.7 cents per share payable on 30 October 2024. The shares will trade ex-dividend on 17 October 2024.

Net tangible assets before tax	Assets	Profits reserve (per share)
156.79c	\$632.1m	59.3c
Net tangible assets after tax and before tax on unrealised gains	Market capitalisation [#]	Dividends paid since inception (per share)
155.15c	\$541.5m	26.7c Including the value of franking credits: 38.1c
Net tangible assets after tax	Volatility ^{**}	Grossed-up dividend yield [^]
147.98c	9.8% MSCI AC World Index (AUD): 10.7%	7.7% Annualised fully franked interim dividend yield: 5.4% [#]

[#]Based on the 30 September 2024 share price of \$1.36 per share and the annualised FY24 fully franked interim dividend of 7.4 cents per share. Future Generation Global has 398,161,484 shares on issue.

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

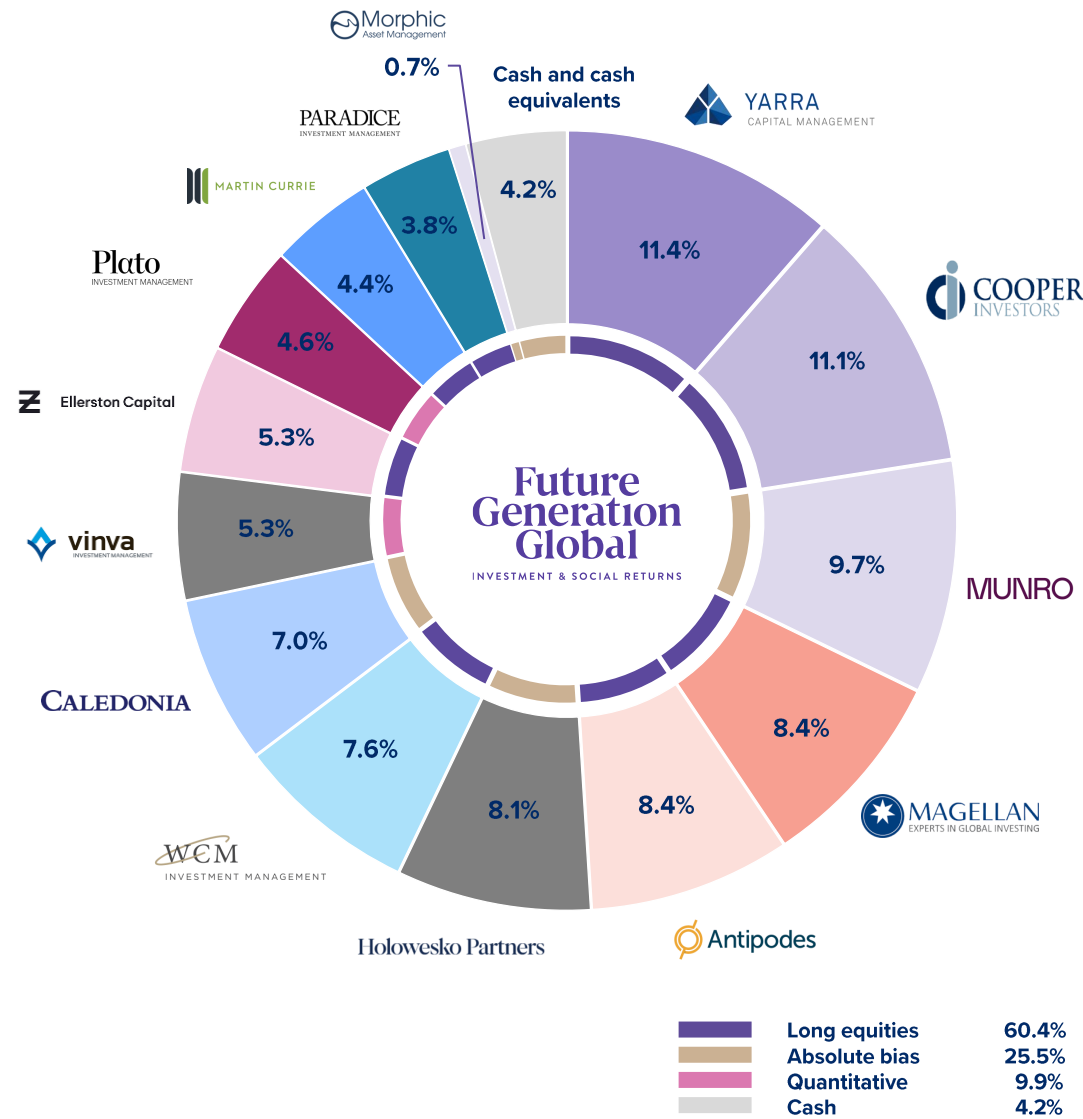
^{**}Volatility shows the degree to which the returns of the portfolio move around from their long-run average. It can be thought of as a measure of the risk in the investment portfolio. Volatility is measured by standard deviation, a statistical measurement.

