

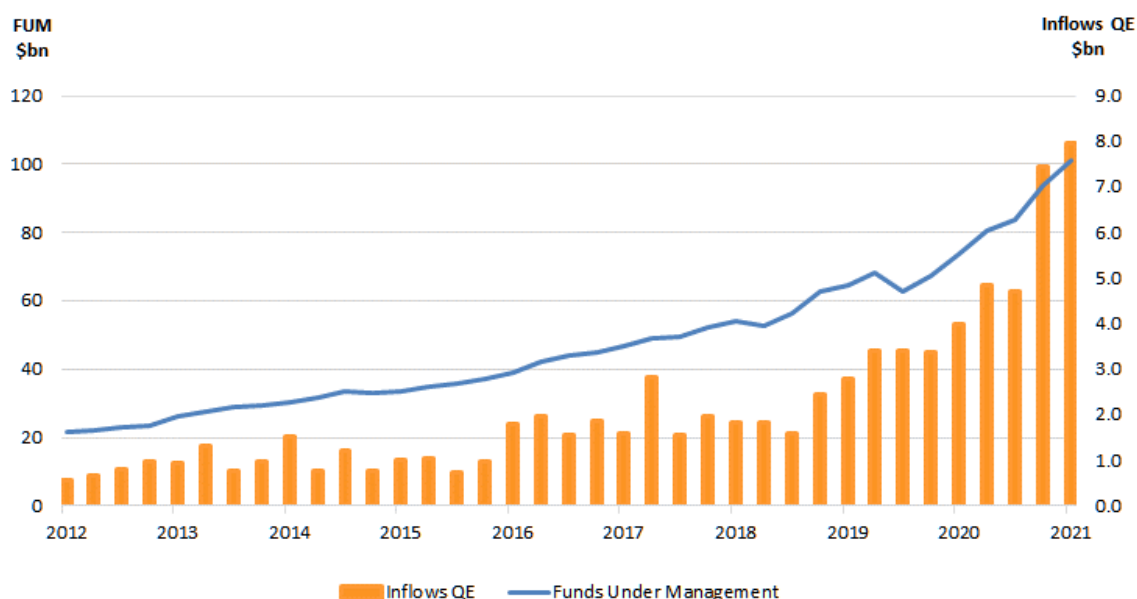
15 February 2022

Market Overview

Analysis of Australian & New Zealand Responsible Funds at September 2021

37.2% 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, topped the \$100bn mark for the first time this quarter, accounting for \$101.0bn of Funds Under Management at the end of September 2021, up 37.2% over the past year driven by solid growth in investment markets and record Inflows. On average, annual growth in Responsible Funds has exceeded the wider market by 10.6% p.a. consistently over the past 3 years and total Responsible Funds have not experienced negative quarterly Net Flows over the past 6 years.



Australian Investment Responsible funds, including both Retail and Wholesale Unit Trusts, account for over 54% of the Responsible market and while posting slower annual growth than the much smaller ETF sub-market, still grew 38.3% which was higher than both the Australian Super and New Zealand sub-markets, and more than double that of the wider Investment market that grew 16.3% over the past year.

The corresponding **Australian Super** Responsible sub-market increased 29.0% over the latest year and recorded a 5 year CAGR of 15.6% while representing over 24% of overall Responsible Investment Funds Under Management.

ETFs have been slower to embrace Responsible Investment as a focus but are growing rapidly in terms of both FUM and products, now with 25 products making up the current total and FUM rising 131.0% over the past year.

New Zealand Responsible Funds now comprise \$16.1bn of Funds Under Management, which is 18.1% of the total NZ Retail market and have defied fluctuating investment markets to post significant growth including a 29.7% 5 year CAGR.

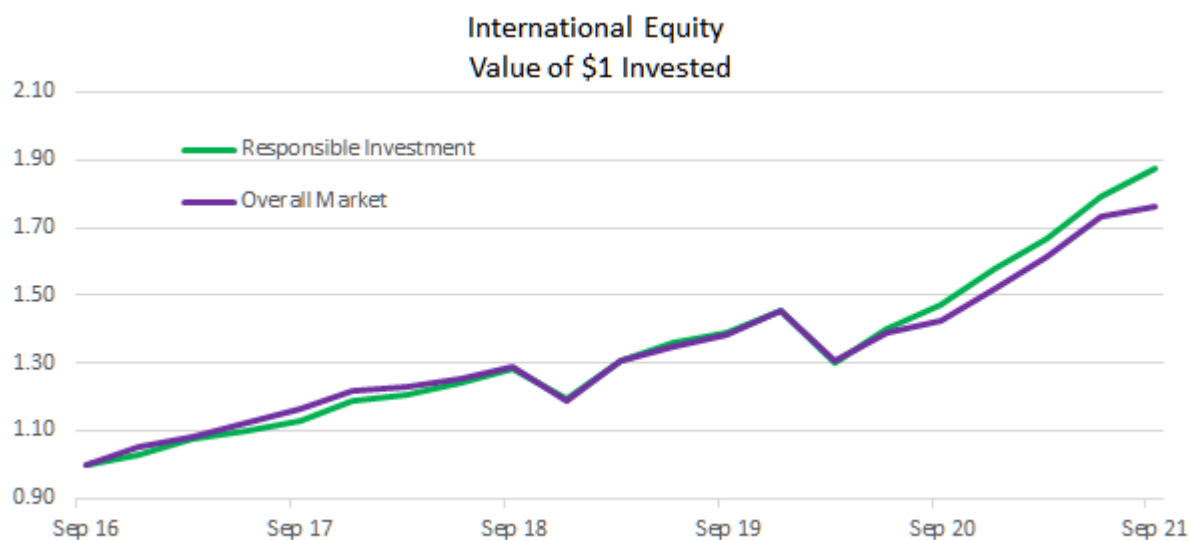
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Funds Under Management								
\$millions	September 2021		September 2020		September 2016		Growth Rates	
							Annual	5yr CAGR
Australian Investment	54,760	54.19%	39,585	53.76%	22,437	57.17%	38.33%	19.54%
Australian Super	24,478	24.22%	18,981	25.78%	11,851	30.20%	28.96%	15.61%
New Zealand	16,055	15.89%	12,578	17.08%	4,372	11.14%	27.64%	29.71%
Exchange Traded Funds	5,755	5.70%	2,492	3.38%	585	1.49%	130.96%	57.98%
Totals	101,048	100.00%	73,637	100.00%	39,244	100.00%	37.22%	20.82%

Although the performance of Responsible International Equity trusts has on average tracked very closely to comparable trusts in the wider market for most of the past 5 years, an outperformance gap has developed over the past year. Historically, similar outperformance is seen during periods of stagnant or negative growth in the wider market where responsible trusts tend to enjoy extended peaks and less dramatic falls.



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About the Market Overview

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