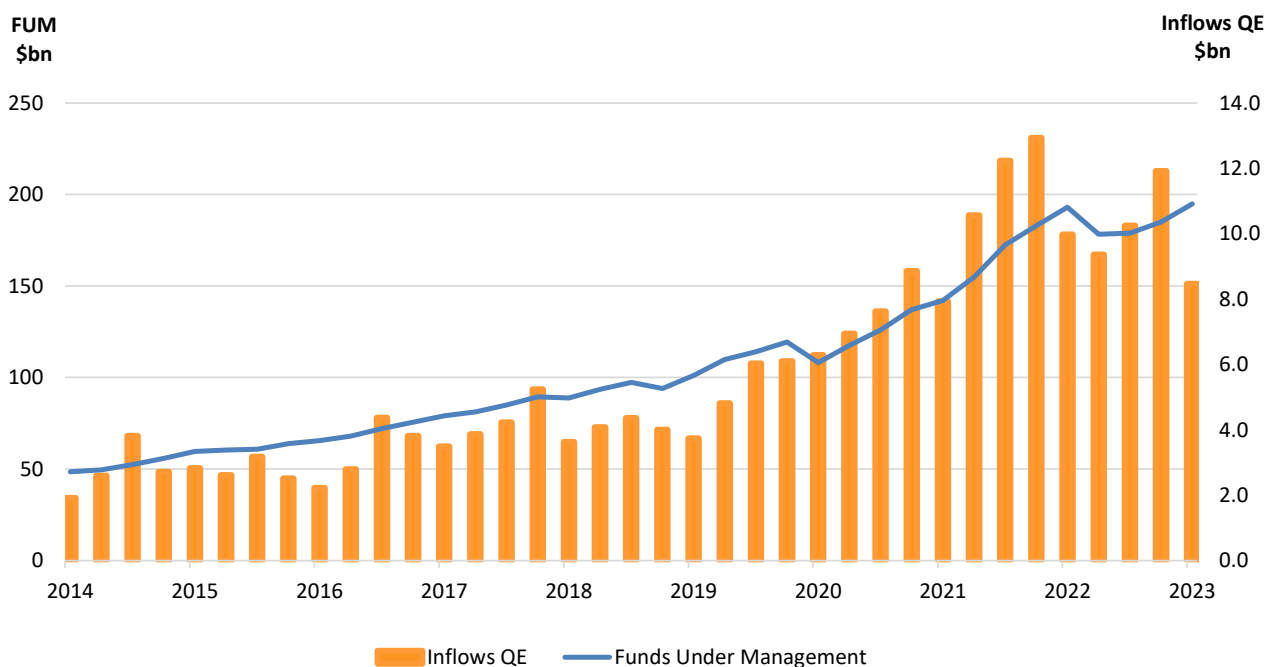


Market Overview

Analysis of Australian & New Zealand Responsible Funds at March 2023

1.0% 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 \$194.9bn of Funds Under Management at the end of March 2023, up a marginal 1.0% over the past year with investment markets continuing to recover some of the falls experienced over the first three quarters of 2022, although annual Inflows were noticeably down on the previous year's peak, down 12.5% to \$40.0bn. On average Responsible Funds grew 17.0% p.a. over the past 5 years compared to 8.2% p.a. for the wider market, while total Responsible Funds have experienced negative quarterly Net Flows only once since 2011.



Australian Investment Responsible funds, including both Retail and Wholesale Unit Trusts, account for almost 36% of the Responsible market and posted strong growth of 4.7% over the past year, significantly outperforming the wider Investment market which fell 6.8% over the same period.

The corresponding **Australian Super** Responsible sub-market fell 5.9% over the latest year however the 5 year CAGR for these funds was markedly positive at 24.2% while representing over 22% of overall Responsible Investment Funds Under Management.

Responsible thematic **ETFs** are growing rapidly in terms of both FUM and products, now with 49 products making up the current total and FUM rising 13.3% over the past year.

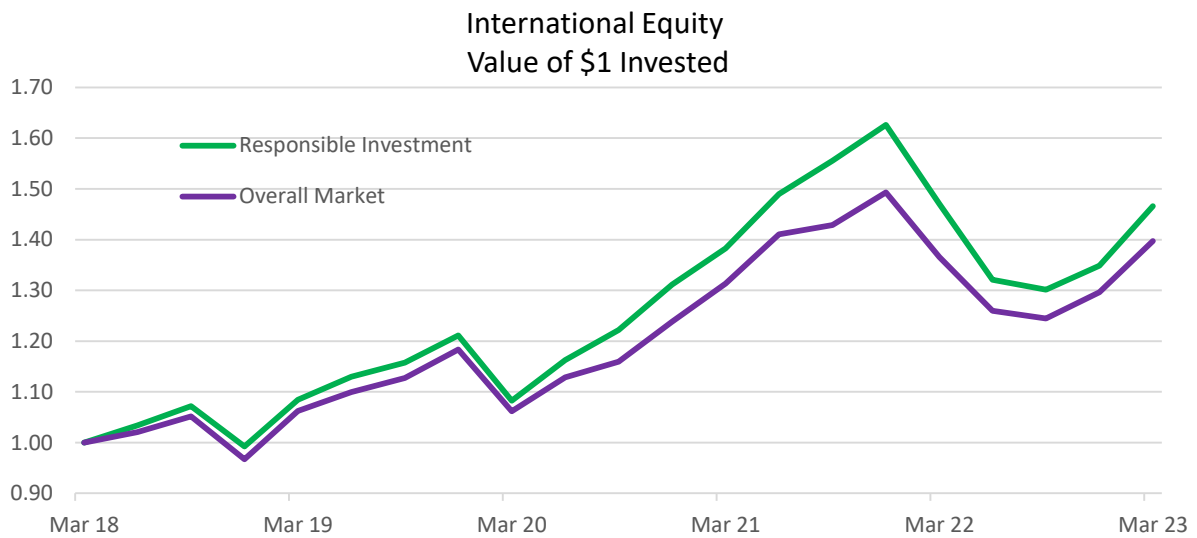
After significant recent inclusions **New Zealand** Responsible Funds now comprise \$73.6bn of Funds Under Management, which is 46.8% of the total NZ Retail market and although FUM was almost unchanged over the past year, 5 year CAGR remains strong at 12.2% p.a.

Market Overview

Analysis of Australian & New Zealand Responsible Funds at March 2023

Funds Under Management								
\$millions	March 2023		March 2022		March 2018		Growth Rates	
							Annual	5yr CAGR
Australian Investment	69,304	35.56%	66,213	34.31%	31,992	36.02%	4.67%	16.72%
Australian Super	42,962	22.05%	45,659	23.66%	14,526	16.36%	-5.91%	24.22%
New Zealand	73,631	37.78%	73,190	37.93%	41,389	46.60%	0.60%	12.21%
Exchange Traded Funds	8,973	4.60%	7,917	4.10%	905	1.02%	13.34%	58.22%
Totals	194,870	100.00%	192,978	100.00%	88,812	100.00%	0.98%	17.02%

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.



31 July 2023

Market Overview

Analysis of Australian & New Zealand Responsible Funds at March 2023

About the Market Overview

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