Investment portfolio performance at 30 September 2024	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (Sept-15)
Future Generation Global	15.4%	20.2%	3.9%	8.3%	9.7%	8.8%

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



Take Stock with Tom Richardson

Tom Richardson, Lead 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. Read Eric Johnston's, Australian Business Review coverage of this episode [Why global money is rethinking 'anything but China' trade](#).

Paradice Investment Management is a pro bono fund manager for both Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG).



Future Generation Australia's (ASX: FGX) portfolio is heavily weighted towards the small and mid-cap companies. There has been a lot of media recently about the great rotation that is underway globally out of large caps and into small caps. Could you explain to us why this is happening?

When we think about the divergence that we have seen between small and large-caps - and it has been dramatic over the last 18 months - there is a huge underperformance from small caps. Part of it is driven by fundamentals. Smaller companies generally do poorer in a slowing economic environment. So that has been a headwind, and you compound that with some of the leaders globally that have been very strong performers, the Microsoft's, the Google's, and the Amazon's of the world. We have seen this huge divergence.

Now, what we are seeing is perhaps improvement in the underlying economic conditions, which is going to be very helpful for small companies. You can see some of that performance more recently coming back into small caps.

Let's talk about China. It is something that you would have been tracking very carefully. They have recently announced a stimulus package. Why is this unique?

It is a very exciting time for financial markets. On 23 September, the Central Bank in China announced a very large stimulus package, something that we hadn't seen for several years.

China have not shown any appetite to stimulate the economy, and they showed significant impulse. That was followed up with a government briefing only a couple of days later where again, a very large stimulus package was announced.

The market responded obviously very nicely. For the past two years investors had been trying to sell anything China exposed. In fact, a very popular trade that you may have been familiar with was the ABC trade, which is "anything but China." From the start of this year, the ABC trade had worked very, very well.

When the government came out with these stimulus policies, we saw huge moves, both within the China domestic market and our market. Positioning suggests that that could go on. When the government has a clear target of stabilising the economy, we have taken note.

You have been a fan of gold for a long period of time now, and it is at a record high. If investors want to take advantage of this, what stocks should they be looking at?

As I said, it has been a strong market for a year, so you can pretty much have owned anything. It probably pays to be a bit more careful in terms of stock selection going forward after such a bull market. Newmont (ASX: NEM) is a stock that we own within the portfolio, and we have done well out of it, and we continue to see a lot of upside in that.

Newmont acquired the Australian business Newcrest, the largest gold producer listed on the Australian Securities Exchange and one of the world's largest gold mining companies, a year or two ago, and that means they are going to lower their cost and increase their production, which is a pretty good place to start. They are going to have a very strong balance sheet, and we expect that they will be buying back shares.



We are very grateful for all the pro bono work that you do for Future Generation. I'm always really interested in why do you do it personally?

Well, it is interesting. A great investment is always very simple. I was thinking about this 10 or 15 years ago, before we had OneNote and iPads. Back then, all of the stocks within the market had their own file. Unsurprisingly, our best investments always had a very small file with minimal notes. Our worst investments had a very big file, a lot of company meetings.

One of the great things about Future Generation from my perspective, is the simplicity. We manage money for Future Generation investors in exactly the same way we manage money for everyone else. That enables the high-quality team at Future Generation, yourself and your team, to go out and pick not-for-profit organisations that are going to make a difference. The sustainability of the funding for those organisations, we have heard on numerous occasions, makes a huge difference. So, the model is very simple, but very effective. Not dissimilar from a great investment. We think it is a very easy way for us to give back a little.

