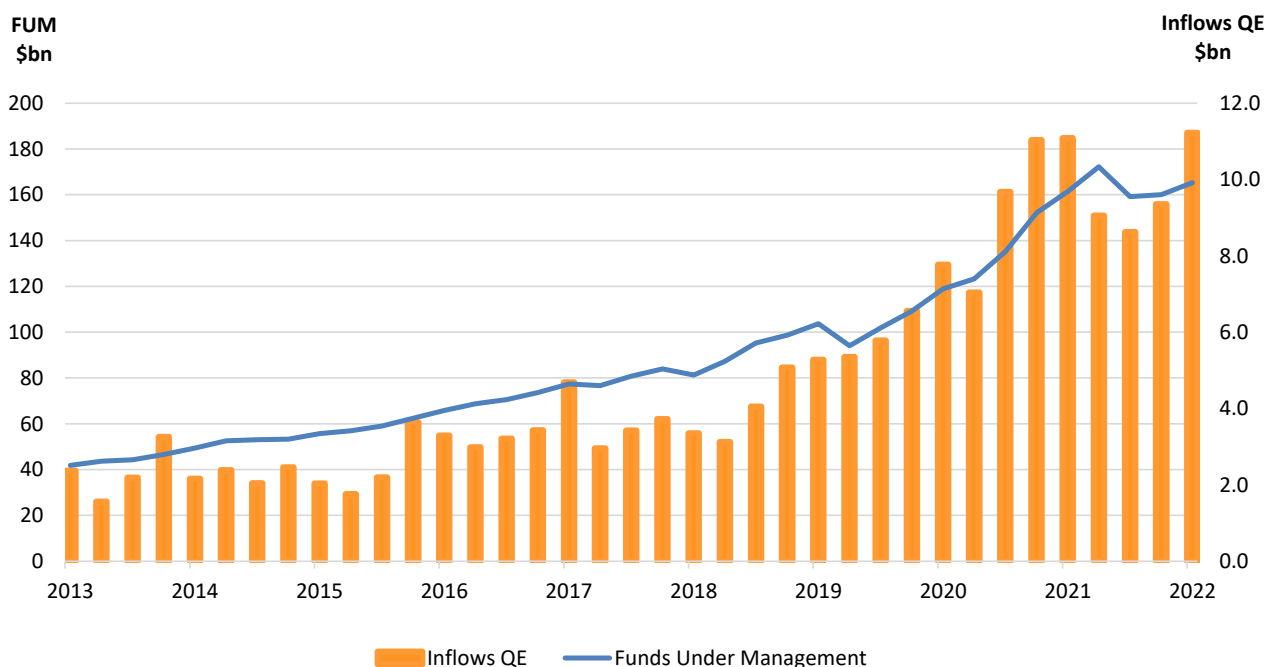


Market Overview

Analysis of Australian & New Zealand Responsible Funds at December 2022

2.4% Annual Growth in Responsible Investment Funds Outperforming the Wider Market

The Responsible Investment Managed Funds market, as captured by Plan For Life across Australia and New Zealand, accounted for \$165.2bn of Funds Under Management at the end of December 2022, up 2.4% over the past year with investment markets recovering somewhat during the latest quarter after three consecutive quarterly falls, while annual Inflows were slightly down on the previous year's peak, down 1.5% to \$38.3bn. On average Responsible Funds grew 16.4% p.a. over the past 5 years compared to 7.2% p.a. for the wider market, while total Responsible Funds have not experienced negative quarterly Net Flows since 2013.



Australian Investment Responsible funds, including both Retail and Wholesale Unit Trusts, account for almost 40% of the Responsible market and while growth was negative over the past year, down 1.5%, this was a significantly better result than that recorded the wider Investment market which fell 12.9% over the same period.

The corresponding **Australian Super** Responsible sub-market increased 25.9% over the latest year (partly due to the inclusion of UniSuper responsible options) and recorded a 5 year CAGR of 22.9% while representing almost 25% of overall Responsible Investment Funds Under Management.

Responsible thematic **ETFs** are growing rapidly in terms of both FUM and products, now with 47 products making up the current total and FUM rising 15.0% over the past year.

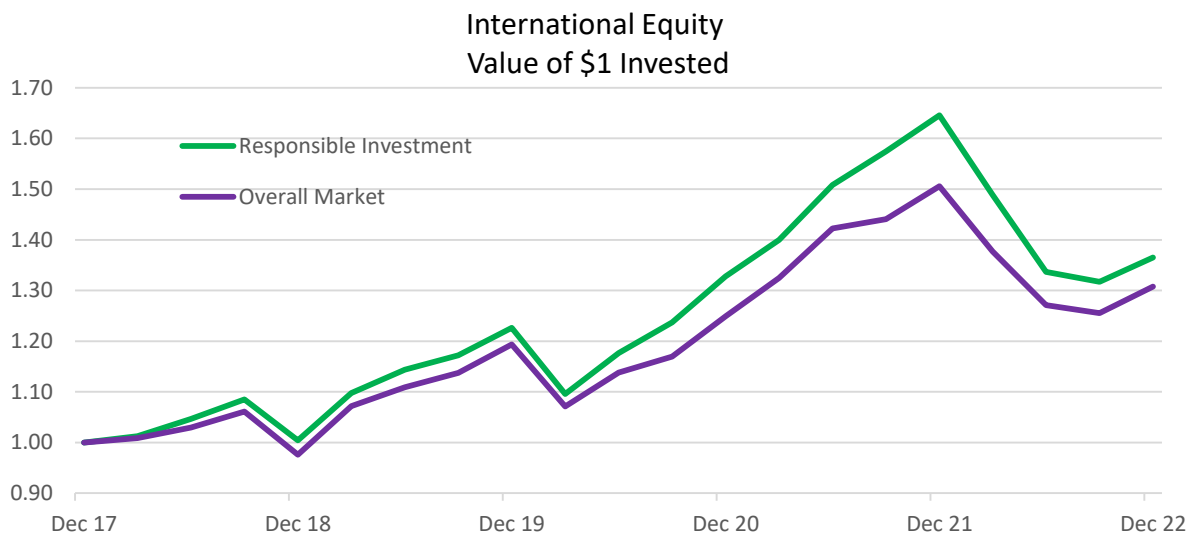
After significant recent inclusions **New Zealand** Responsible Funds now comprise \$50.3bn of Funds Under Management, which is 33.3% of the total NZ Retail market and although FUM fell 8.6% over the past year, 5 year CAGR remains strong at 11.8% p.a.

Market Overview

Analysis of Australian & New Zealand Responsible Funds at December 2022

Funds Under Management								
\$millions	December 2022		December 2021		December 2017		Growth Rates	
							Annual	5yr CAGR
Australian Investment	65,514	39.65%	66,508	41.20%	33,038	42.72%	-1.49%	14.67%
Australian Super	41,173	24.92%	32,703	20.26%	14,675	18.97%	25.90%	22.92%
New Zealand	50,326	30.46%	55,057	34.11%	28,842	37.29%	-8.59%	11.78%
Exchange Traded Funds	8,219	4.97%	7,147	4.43%	790	1.02%	15.00%	59.77%
Totals	165,233	100.00%	161,416	100.00%	77,344	100.00%	2.36%	16.39%

Responsible International Equity trusts displayed a similar overall trend to comparable trusts over the past 5 years but on average have clearly outperformed since 2019, exhibiting extended peaks and quicker recoveries from market troughs compared to the wider market.



18 May 2023

Market Overview

Analysis of Australian & New Zealand Responsible Funds at December 2022

About the Market Overview

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