

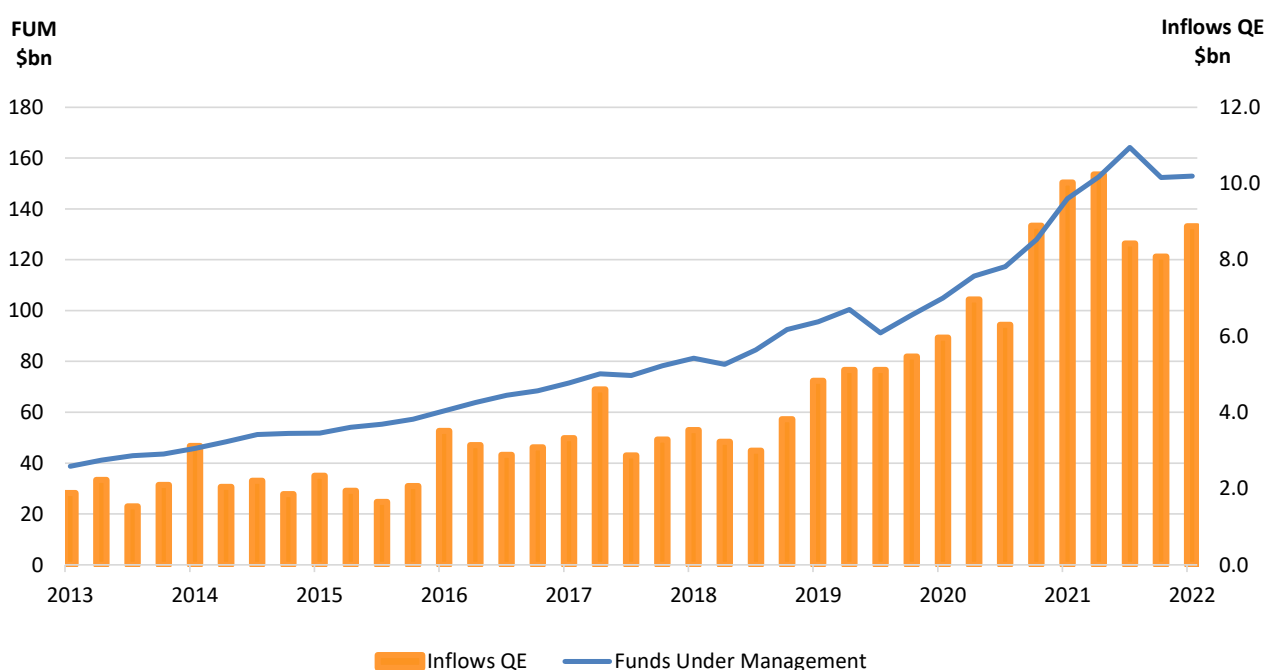
Market Overview

7 February 2023

Analysis of Australian & New Zealand Responsible Funds at September 2022

6.2% 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, accounted for \$152.9bn of Funds Under Management at the end of September 2022, up 6.2% over the past year despite investment markets falling for the third consecutive quarter, while Inflows growth was even stronger, up 11% on the previous year. On average Responsible Funds grew 16% p.a. over the past 5 years compared to 7% 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 over 37% of the Responsible market and while posting slower annual growth than the ETF and Super sub-markets, still rose 1.7% compared to the wider Investment market which fell 11% over the past year.

The corresponding **Australian Super** Responsible sub-market increased 34.7% over the latest year (partly due to the inclusion of UniSuper responsible options) and recorded a 5 year CAGR of 24.6% while representing almost 28% of overall Responsible Investment Funds Under Management.

Responsible thematic **ETFs** are growing rapidly in terms of both FUM and products, now with 36 products making up the current total and FUM rising 28.5% over the past year.

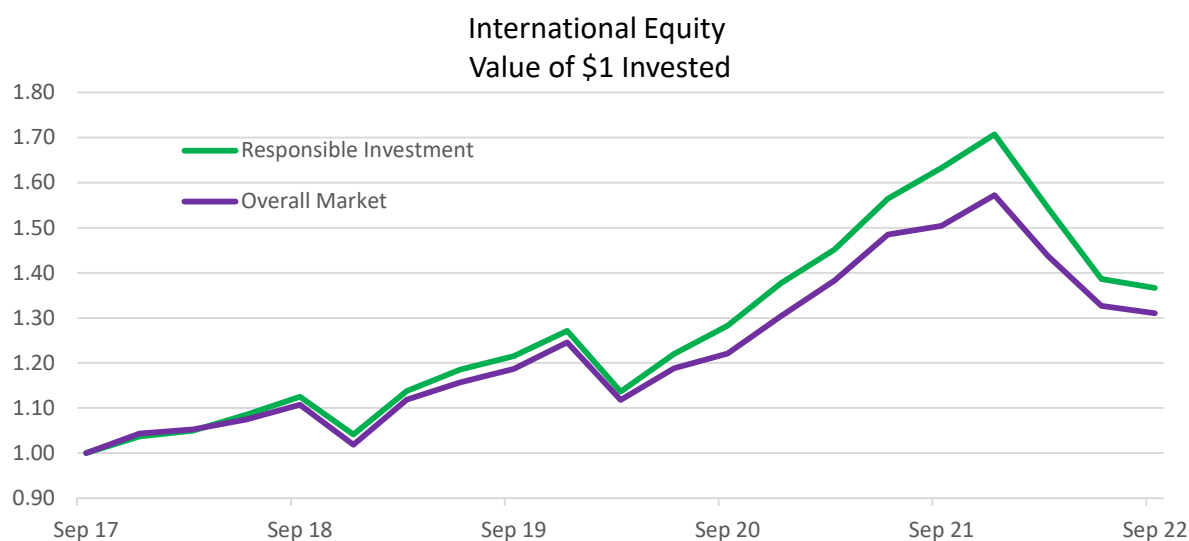
After significant recent inclusions **New Zealand** Responsible Funds now comprise \$46.1bn of Funds Under Management, which is 31.3% of the total NZ Retail market and although FUM fell 9.1% over the past year, 5 year CAGR remains strong at 11.9% p.a.

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Funds Under Management								
\$millions	September 2022		September 2021		September 2017		Growth Rates	
							Annual	5yr CAGR
Australian Investment	57,116	37.35%	56,168	39.00%	30,440	42.57%	1.69%	13.41%
Australian Super	42,272	27.65%	31,372	21.78%	14,060	19.66%	34.74%	24.63%
New Zealand	46,121	30.16%	50,721	35.22%	26,327	36.82%	-9.07%	11.87%
Exchange Traded Funds	7,397	4.84%	5,755	4.00%	677	0.95%	28.53%	61.30%
Totals	152,907	100.00%	144,016	100.00%	71,504	100.00%	6.17%	16.42%

Responsible International Equity trusts displayed a similar overall trend to comparable trusts over the past 5 years but on average have clearly outperformed since 2020, exhibiting extended peaks and quicker recoveries from market troughs compared to the wider market.



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About the Market Overview

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