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

clime

LANYON

CENTENNIAL
ASSET MANAGEMENT

Smallco

Firetrail
INVESTMENTS

QVG
CAPITAL

ELEY GRIFFITHS
GROUP

Future Generation Global fund managers

YARRA
CAPITAL MANAGEMENT

COOPER
INVESTORS

MUNRO

MAGELLAN
EXPERTS IN GLOBAL INVESTING

Holowesko Partners

Antipodes

WCM
INVESTMENT MANAGEMENT

CALEDONIA

vinva
INVESTMENT MANAGEMENT

Z **Ellerston Capital**

Plato
INVESTMENT MANAGEMENT

MARTIN CURRIE

PARADICE
INVESTMENT MANAGEMENT

Morphic
Asset Management

Social impact partner in focus:



Judy Barraclough, CEO of Youth Off the Streets

In this compelling Q&A, Judy Barraclough, CEO of Youth Off The Streets, shares insights about the vital work her organisation does for vulnerable young Australians aged 12–24.

With over 30 years of experience, Youth Off The Streets offers comprehensive support, including crisis accommodation, educational opportunities, and cultural wellbeing services, particularly for First Nations youth.

Judy discusses the alarming impact of the ongoing cost-of-living crisis, which has intensified homelessness among young people, revealing that nearly 25% of Australia's homeless population is aged 12–24.

She highlights the heartbreaking realities of domestic and family violence, which affects over 90% of the youth they serve. Judy emphasises the resilience of these young people and the potential they hold, despite their challenging circumstances.

Through their partnership with Future Generation Australia, Youth Off The Streets is committed to expanding their services to reach 60% more at-risk youth by 2028. This interview sheds light on the urgent need for community support and understanding. Don't miss the chance to read the full conversation [here](#) and discover how you can help empower these young lives for a brighter future.

[Read a Q&A](#) and visit [Youth Off The Streets](#) for more information.

Our social impact partners



Our pro bono service providers



**Fund manager
allocation and
investments at
market value as at
30 September 2024**

Fund Manager	Investment	Strategy	% of Gross Assets
	Equity Alpha Plus/Mid Cap Funds (split out below)		16.3%
Paradice Investment Management	Paradice Equity Alpha Plus Fund	Absolute bias	8.5%
	Paradice Australian Mid Cap Fund	Long equities	7.8%
Regal Funds Management	Regal Australian Long Short Equity Fund	Absolute bias	12.0%
Bennelong Australian Equities Partners	Bennelong Australian Equities Fund	Long equities	10.4%
	Long Short/Catalyst Funds (split out below)		9.4%
L1 Capital	L1 Capital Long Short Fund	Absolute bias	6.3%
	L1 Capital Catalyst Fund	Long equities	3.1%
	Equity/Leaders Funds (split out below)		7.7%
Wilson Asset Management	Wilson Asset Management Equity Fund	Absolute bias	4.0%
	Wilson Asset Management Leaders Fund	Absolute bias	3.7%
Cooper Investors	Cooper Investors Australian Equities Fund	Long equities	7.2%
Sandon Capital	Sandon Capital Activist Fund	Absolute bias	6.0%
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	3.2%
Clime Investment Management	Clime All Cap Australian Equities Fund	Long equities	3.0%
Lanyon	Lanyon Investment Fund	Absolute bias	3.0%
Centennial Asset Management	The Level 18 Fund	Absolute bias	2.9%
Smallco Investment Manager	Smallco Broadcap Fund	Long equities	2.4%
Firetrail Investments	Firetrail High Conviction Fund	Long equities	2.2%
QVG Capital	QVG Opportunities Fund	Long equities	1.7%
Eley Griffiths Group	Eley Griffiths Group Small Companies Fund	Long equities	1.3%
	Cash and cash equivalents		4.2%

**Fund manager
allocation and
investments at
market value as at
30 September 2024**

Fund Manager	Investment	Strategy	% of Gross Assets
Yarra Capital Management	Yarra Global Share Fund	Long equities	11.4%
Cooper Investors	Cooper Investors Global Equities Fund (Unhedged)	Long equities	11.1%
Munro Partners	Munro Global Growth Fund	Absolute bias	9.7%
Magellan Asset Management	Magellan Global Fund	Long equities	8.4%
Antipodes Partners	Antipodes Global Fund – Long	Long equities	8.4%
Holowesko Partners	Holowesko Global Fund Limited - Class A	Absolute bias	8.1%
WCM Investment Management	WCM Quality Global Growth Fund (Hedged)	Long equities	7.6%
Caledonia	Caledonia Global Fund	Absolute bias	7.0%
Vinva Investment Management	Vinva International Equity Fund	Quantitative	5.3%
Ellerston Capital	Ellerston Global Mid Small Cap Fund	Long equities	5.3%
Plato Investment Management	Plato Global Alpha Fund – Class Z	Quantitative	4.6%
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		4.2%